Moody's Signs Affiliation Agreement with Czech Rating Agency

LONDON--Oct. 17, 2000--Moody's Investors Service today announced that it had entered into an affiliation agreement with the Prague-based Czech Rating Agency (CRA), the largest credit rating agency in a nation poised for solid financial markets growth, particularly in cross-border debt issuance.

The primary activities of the relationship between Moody's and CRA will include the provision of technical assistance by Moody's, joint research production, and the promotion of awareness of credit analysis generally in the Czech Republic.

"Prague already is a regional intermediation and conference hub for Central and Eastern Europe's growing markets," said Chester Murray, Moody's London-based Managing Director for Europe. "Moody's strategy has always been to bring its expertise close to clients, both current and potential. We believe this is a valuable opportunity for both organizations."

"The affiliation of CRA with Moody's is a recognition of CRA's reputation in the Czech market. CRA has a strong position in its home market and with the Moody's affiliation, CRA and Moody's will be able to build strong positions in Central-and Eastern Europe," said Petr Vins, Chairman of CRA's Management Board.

The Czech Republic is home to many entities that already have accessed the world's capital markets or are likely to do so. These entities include industrial corporations, municipalities, financial institutions, mutual funds, and pension funds. Further growth could be produced by the country's possible future membership in the European Union (EU).

This agreement with CRA marks the sixth international rating agency that Moody's has affiliated with in the last two years. Other joint ventures/affiliations are with Korea Investors Service (Korea), ICRA, Ltd., (India), Dagong Global Credit Rating Co. Ltd. (China), Clasificadora De Riesgo Humphreys Limitada (Chile), and Ratto-Humphreys Calificadora de Riesgo S.A. (Argentina).

Czech Rating Agency a.s., a subsidiary of Pragocontact Corporation (Washington, D.C.), is the first and leading provider of credit ratings in the Czech Republic. Target sectors are industrials, municipalities, financial institutions and investment projects. CRA produces the yearly Czech Sector Award, a sector evaluation of 4,000 Czech companies and the CRA Fund Ranking, an evaluation of all Czech mutual funds.

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, Sao Paulo, Milan, 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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