# Moody's Corporation Reports Non-Recurring Gain from Insurance Recovery

NEW YORK, Feb 24, 2003 -- Moody's Corporation (NYSE: MCO) today announced that it has received a $15.9 million insurance recovery for incremental costs incurred and lost profits related to the September 11, 2001 tragedy.

Combined with a $4 million advance payment received in 2002, the company's total recovery related to this matter was $19.9 million. The portion of the recovery that exceeded Moody's incremental costs incurred will be recorded as a non-recurring gain of approximately $13.6 million, or $0.05 per diluted share, in the first quarter of 2003.

Because this gain was not known with sufficient certainty at the time, it was not included in Moody's previous 2003 earnings guidance as set forth in the company's 2002 earnings release on February 4, 2003. Excluding this gain, and before the estimated $0.04 per share impact of expensing stock options as previously announced, Moody's continues to expect that percent growth in 2003 diluted earnings per share will be in the low double digits.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

Certain of the statements contained in this release 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. The forward-looking statements and other information are made as of February 24, 2003, 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, changes in the volume of debt securities issued in domestic and/or global capital markets; changes in interest rates and other volatility in the financial markets; 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; proposed U.S., foreign, state and local legislation and regulations, including those relating to nationally recognized statistical rating organizations; the possible loss of key employees to investment or commercial banks or elsewhere and related compensation cost pressures; the outcome of any review by controlling tax authorities of the Company's global tax planning initiatives; the ability of the Company to successfully integrate the KMV and MRMS businesses; 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, 2001 and in other filings made by the Company from time to time with the Securities and Exchange Commission.

Moody's Corporation (NYSE: MCO) is the parent company of Moody's Investors Service, a leading provider of credit ratings, research and analysis covering debt instruments and securities in the global capital markets, and Moody's KMV, a credit risk management technology firm serving the world's largest financial institutions. The corporation, which employs more than 2,000 associates in 17 countries, had reported revenue of $1.0 billion in 2002. Further information is available at www.moodys.com.

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