

MOODY'S | INVESTOR DAY **2014**

September 30, 2014
New York, NY

Moody's



Welcome

SALLI SCHWARTZ, GLOBAL HEAD OF INVESTOR RELATIONS

SEPTEMBER 30, 2014

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 2014 and other forward-looking statements in this presentation are made as of September 30, 2014, 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 is 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 disruptions and economic slowdown; concerns in the marketplace affecting our credibility or otherwise affecting market perceptions of the integrity or utility of independent 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 Dodd-Frank Wall Street Reform and Consumer Protection Act and anticipated regulations resulting from that Act; the potential for increased competition and regulation in the EU and other foreign jurisdictions; exposure to litigation related to our rating opinions, as well as any other litigation to which the Company may be subject from time to time; provisions in the Dodd-Frank 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 our 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; 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 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, 2013 and in other filings made by the Company from time to time with the Securities and Exchange Commission.

Logistics

- All of today's sessions will take place in rooms C/D (where you are now)
- All refreshment breaks will be in rooms A/B (next door, to your right when you exit)
- We ask that you hold all questions until Q&A
- If you need assistance, please ask our event staff – identifiable by red-colored tags below their name badges – for help
- There is also an 'Information Desk' directly outside this room
- We plan to collect feedback on Moody's 2014 Investor Day via a brief survey that will be emailed to you following today's event
  - Please take 5 minutes to provide feedback – thank you in advance

Agenda

TIME	ROOM	TOPICS	SPEAKERS
7:00 – 8:00 am	A/B	Registration / Breakfast	
8:00 – 8:05 am	C/D	**Welcome**	**Salli Schwartz**, Global Head of Investor Relations
8:05 – 8:20 am	C/D	**Opening Remarks**	**Ray McDaniel**, President and CEO, Moody's Corporation
8:20 – 8:50 am	C/D	**Session 1:** Macroeconomic Overview	**Mark Zandi**, Chief Economist, Moody's Analytics
8:50 – 9:50 am	C/D	**Session 2:** Moody's Investors Service	**Michel Madelain**, President and COO, Moody's Investors Service **Tom Keller**, Managing Director, Geographic Management and Sovereign Ratings
9:50 – 10:20 am	C/D	**Session 3:** Legal / Regulatory Update	**John Goggins**, EVP and General Counsel, Moody's Corporation
10:20 – 10:35 am	A/B	Break	
10:35 – 11:35 am	C/D	**Session 4:** Moody's Analytics	**Mark Almeida**, President, Moody's Analytics **Steve Tulenko**, Executive Director, Enterprise Risk Solutions
11:35 – 12:35 pm	C/D	**Session 5**: Financial Strategy	**Linda Huber**, EVP and CFO, Moody's Corporation **David Platt**, Managing Director, Head of Corporate Development **Lisa Westlake**, SVP, Chief Human Resources Officer
12:35 – 12:45 pm	C/D	**Closing and Thanks**	**Ray McDaniel**, President and CEO, Moody's Corporation
12:45 – 1:00 pm	A/B	Light Fare and Refreshments	

Today's Presenters



Ray McDaniel
President and Chief Executive Officer
1987



John Goggins
Executive Vice President and General Counsel
1999



David Platt
Managing Director, Head of Corporate Development
2013



Steve Tulenko
Executive Director, Enterprise Risk Solutions
1990



Linda Huber
Executive Vice President and Chief Financial Officer
2005

1985 1990 1995 2000 2005 2010



Tom Keller
Managing Director, Geographic Management and Sovereign Ratings
1992



Lisa Westlake
SVP and Chief Human Resources Officer
2004



Mark Almeida
President, MA
1988



Michel Madelain
President and Chief Operating Officer, MIS
1994



Mark Zandi
Chief Economist, MA
2005

Year indicates the initial year of employment at Moody's.

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Opening Remarks

Session Overview

1. **Updates:**

   Guidance

   Copal Amba

2. **Moody's Mission Statement**

3. **Preview of Business Drivers and Financial Profile**

4. **Summary Thoughts**

Full-Year 2014 Guidance as of September 30, 2014

» Revenue:	Low-double-digit % growth range
» Operating Expenses:	High-single-digit % growth range
» Operating Margin:	42% to 43%
» Adjusted Operating Margin*:	45% to 46%
» Effective Tax Rate:	Approximately 33%
» **Non-GAAP Earnings Per Share*:**	**$3.95 - $4.05**
» **Share Repurchases:**	**Up to $1.25 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)**
» Capital Expenditures:	Approximately $90 million
» Depreciation & Amortization:	Approximately $100 million
» Growth in Compliance & Regulatory Expenses:	Less than $5 million
» Free Cash Flow*:	Approximately $900 million

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

Anticipated Buyout of Copal Amba

- Expect to purchase the remaining outstanding shares of Copal Amba pursuant to a call option as described in our SEC filings
  - Copal Partners has performed well since our acquisition of 67% of the business in late 2011
  - Our subsequent acquisition of Amba Investment Services has given us more complete research products and services for financial institutions globally
  - Moody's has offshored work to Copal Amba, and will continue to do so
- We expect returns to solidly exceed our cost of capital
  - **Timing:** expected to close in late 4Q14
  - **2014 EPS impact:** none
  - **Funding:** offshore cash



Our Mission is to be the World's Most Respected Authority Serving Risk-Sensitive Financial Markets

» **Defend and enhance our core ratings and research businesses**

- Ratings accuracy and transparency
- Research timeliness and insight
- Outreach and distribution

» **Pursue strategic growth opportunities**

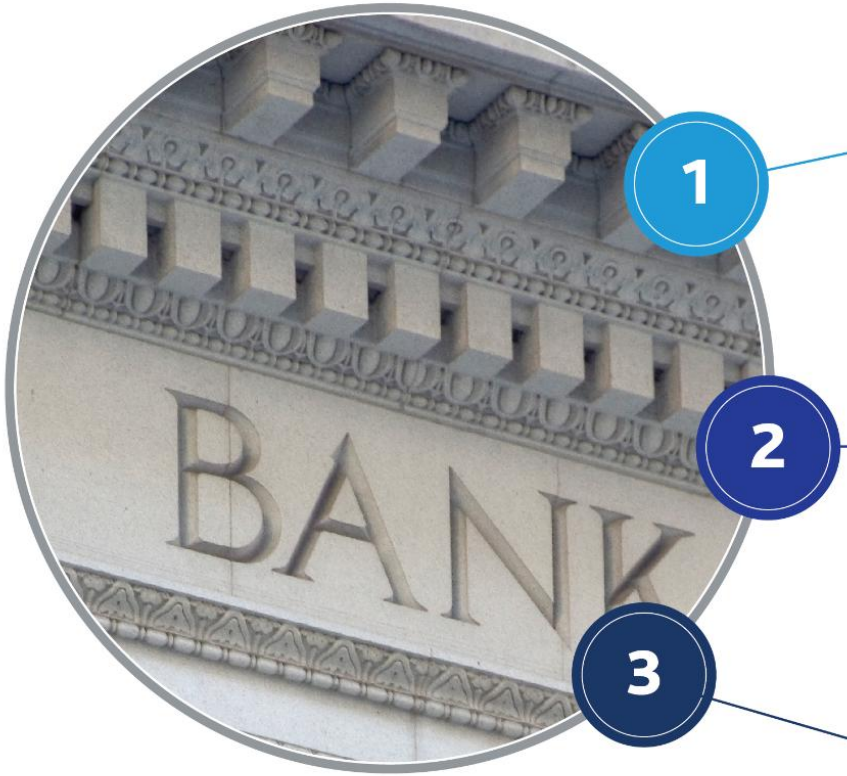
- Leverage competencies and brand to extend Moody's presence in financial markets
- More broadly occupy credit/financial risk management and information vertical
- Extend thought leadership footprint
- Swim upstream in emerging financial markets



Progress Over the Past Several Years

- **Moody's Investors Service (MIS) and Moody's Analytics (MA) both recognized as market leaders:**
  - MIS: Institutional Investor #1 U.S. Credit Rating Agency 2012-2014, FinanceAsia Fixed Income Research Poll Most Influential Credit Rating Agency in Asia 2013-2014
  - MA: 2014 Asia Risk Technology Rankings best Regulatory Capital Calculation Management and best Asset and Liability Management (ALM) provider; Risk Magazine predicts MA will be one of the most influential technology vendors over the next 5 years
- **Greater clarity on the regulatory front; progress on the legal front**
- **Expanded Moody's geographic reach and product offerings:**
  - MIS: majority stake in ICRA (2014)
  - MA: Copal Partners (2011), Barrie & Hibbert (2011), Amba Research (2013), WebEquity (2014)
- **For 2011-2013:**
  - CAGRs in revenue, operating income and GAAP EPS of 14%, 18% and 20%, respectively
  - Returned $1.9 billion of capital to shareholders through share repurchases and dividends

Changes in the Banking Sector Create Demand for Moody's Offerings



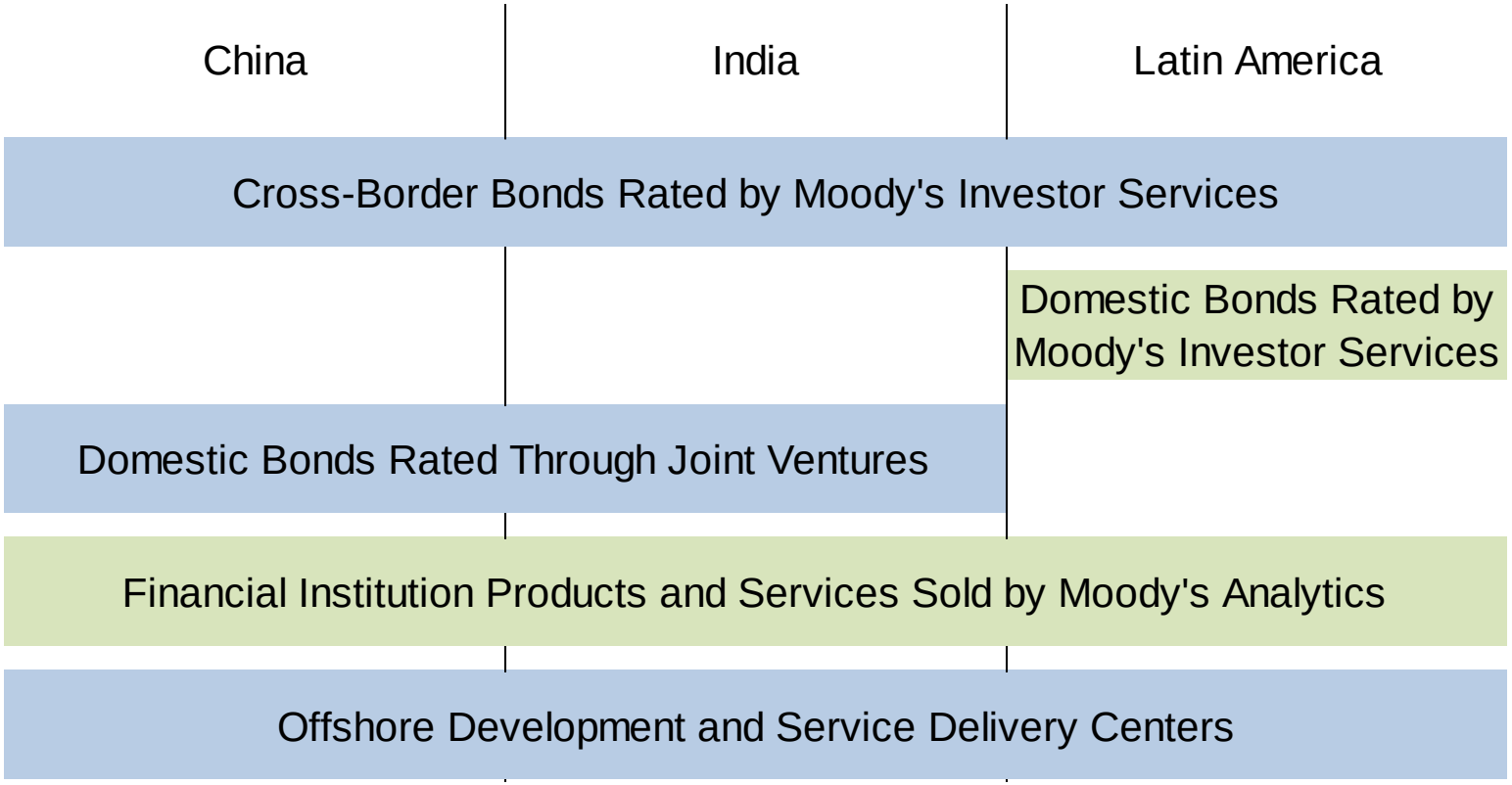
Disintermediation
Banks are not providing traditional levels of funding

Regulatory Reporting Software / Stress-Testing
Financial institutions are required to comply with new regulation

Offshored Resources
Banks are looking to reduce costs, streamline operations

Key Emerging Markets Provide Opportunity

» Key emerging markets, such as China, India and Latin America, are increasingly demanding credit opinions and risk products and services.



Looking Forward…

- **Ratings quality and transparency**
  - Ratings quality (accuracy) an element of our compensation plan
  - Increased transparency, a focus of global regulators
- **Thought leadership on issues of interest to credit market participants**
  - Moody's continues to lead coverage by top-tier media globally
  - Year-to-date through August 2014, Moody's published over 2,800 industry outlooks/special reports and over 51,000 issuer-related pieces
- **Further extend our existing businesses and consider select adjacent markets**
  - Establish the use of Moody's ratings in key emerging markets
  - Make MA's products and services as essential to financial market participants as MIS's ratings are to the capital markets

Looking Forward (cont.)…

- **Realization of additional operating leverage**
  - Margin improvement at our Enterprise Risk Solutions business, potentially leading to an increased margin for Moody's Analytics overall
  - Offshoring and/or automation where appropriate
- **Continued return of capital to shareholders**

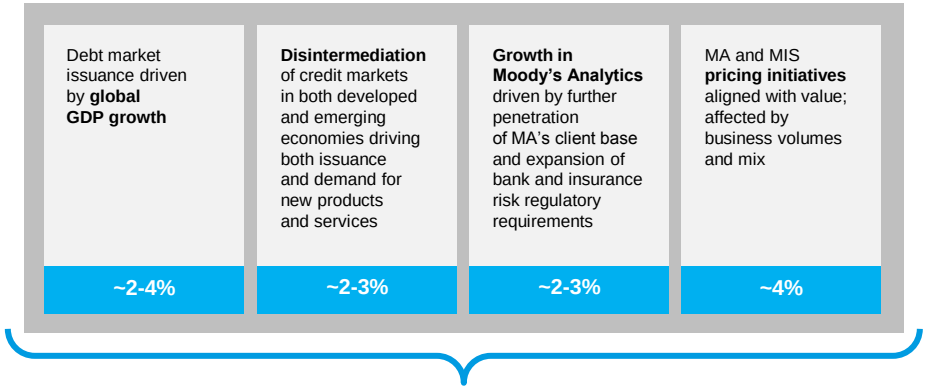
We are committed to responsible and disciplined execution to position our business for the long-term

Secular Trends Drive Long-Term Moody's Corporation Revenue Growth Opportunities

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%**	**~4%**

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

Revenue Growth, Operating Leverage and Balance Sheet Management Provide the Opportunity for EPS Growth



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

+

Potential Operating Income Margin Expansion

+

Ongoing Share Repurchases*

Long-Term EPS Growth Opportunity: Mid-Teens % (on average)**

*Subject to market conditions and other ongoing capital allocation decisions.
**Assumes no material change in effective tax rate, leverage profile and/or capital allocation policy.

Summary Thoughts

- **Our mission guides intelligent decision making**
- **Execution is critical to success**
  - We have executed well through challenging cycles
  - We like the businesses we're in, but they are dynamic and we must anticipate and address changing conditions
  - Legal and regulatory risks remain
- **The business has financial resilience under various macroeconomic climates**
- **We have the financial resources to both pursue attractive growth opportunities and reward shareholders**

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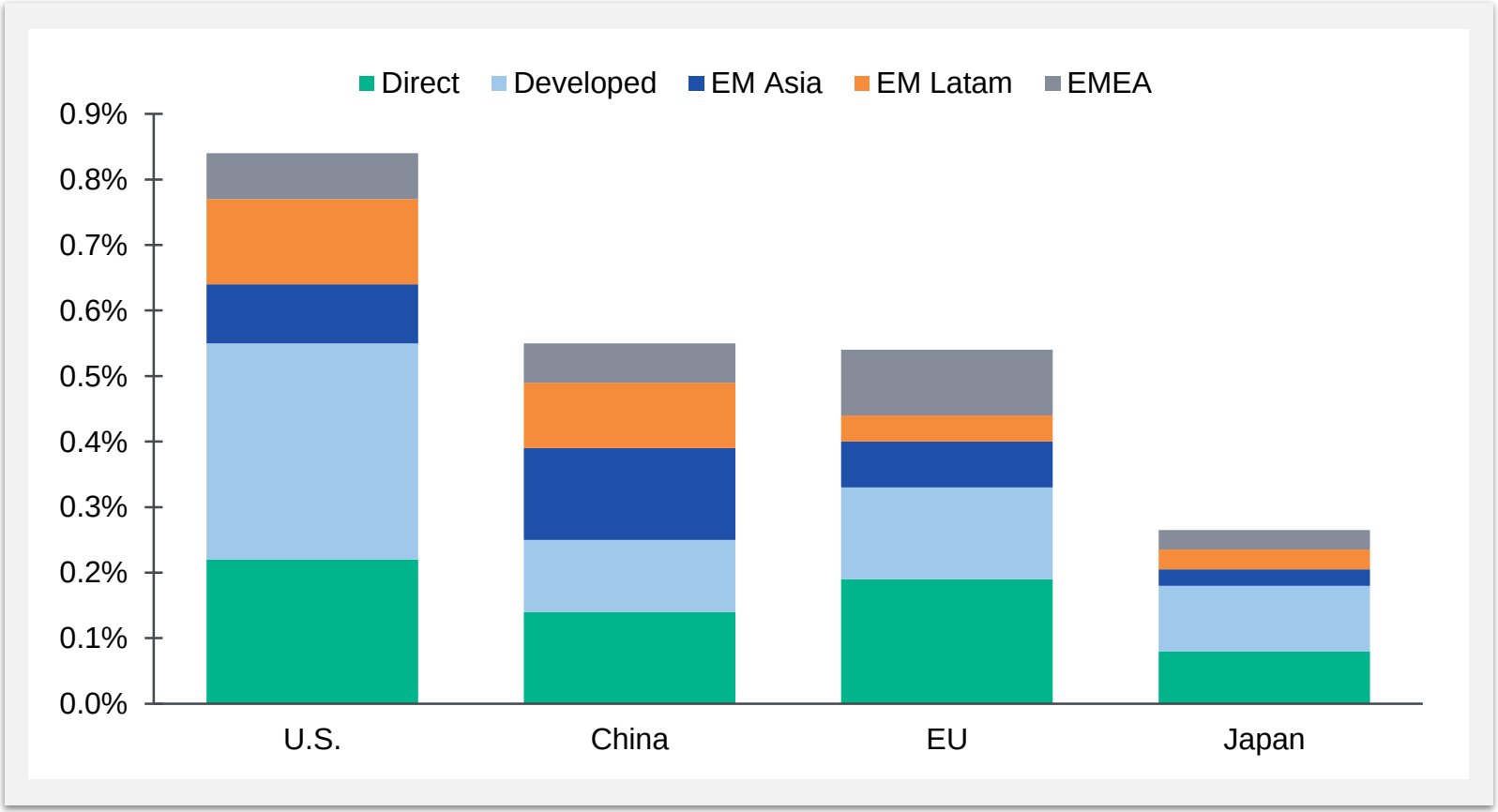
Session 1: Macroeconomic Overview

MARK ZANDI, CHIEF ECONOMIST, MOODY'S ANALYTICS

SEPTEMBER 30, 2014

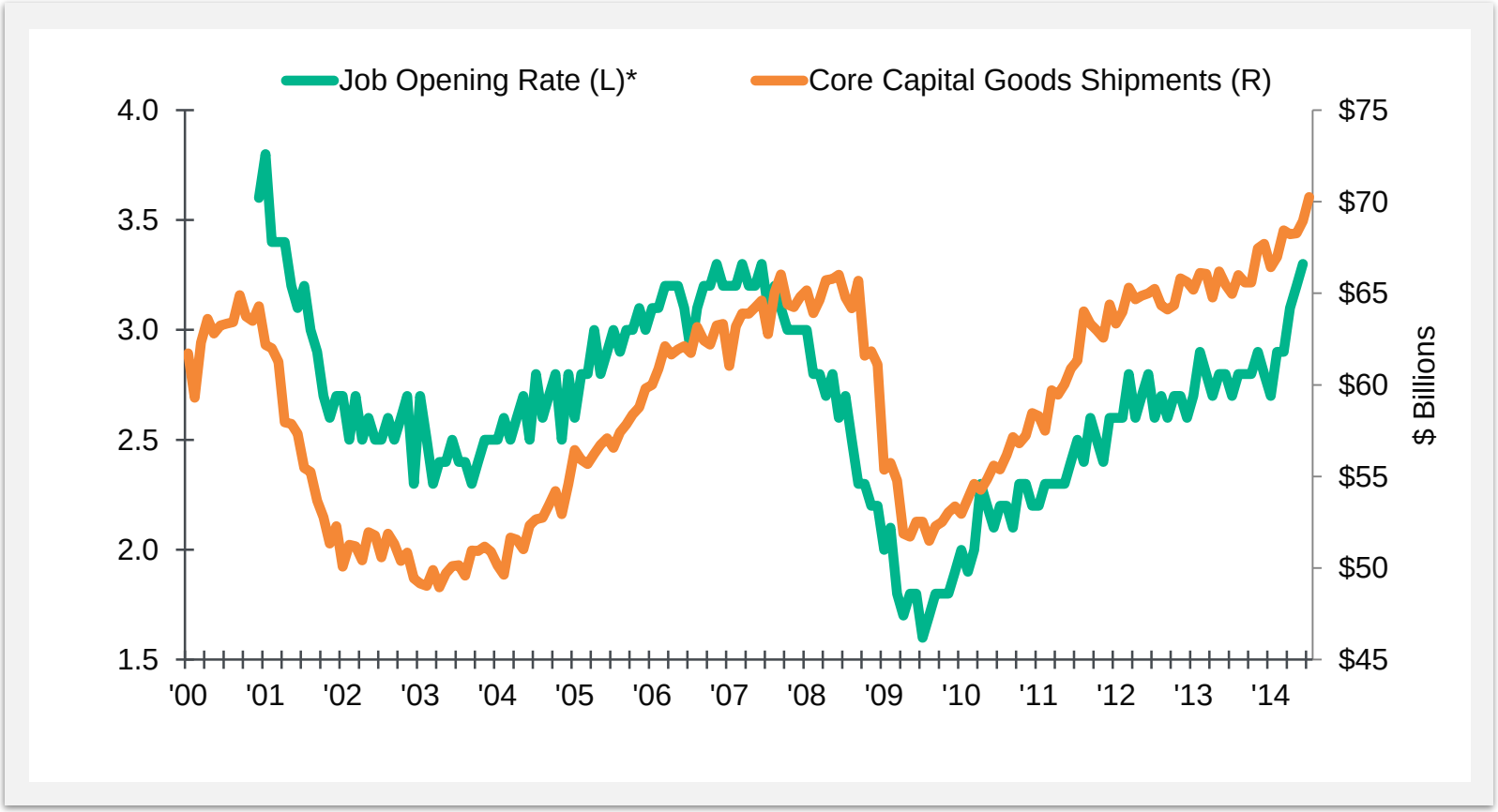
Global Engines of Growth

Contribution to global GDP growth from 1% acceleration in GDP growth of specified country



Source: Moody's Analytics

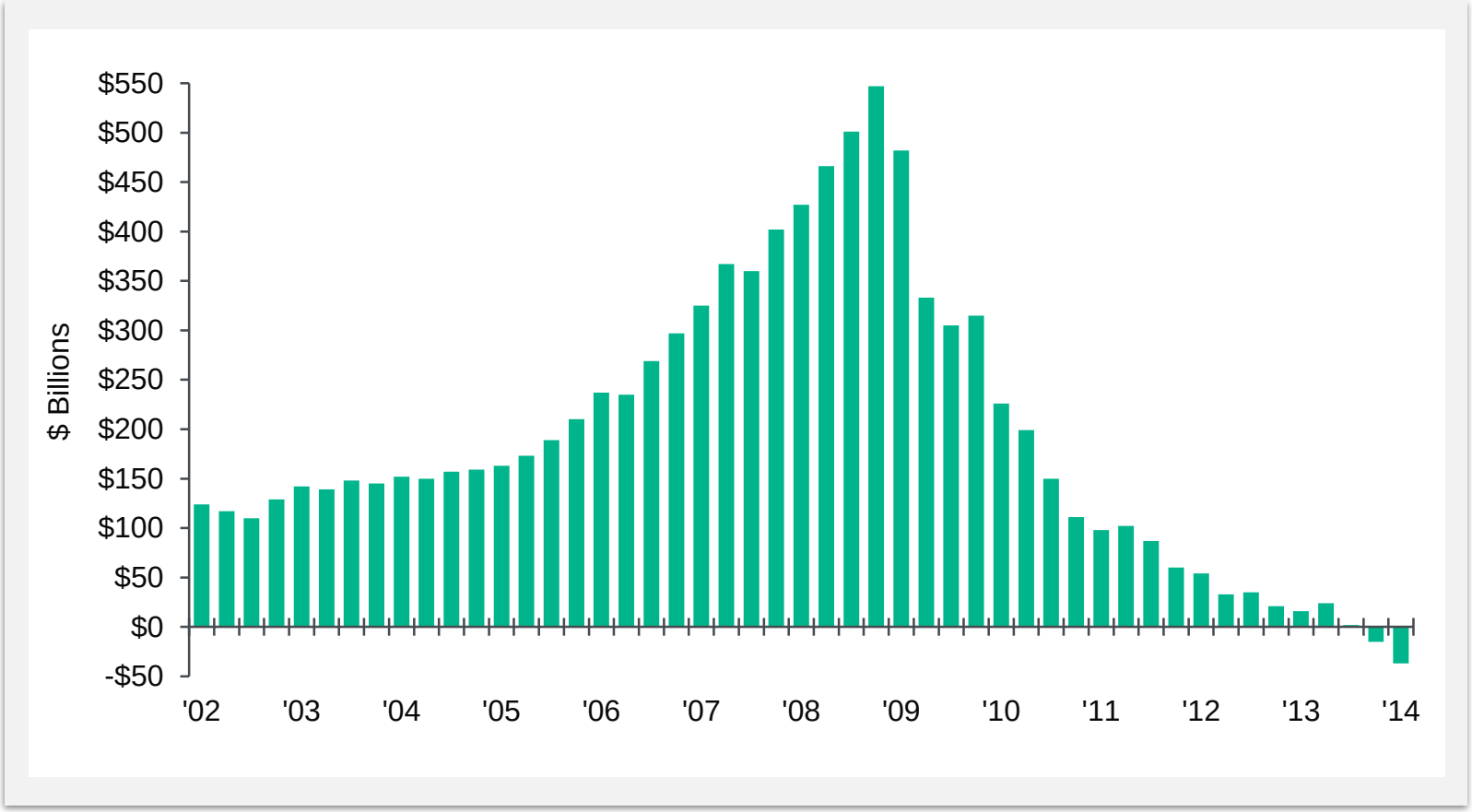
Approaching a Field of Dreams Moment in the U.S.



Sources: BLS, Census
*Job Opening Rate reflects open jobs as a % of the labor force.

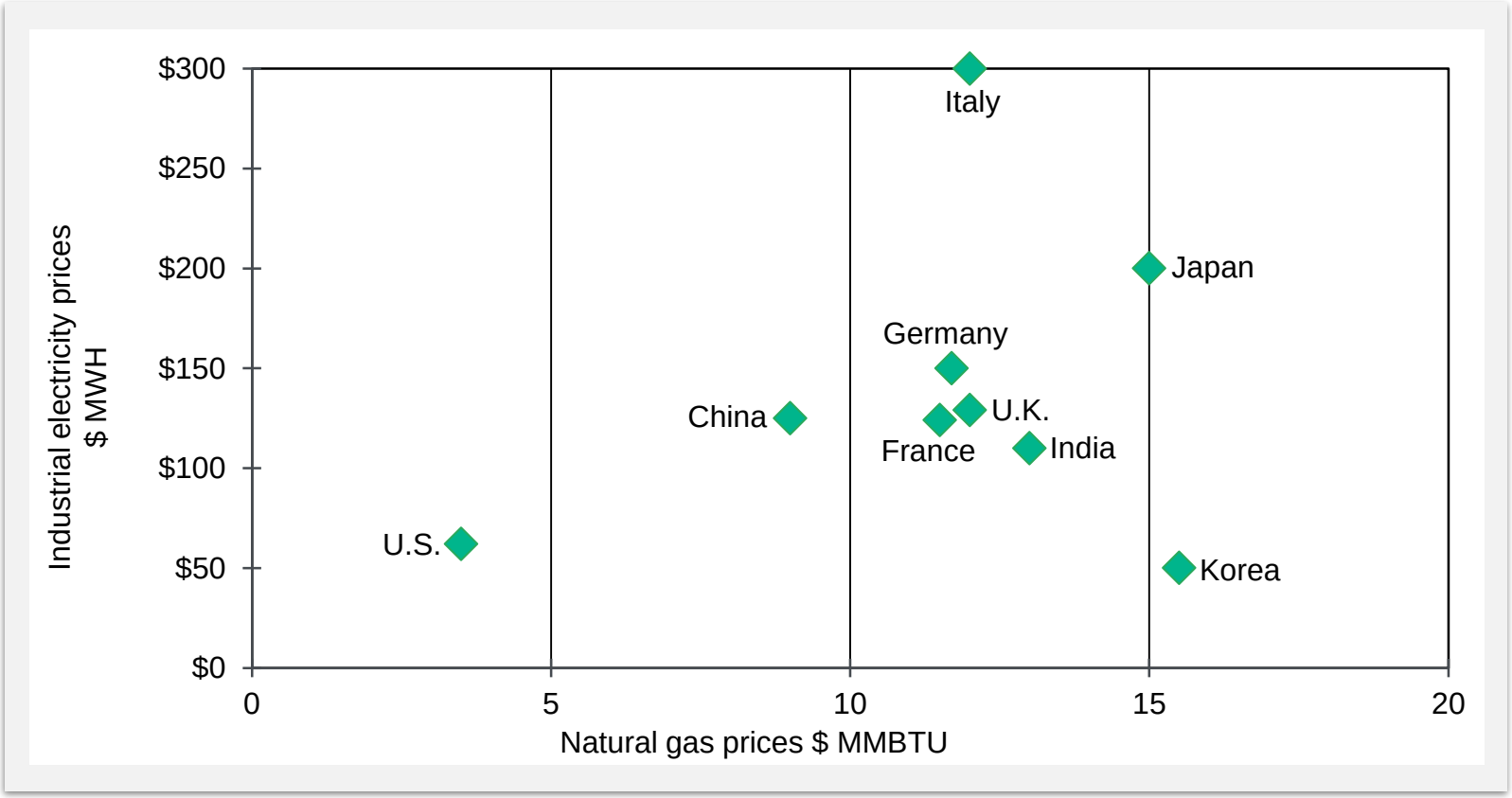
U.S. Banks are Overcapitalized

Difference between actual and necessary Tier 1 capital



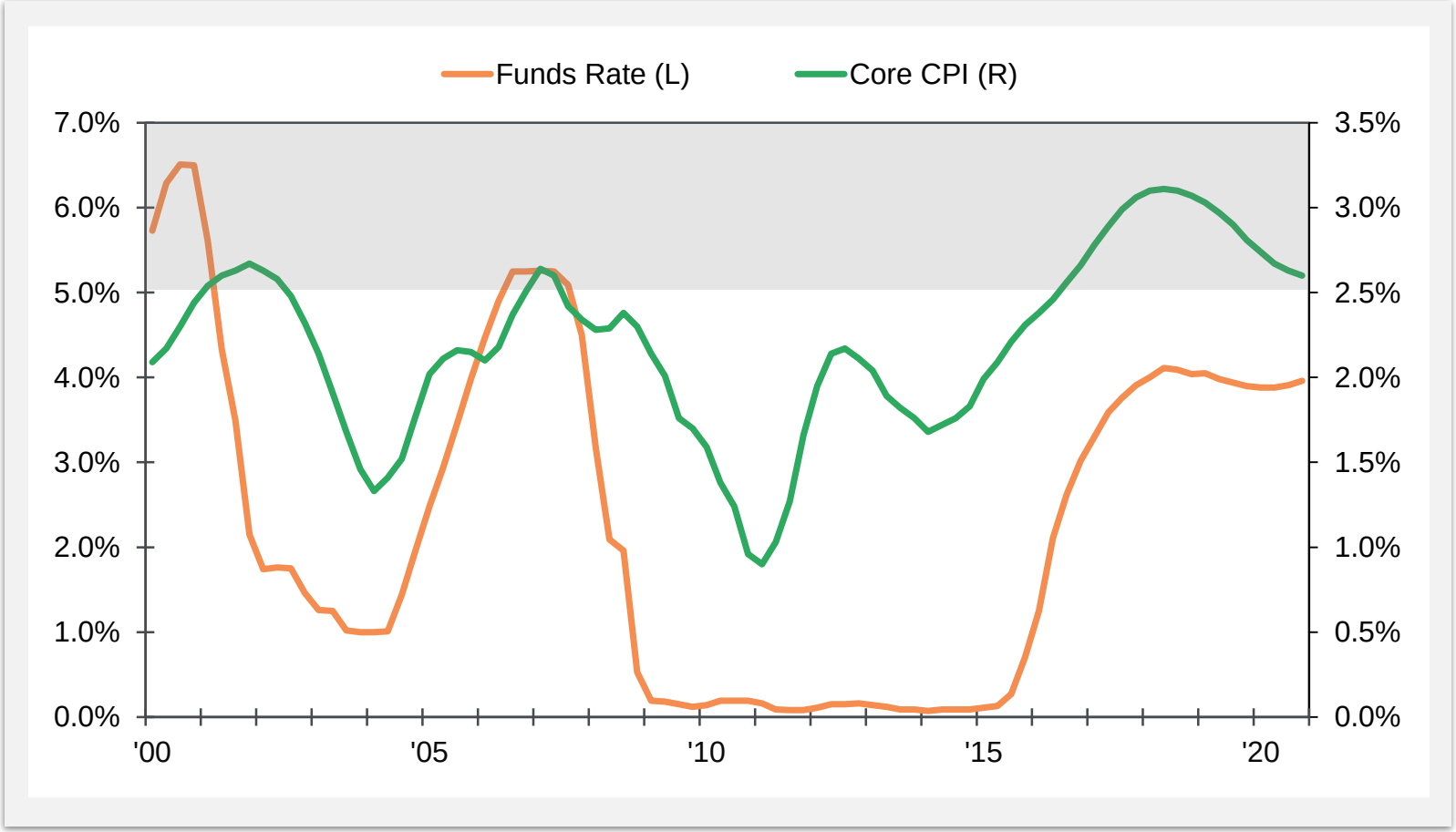
Source: Moody's Analytics

The U.S. Has a Significant Energy Advantage



Sources: Country sources, Moody's Analytics

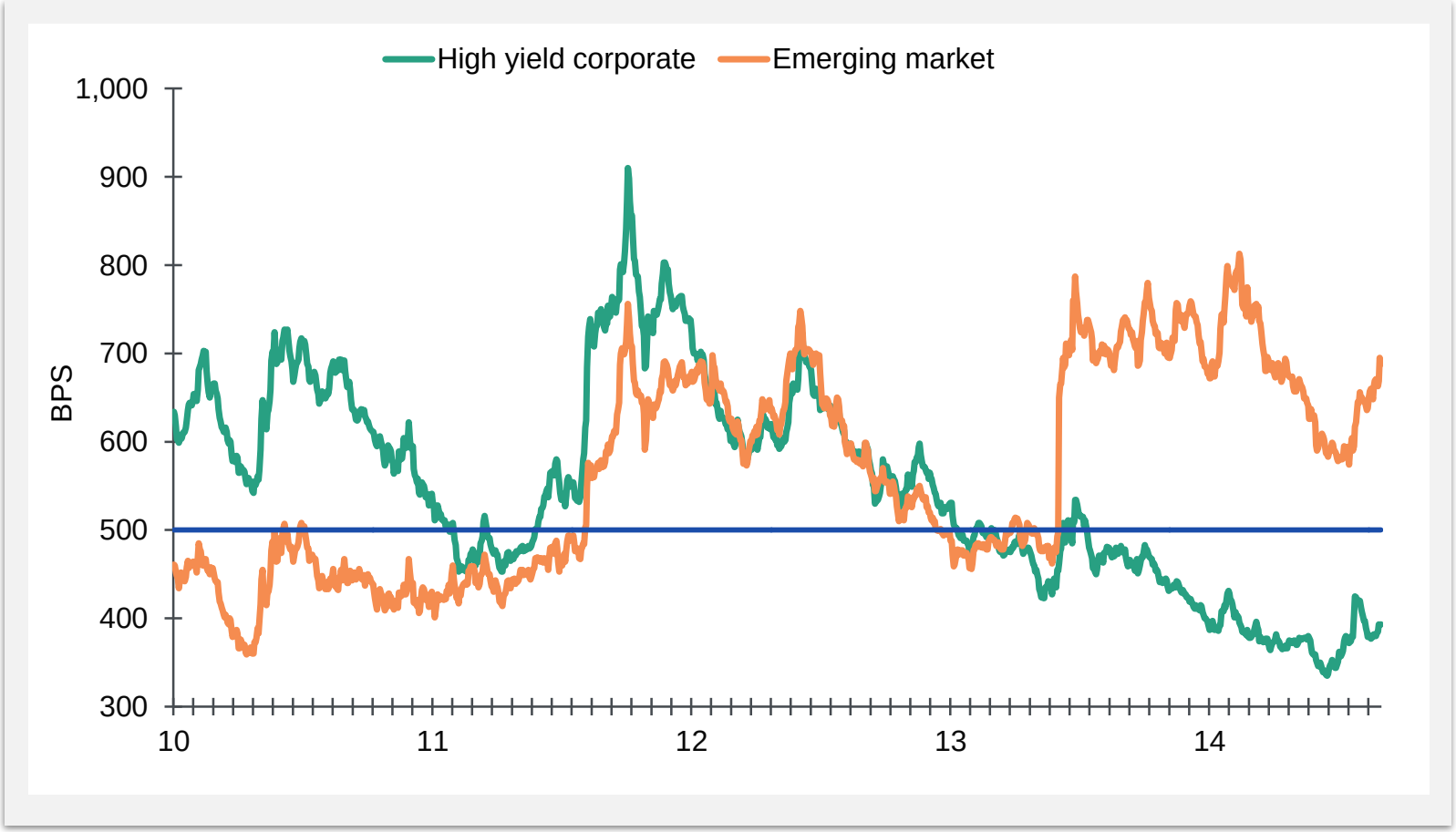
This Won't Be Easy For the Fed To Pull Off



Sources: BLS, Federal Reserve, Moody's Analytics

Emerging Economies Adjust

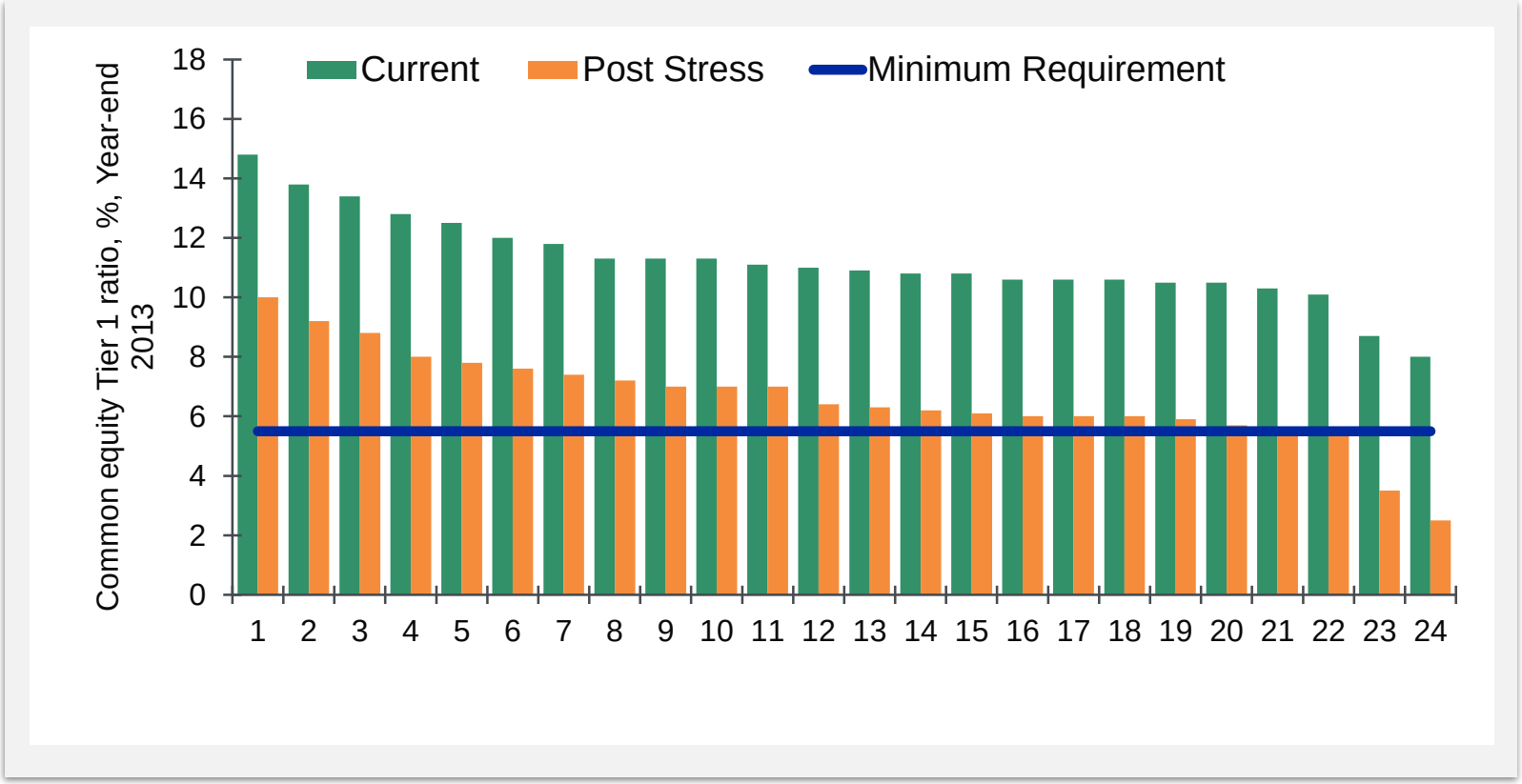
Spread over 10-yr Treasury yields, bps



Source: Bloomberg, Treasury, Moody's Analytics

Europe Stresses Its Banks

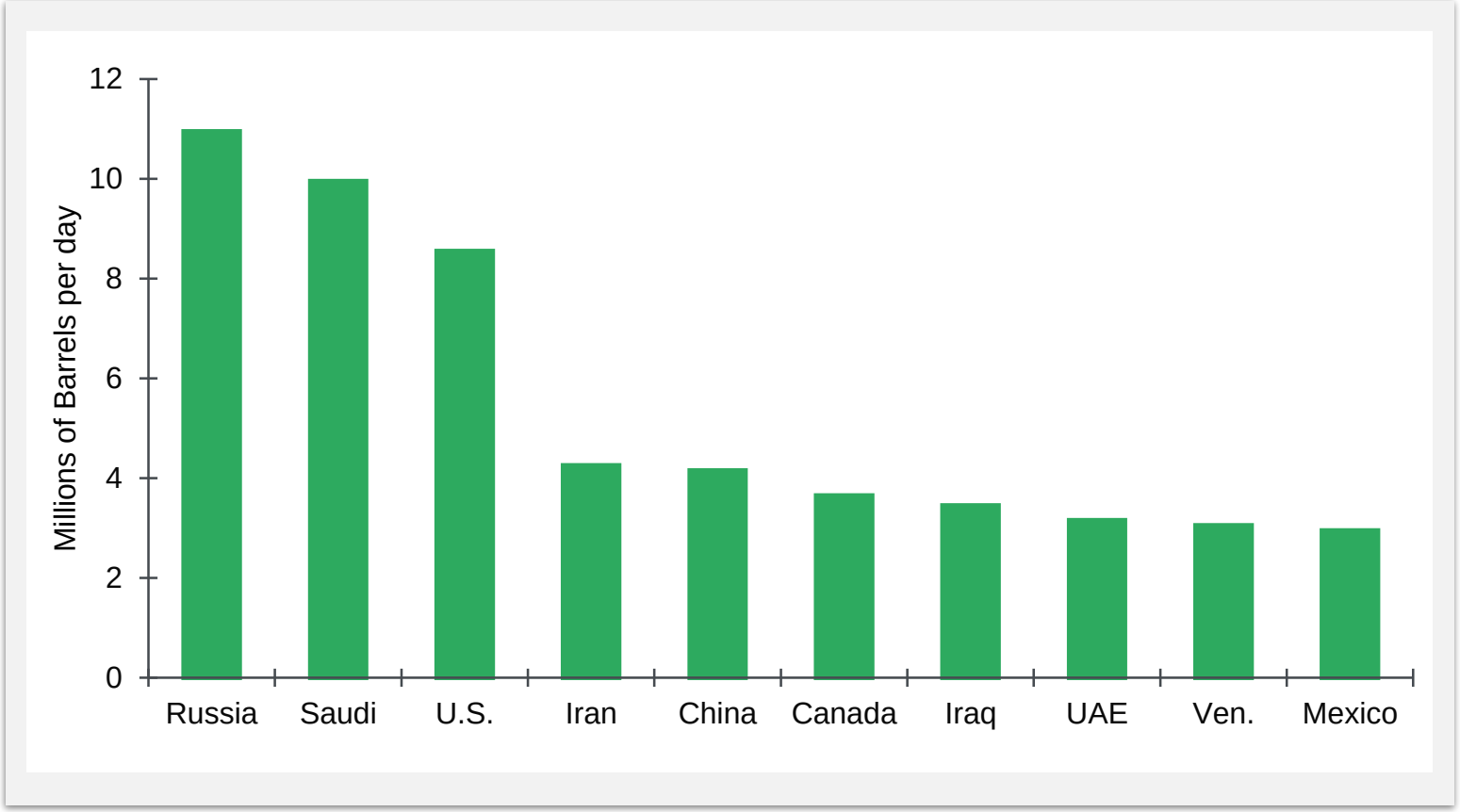
Large banks ranked by post stress-test CET1 ratio



Sources: SNL Financial, J.P. Morgan, Moody's Analytics

Geopolitical Risks Abound

2013 Global Oil production - 85 million barrels per day in 2013



Source: International Energy Agency

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Q&A

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Session 2: Moody's Investors Service

MICHEL MADELAIN, PRESIDENT AND COO, MOODY'S INVESTORS SERVICE
TOM KELLER, MANAGING DIRECTOR, GEOGRAPHIC MANAGEMENT AND SOVEREIGN RATINGS

SEPTEMBER 30, 2014

Session Overview

1. Current Environment
2. Positive Long-Term Fundamentals
3. Spotlight on Developing Markets
4. Areas of Focus

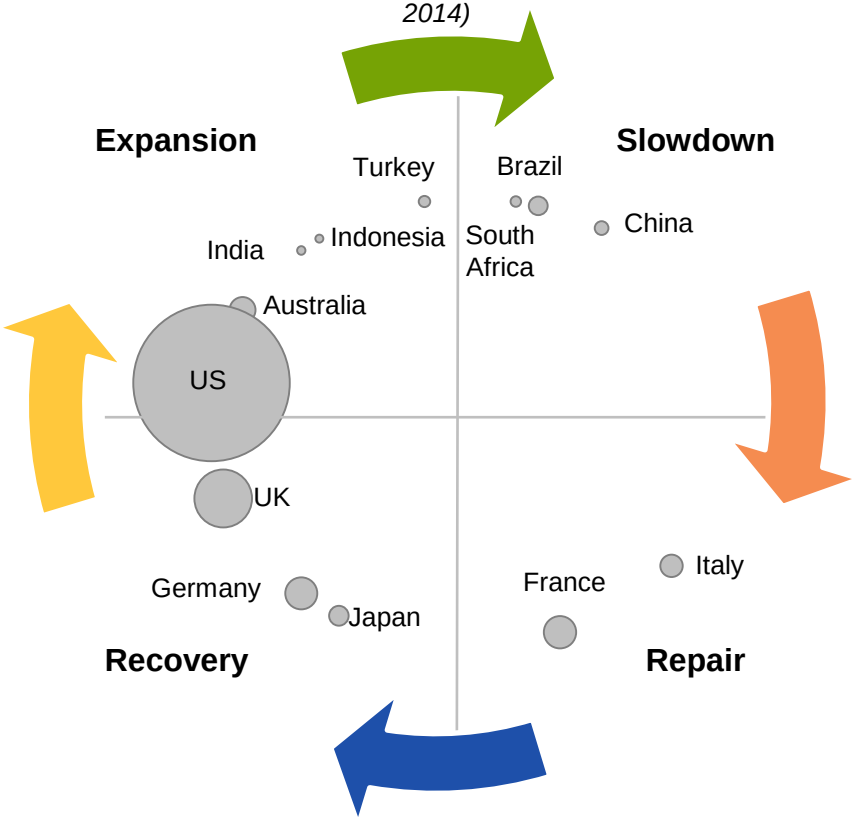
1

Current Environment

Supportive Credit and Economic Cycles

World economies are positioned across the credit cycle*

Bubble size is MIS TTM Revenue (July 2013-June 2014)



Improving macroeconomic and financial developments

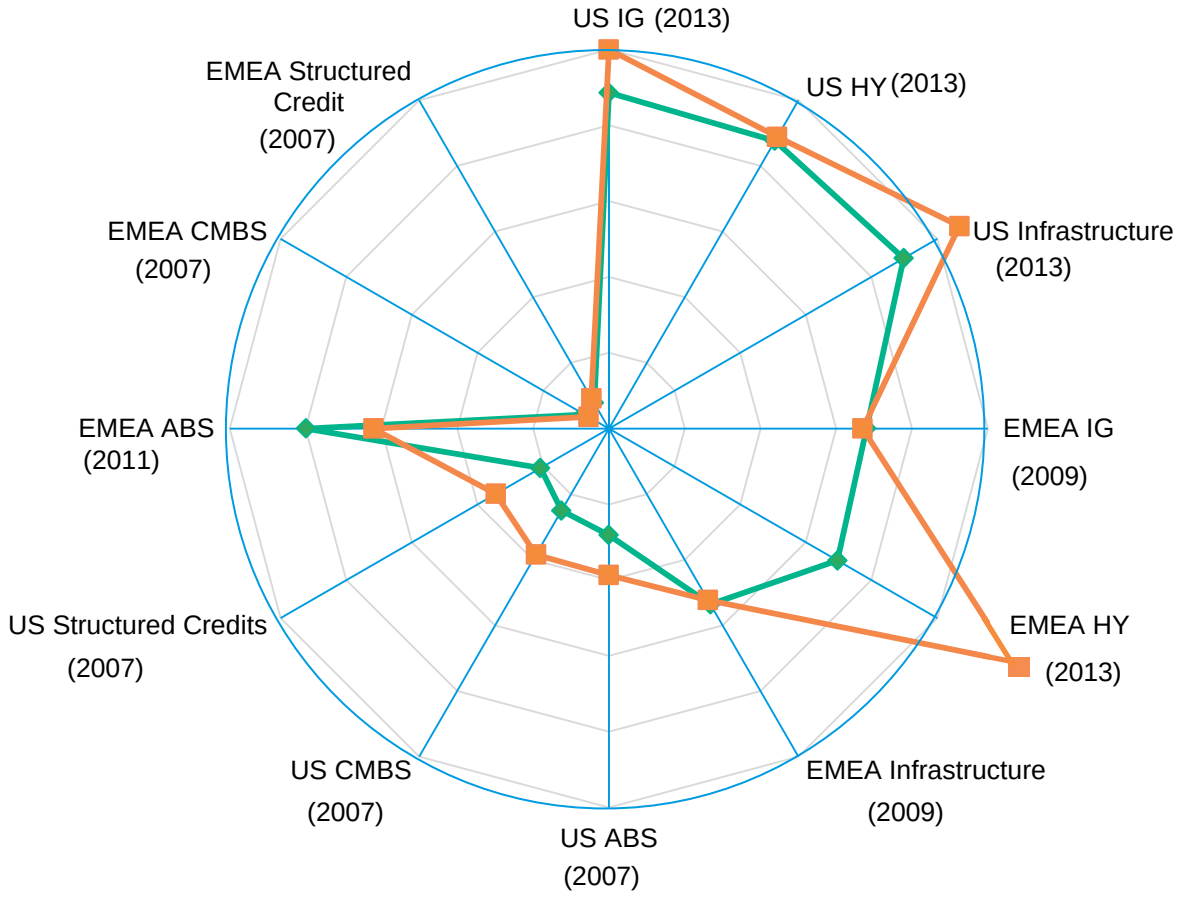
- Recovery in developed economies
- Diminished tail risks
- Accommodative monetary policies
- Risk premiums have declined
- Increased demand for complex assets

But sources of volatility remain

- Rise in rates and risk perception
- Uncertain path of monetary policy
- Geopolitical risks
- Enduring macroeconomic imbalances

*Sources: Bank for International Settlements, Moody's Investors Service.
Note: Expansion refers to rising and stronger than average credit growth; slowdown refers to above average but decreasing credit growth; repair denotes decreasing and below average credit growth; recovery denotes below average but rising credit growth.

High Watermark for EMEA HY, U.S. Infrastructure and U.S. IG Issuance; Significant Headroom for Structured, EMEA IG and EMEA Infrastructure Issuance



Recent Annual Peak Market Rated Issuance (since 2007)

( ) Year in parenthesis is the peak issuance year

3-Year Average market Rated Issuance ('11-'13) as % of Peak Issuance

Trailing 12-Month (ended 8/31/2014) Market Rated Issuance as % of Peak Issuance

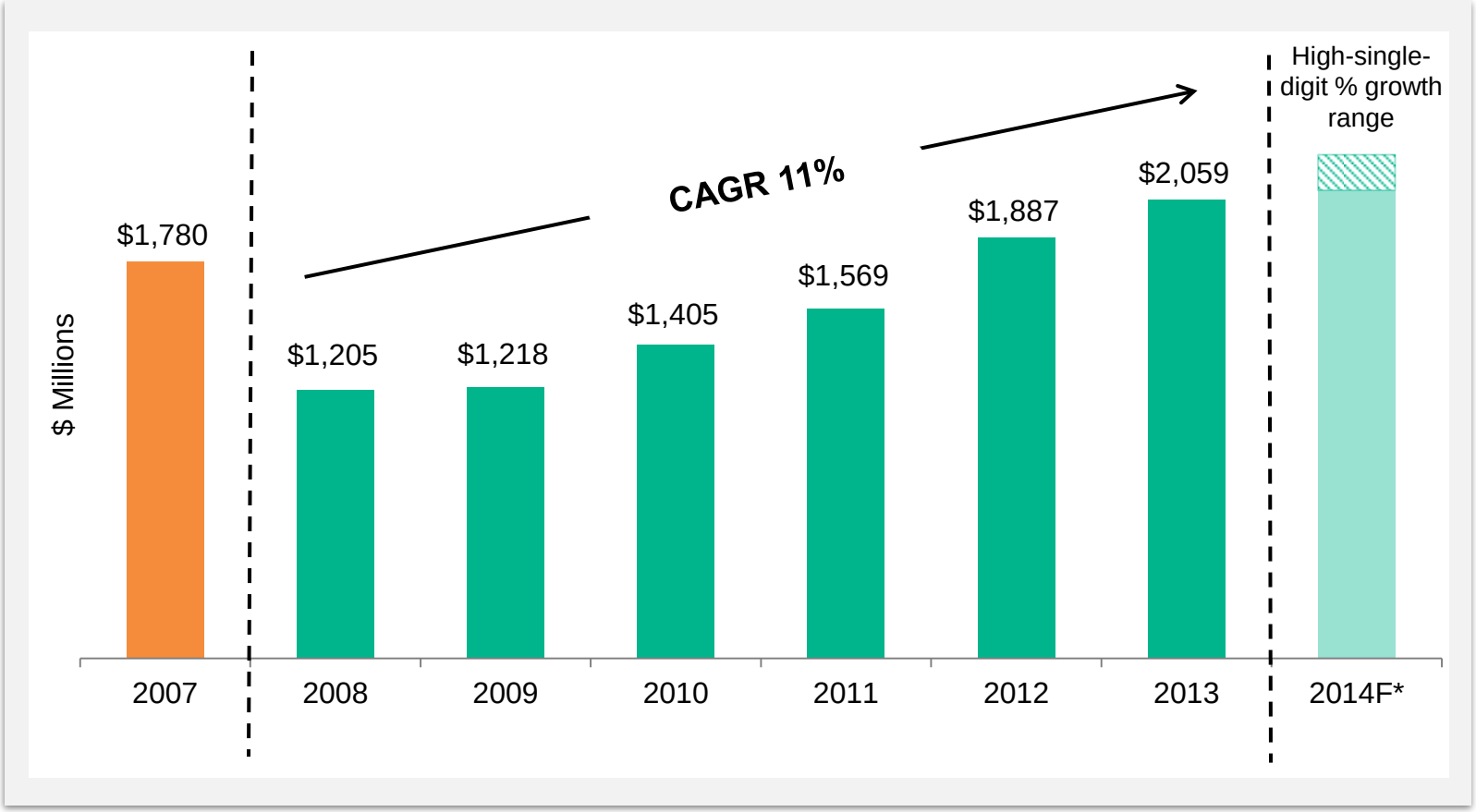
Source: Moody's Investors Service.

2

Positive Long-Term Fundamentals

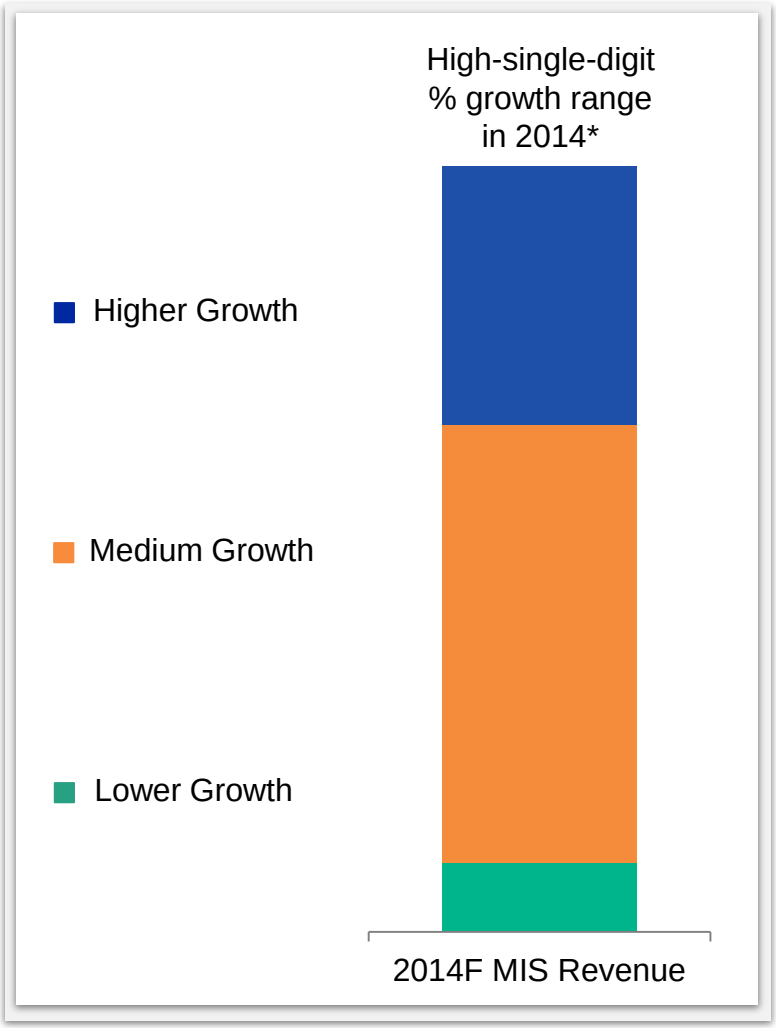
MIS Continues to Achieve Strong Revenue Growth

MIS revenue for full-year 2014 is expected to increase in the high-single-digit percent range



*Guidance as of September 30, 2014.

MIS "Portfolio" of Ratings Sectors Looking Ahead



Higher Growth

- International corporates and infrastructure finance as disintermediation and improved macro trends continue

Medium Growth

- The impact of rising interest rates on U.S. corporates issuance is expected to be mitigated by an improving economy
- U.S. and EMEA securitization outlook improving, with the latter helped by a more favorable view of the asset class from European policymakers
- U.S. public finance issuance becoming more closely tied to GDP growth

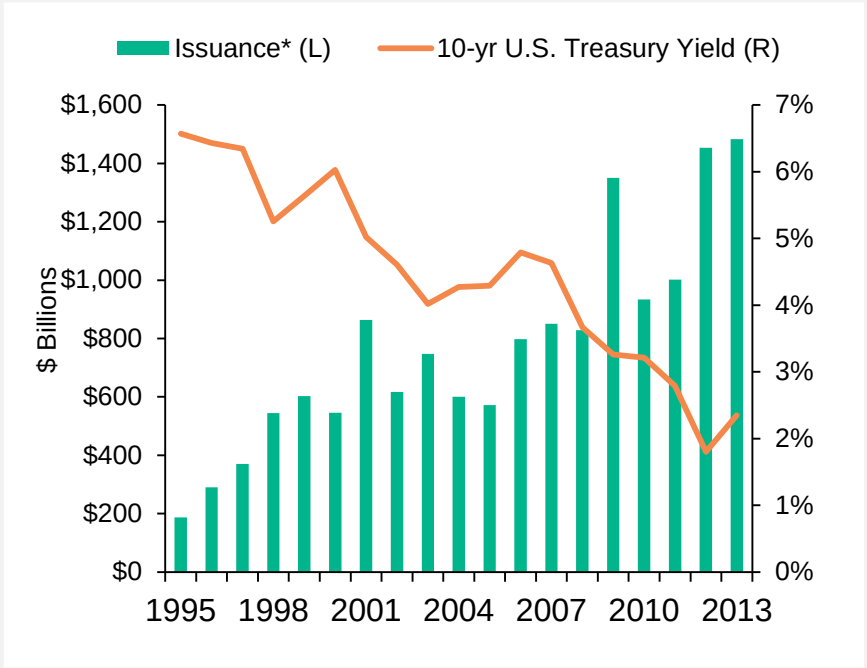
Lower Growth

- Financial institutions issuance growth constrained by macro and sector-specific factors

*Guidance as of September 30, 2014.

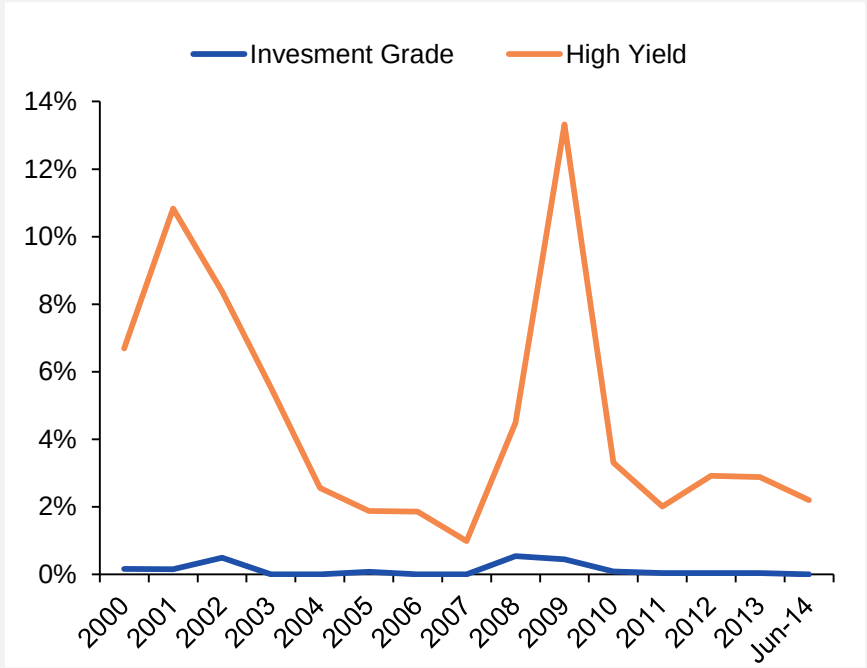
Favorable Context for Global Issuance and Low Default Rates Remain in Place in the Near-Term

Global Corporate Rated Issuance and Interest Rates



*Includes non-financial corporate investment grade and high-yield bond issuance. Source: Dealogic, Moody's Capital Markets Research Group.

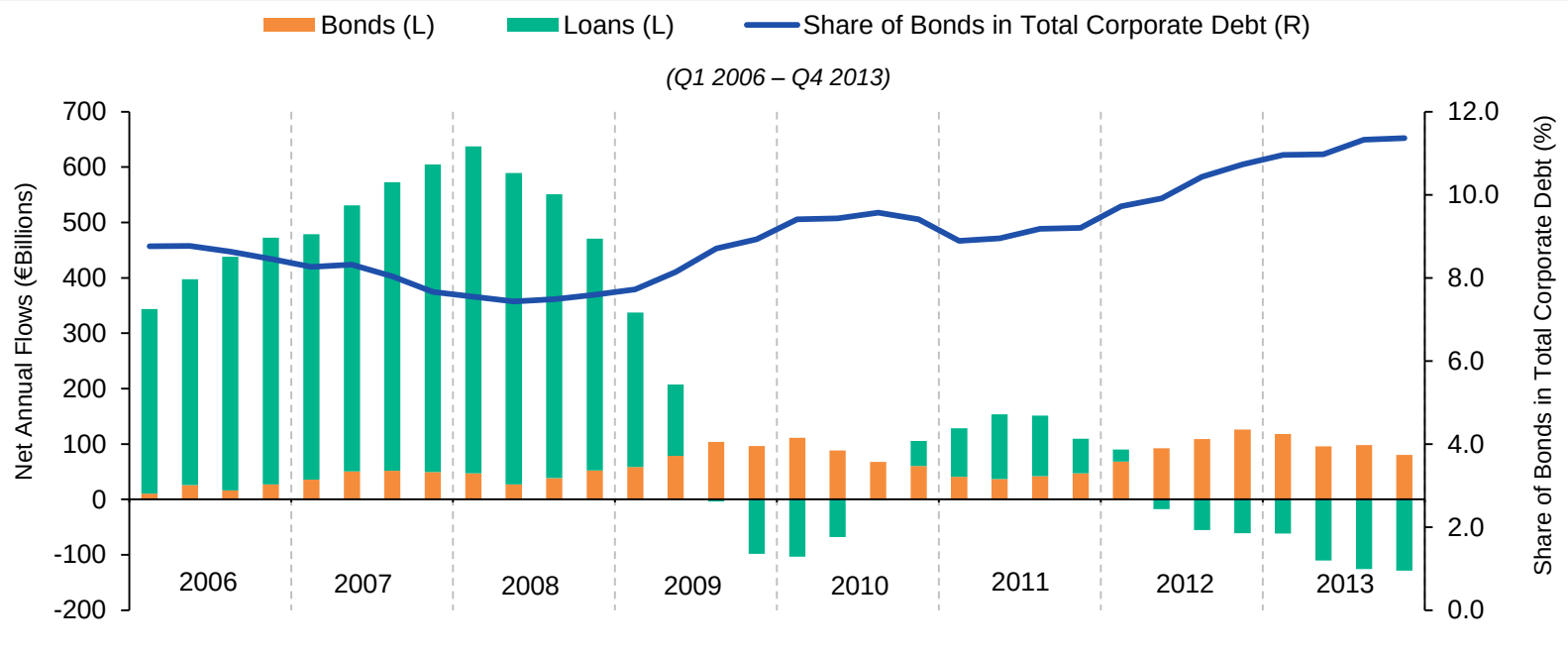
Annual Default Rates for Global Corporate Rated Issuance**



**Includes all Moody's rated non-financial corporate investment grade and high-yield bond issues. Source: Moody's Investors Service.

Disintermediation in Europe Continues to be a Driver for Growth

Bank and Bond Market Financing of Euro Area Non-Financial Corporations

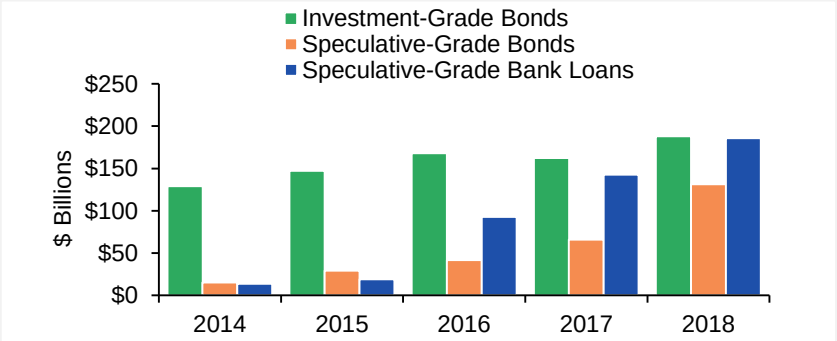


» European companies have historically relied more on banks than their American counterparts; but are increasingly turning to the bond market over traditional commercial bank loans

Sources: ECB and ECB calculations.

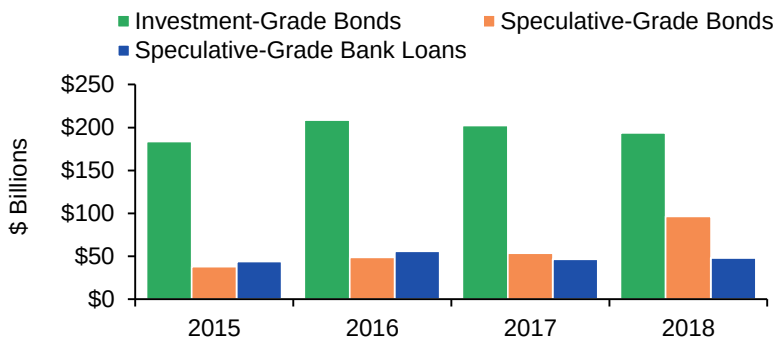
Debt Maturities Provide Continuous Support to Outlook

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



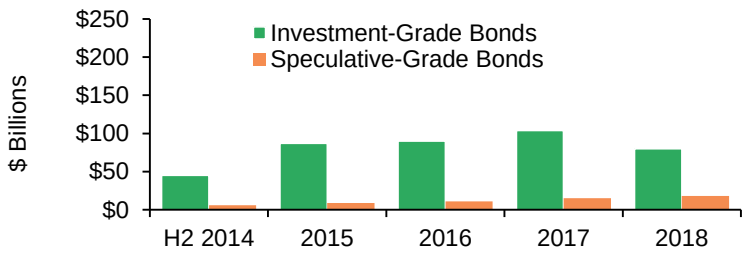
Source: Moody's Investors Service, February 2014.

EMEA Moody's-Rated Corporate Bonds and Loans



Source: Moody's Investors Service, July 2014.

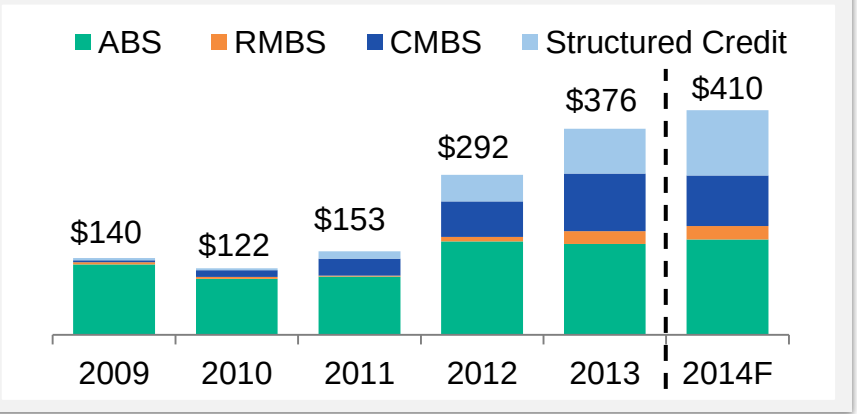
Asia Pacific Moody's-Rated Entities Corporate Bonds



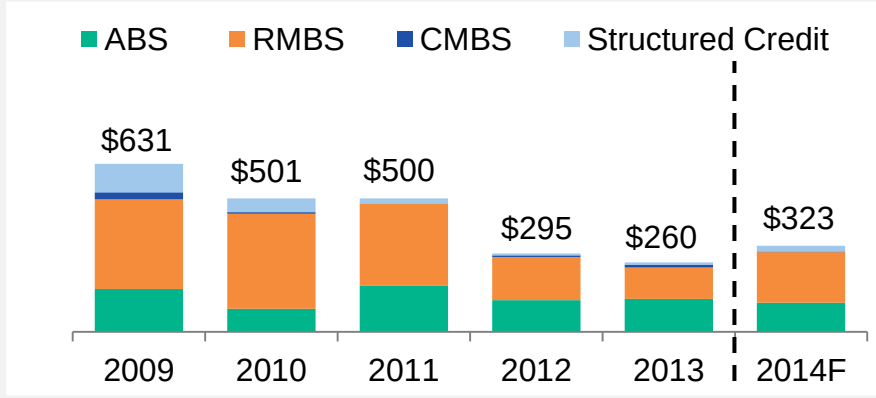
Sources: Moody's Investors Service and Bloomberg, July 2014.
Note: Data represents bonds, both rated and unrated, of rated corporate entities in Asia ex-Japan, ex-Australia/New Zealand. Data does not include loans.

U.S. Structured Finance Recovers Except for RMBS, Europe Waits for the ECB

Issuance in U.S. ($B)



Issuance in EMEA ($B)



Market Dynamics

- » Healthier economic recovery in the U.S. should drive issuance in some asset classes
- » Turning point in EMEA, as policymakers and regulators now see securitization as important engine for economic growth
- » Drive for yield supports near-term demand in U.S. CLO's and CMBS
- » Confidence in the return of the U.S. private RMBS but uncertain on timing and magnitude

Volatility Upside / Downside

- ▲ International regulators/policy makers promote development of securitization and attract international investors
- ▲ Opportunity in asset based lending
- ▼ U.S. market increasingly competitive
- ▼ Continued limited growth in European market
- ▼ Unevenness of global financial regulatory landscape

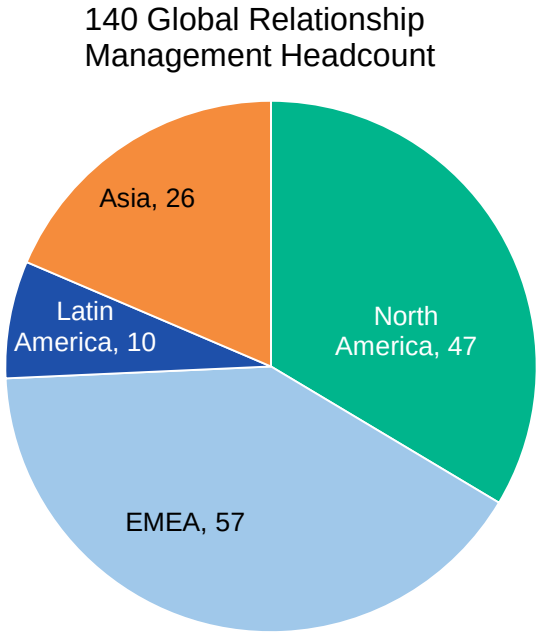
Sources: Asset Backed Alert, Inside MBS & ABS, Commercial Mortgage Alert, JP Morgan CDO Weekly Market Snapshot, Bloomberg and Moody's Investors Service.

Continued Efforts to Drive Customer Engagement Support Growth

Relationship Management Function

- Business development
  - Different competitive environments
  - Focus on unrated segments
  - Headcount primarily in emerging markets
- Account management
  - Service, retain existing accounts
  - Cross-sell, up-sell
  - Price capture
- New product development
  - Global roll-out of new private rating product
  - Launched private placement and bank loan product to international markets

Global Footprint

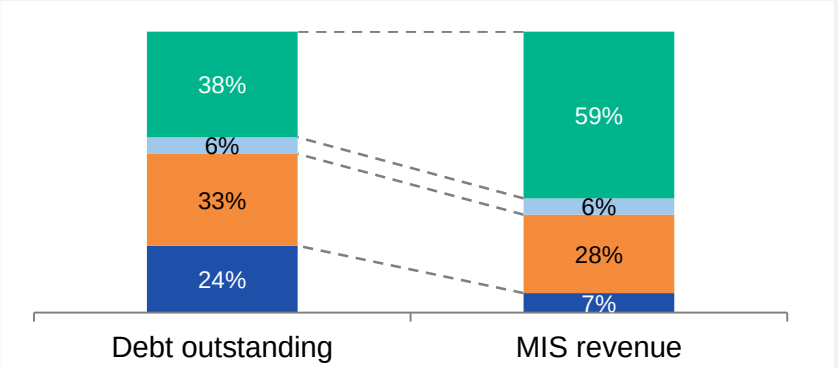


- Offices in 22 countries
- MIS opened Shanghai office in 4Q 2013

Headcount as of September 24, 2014.

Significant Growth Opportunities Both from International Markets and Newly Rated Issuers

MIS TTM (June 2014) Revenue per Total Outstanding Debt Value Issued



Source: Bank for International Settlements, and Moody's Investors Service.

$ of MIS revenue per
$1M of outstanding debt

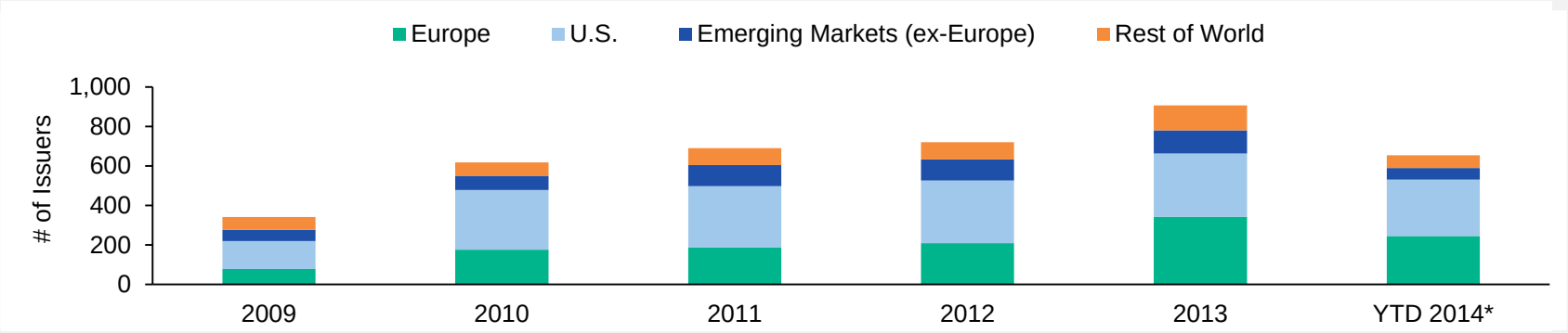
US: $34

Americas (ex. US): $22

EMEA: $18

Asia: $6

Annual Count of Newly-Rated Non-Financial Corporate Issuers



*As of September 12, 2014. Source: Moody's Investors Service. Rated by Moody's Investors Service.

Moody's Credit Ratings Provide Tangible Value

- In mid-2014, Moody's conducted extensive discussions with syndicate desks representing global capital markets
- The results of those discussions directly correlate with other independent commentary illustrating the tangible benefit of a Moody's credit rating

From leading DCM Desks Around the World:

"Investors look for consistency, accuracy, predictability, reliability and a strong track record. That's what Moody's provides."

"The absence of a Moody's rating is regarded with suspicion in high yield. Without a Moody's rating, investors often fear that Moody's would have rated the transaction lower."

3

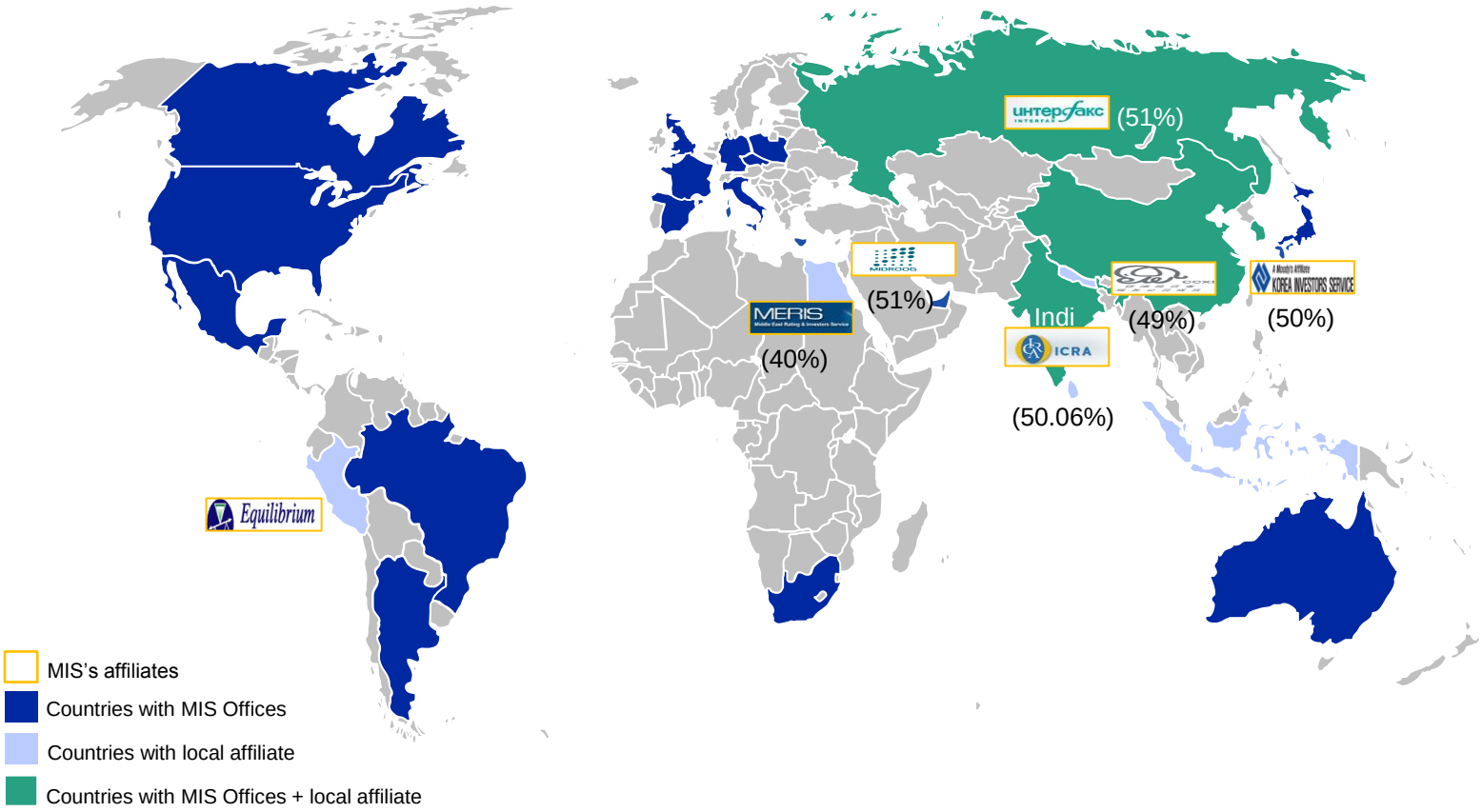
Spotlight on Developing Markets

Tom Keller

Managing Director, Geographic Management and Sovereign Ratings

Current MIS Global Footprint

- MIS provides ratings in more than 120 countries
- MIS operates offices in 22 countries and has 7 affiliate* relationships



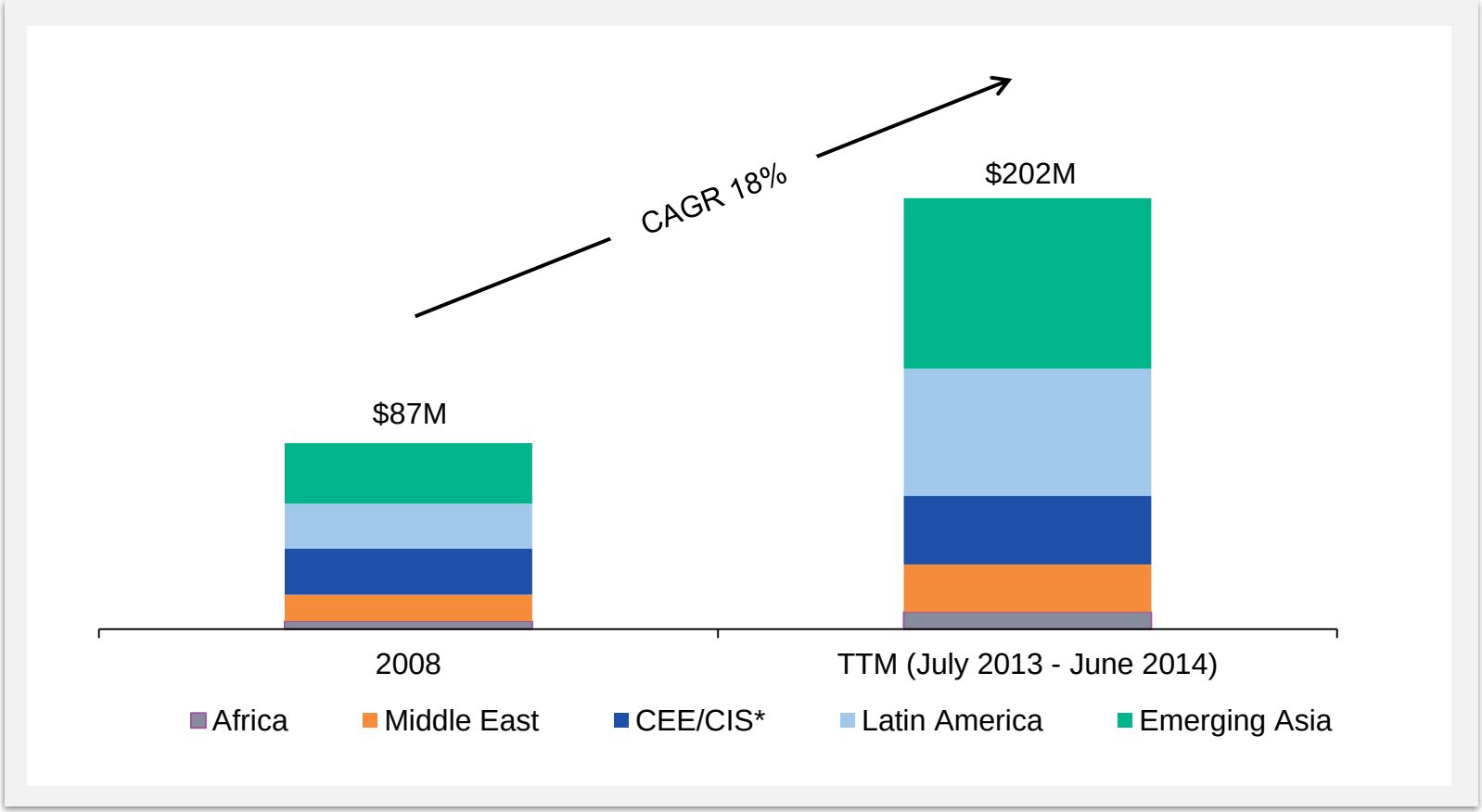
Americas
Argentina
Brazil
Canada
Mexico
Peru
United States

Europe, Middle East and Africa
Cyprus
Czech Republic
Egypt
France
Germany
Israel
Italy
Poland
Russia
South Africa
Spain
United Arab Emirates
United Kingdom

Asia-Pacific
Australia
China
Hong Kong
India
Indonesia
Japan
Korea
Nepal
Singapore
Sri Lanka

*Affiliates are Credit Rating Agencies (CRAs) that operate in domestic markets that MIS has a relationship agreement in place with. Moody's holds an equity stake in some of its affiliates which is indicated by the (%).

Strong MIS Revenue Growth from Developing Markets



*CEE/CIS – Central and Eastern Europe / Commonwealth of Independent States
Source: Moody's Investors Service.
Revenue from emerging markets does not include revenue from Moody's affiliates. Affiliates are Credit Rating Agencies that operate in domestic markets that MIS has a relationship agreement in place with.

Deepening MIS Participation in Developing Markets

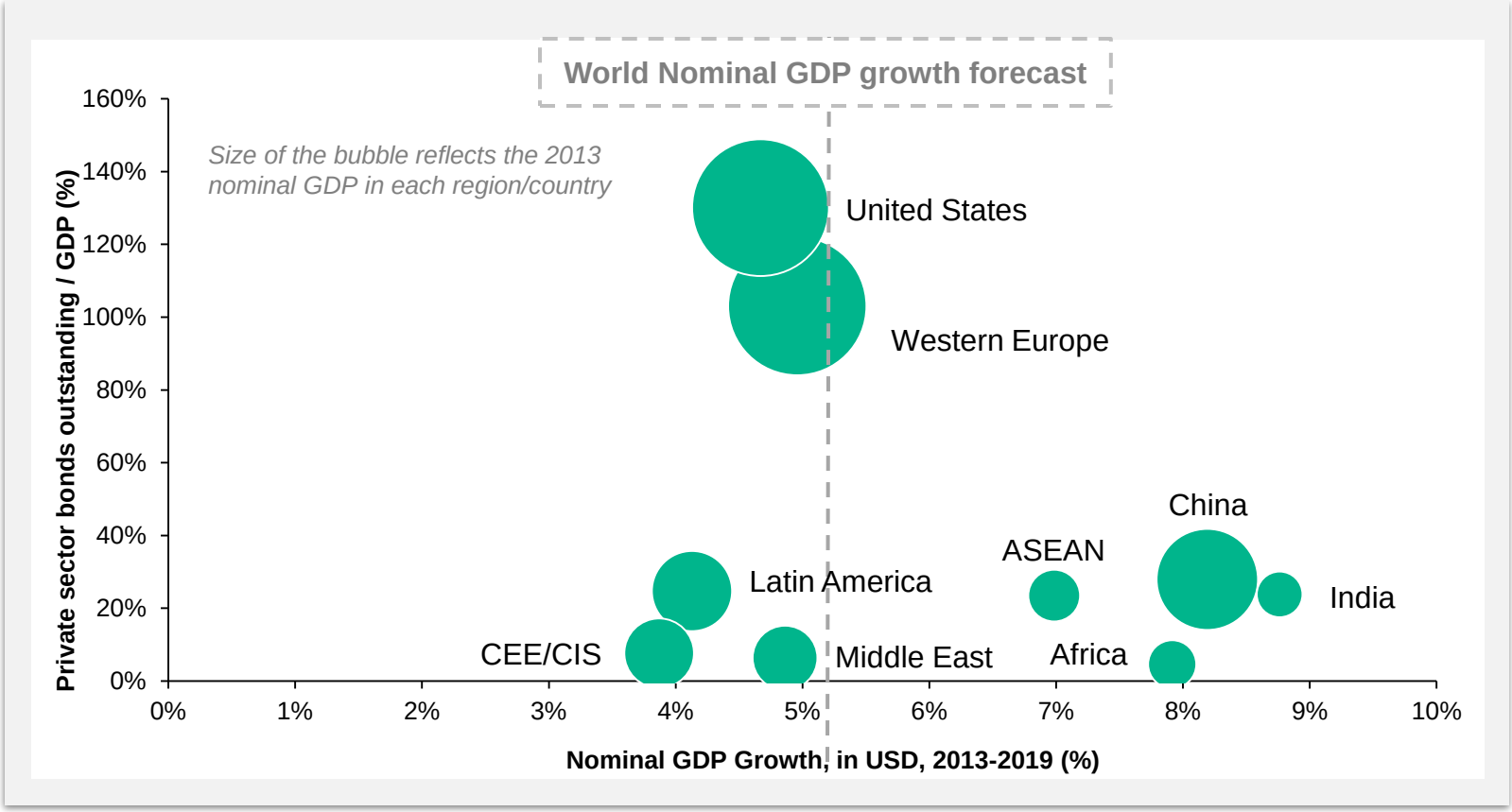
- MIS has an established and strong presence in all key developed markets and has additional growth opportunities from providing ratings in developing markets
- In these developing markets there are two distinct opportunities: (i) global cross-border debt ratings and (ii) domestic debt ratings

Three Areas of Opportunity

1.	**Significant investment**	India and China, countries with large, or potentially large, domestic markets
2.	**Enhancing the footprint**	Latin America, Central and Eastern Europe/Commonwealth of Independent States (CEE/CIS) and Middle East, regions where we have an existing presence and are evaluating tactical expansion opportunities
3.	**Early stage**	Association of Southeast Asian Nations (ASEAN) and Africa, regions where we need to enter now to capitalize on future economic growth

Growth Rates and Levels of Disintermediation Highlight Global Growth Opportunities

Debt Capital Market Penetration vs. Nominal GDP Growth



Sources: Bank for International Settlements, International Monetary Fund, Asian Development Bank, and Prime database.

International Strategy and Implications

Primary components of strategy

1. Reinforcing our cross-border positions through increased Business Development-led initiatives
2. Increasing our engagement in domestic markets directly by MIS and indirectly through affiliates
3. Improving the performance and synergies of our existing or newly acquired assets
4. Increasing our local/regional relevance and reducing frictions driven by geo-political and cultural tensions

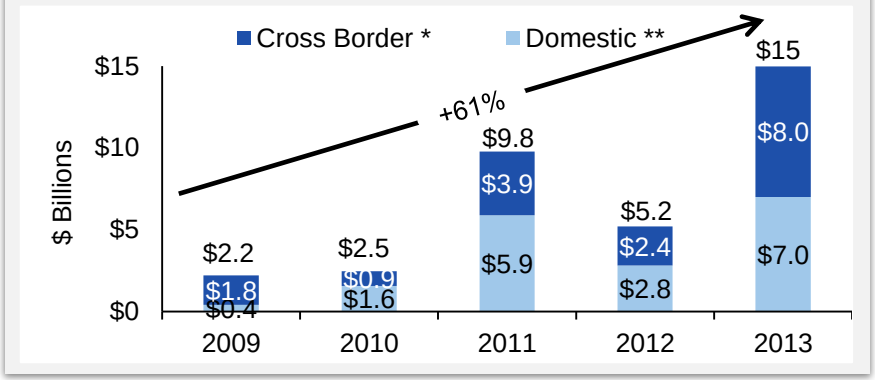
Implications for MIS

- We will need to become “more local”
- We need a different level of engagement and relationship with local market participants; different than cross-border model
  - Regulators
  - Policymakers
  - Capital markets professionals
  - Investors
- We also need to expand our control infrastructure to manage risk in remote domestic operations

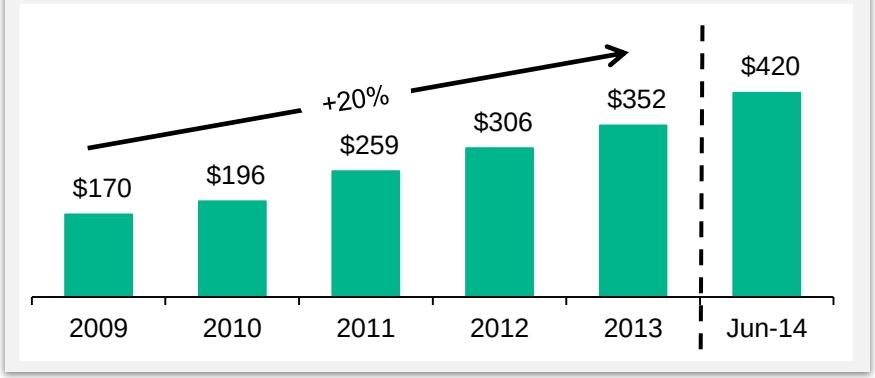
Focus on India via ICRA

	Characteristics
Operations	» MIS office in Mumbai » 50.06% majority stake in ICRA, domestic Indian credit rating agency acquired June 2014 » ICRA has seven offices in India and overseas offices in Nepal, Sri Lanka and Indonesia
Competition – Cross Border	» Small and competitive market for established global players
Competition – Domestic	» India has a well-developed rated bank loan market and a smaller domestic bond market » Six players in the domestic market » S&P's affiliate, CRISIL, is the market leader » CARE, a local credit rating agency, ranks 2nd » MIS's affiliate, ICRA , is 3rd » Fitch rebranded its domestic operations as India Ratings and Research

Fundamental Rated Market Issuance Volume



Outstanding Bank Credit to Corporates

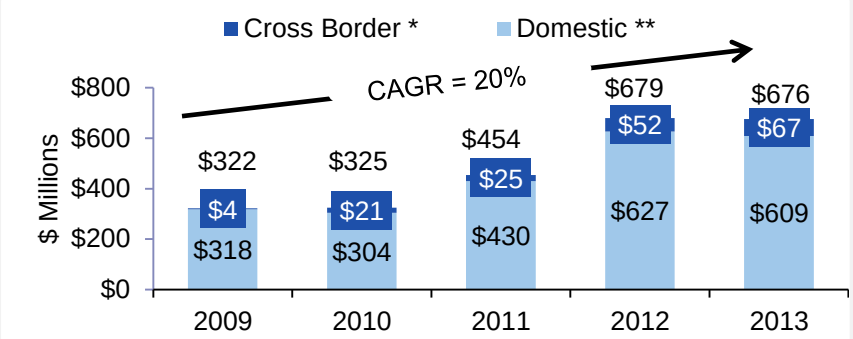


Note: Fundamental refers to corporates, financial institutions, public, project and infrastructure finance.
*Sources: Dealogic, Moody's Investors Service.
**Source: Prime Database Group, provider of publically listed Indian corporate bonds.

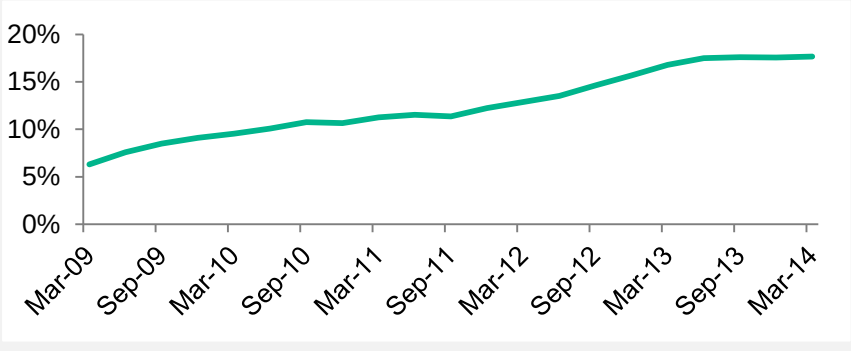
Focus on China via Domestic and Cross-Border Strategies

	Characteristics
Operations	» Three MIS offices in China: Hong Kong (101 staff), Beijing (12), and Shanghai (5) » 49% stake in CCXI, the largest domestic credit rating agency in China
Competition – Cross Border	» MIS competes effectively in the cross-border ratings market – Approximately 90% market coverage
Competition – Domestic	» Six players in the domestic market, which is a single rating market » MIS's affiliate, CCXI, has a leading position in terms of market share of outstanding credits » Chinese domestic ratings agencies have regional and international aspirations

Fundamental Rated Market Issuance Volume



Size of Domestic Corporate Bond in % of GDP***



Note: Fundamental refers to corporates, financial institutions, public, project and infrastructure finance; domestic data include enterprise bonds.
*Sources: Dealogic, Moody's Investors Service.
**Source: Juyuan
***Source: Asian Development Bank.

4

Areas of Focus

Areas of Focus

1. Both maintain and continue to improve our position in mature capital markets through ongoing delivery of high quality rating products and services

2. Pursue growth opportunities in developing markets over the long term through expanding our market presence and geographic footprint

3. Continue our commitment to responsible and disciplined execution to best position our business for the future

Moody's

Q&A

MICHEL MADELAIN, PRESIDENT AND COO, MOODY'S INVESTORS SERVICE
TOM KELLER, MANAGING DIRECTOR, GEOGRAPHIC MANAGEMENT AND SOVEREIGN RATINGS

SEPTEMBER 30, 2014

Moody's

Session 3: Legal / Regulatory Update

JOHN GOGGINS, EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL

SEPTEMBER 30, 2014

Overview

1. **Update on Ratings-Related Litigation**

2. **Regulatory Developments**

Ratings Related Litigations – Overall Status

- Significant progress in resolving ratings-related litigation filed since 2007
  - In U.S., nearly five dozen cases have been filed, and less than one quarter of those remain
  - Outside the U.S., we have 6 open cases, and 18 cases have been dismissed or withdrawn
- All '33 Act cases were favorably resolved, with decisive opinions from numerous district judges and the Second Circuit
- Other bases for dismissal included lack of any actionable misrepresentation, lack of duty to plaintiffs and lack of jurisdiction

Ratings-Related Litigation – Selected Appellate Court Precedents

- IN RE LEHMAN BROTHERS MORTAGE-BACKED SECURITIES LITIGATION – Second Circuit 2011
  - A "rating issued by a Rating Agency speaks merely to the Agency's opinion of the creditworthiness of a particular security."
  - A rating agency's limited involvement in the securitization process cannot give rise to "underwriter" or "control person" liability under the federal securities laws
- THE ANSCHUTZ CORPORATION v. MERRILL LYNCH & CO, INC. et al. – Second Circuit 2012
  - Rating agency, that publishes its rating opinion to a broad audience, cannot be sued for negligent misrepresentation under New York law given lack of direct contact with investor
- OHIO POLICE AND FIRE PENSION FUND et al. v. STANDARD & POOR'S et al. – Sixth Circuit 2012
  - A credit rating cannot be an actionable "misrepresentation" unless the rating agency actually disbelieved the rating that it issued.

Regulatory Update – U.S. Developments

- Dodd-Frank Act
  - On August 27, 2014, the U.S. Securities and Exchange Commission (SEC) voted to adopt Final Rules for nationally recognized statistical rating organizations (NRSROs).
  - The final rules track closely to the proposed rules published in 2011 with some modifications, including those relating to:
    - Sales and marketing activities, and
    - The design and enforcement of internal controls for the rating process.
  - Compliance deadlines generally range from 60 days to 9 months following publication of the Final Rules in the Federal Register on September 15th.
  - Moody's has made substantial IT and other enhancements over the past several years to prepare for the new rules.
  - Moody's is now examined annually by SEC – no material deficiencies identified to date.
- Franken Amendment
  - The SEC is considering the Franken proposal and alternatives, including amending existing Rule 17g-5.
  - The timing of the release of final rules remains uncertain.

Regulatory Update – EU Developments

- In the Spring of 2013, the EU adopted amending legislation (CRA3) augmenting the existing regulatory framework for CRAs.
- Some CRA3 provisions remain subject to ESMA rule-making, which is expected to be finalized before year-end. They include rules relating to:
  - European Ratings Platform, and
  - CRAs' periodic reporting of fee information to ESMA.
- ESMA began conducting examinations of Moody's in 2011 – no material deficiencies identified to date.

Moody's

Q&A

Moody's

Session 4: Moody's Analytics

MARK ALMEIDA, PRESIDENT, MOODY'S ANALYTICS
STEVE TULENKO, EXECUTIVE DIRECTOR, ENTERPRISE RISK SOLUTIONS

SEPTEMBER 30, 2014

All Businesses Performing Well; Outlook Remains Strong

- Generating **good revenue growth** in all business lines
  - **Research, Data and Analytics:** achieving steady organic growth
  - **Enterprise Risk Solutions:** continuing “land grab” to seize opportunities driven by regulation of financial institutions
  - **Professional Services:** expanding offshore resources platform and using scale to drive cost efficiencies for customers
  - **Favorable tailwind:** MA is uniquely qualified to help financial institutions comply with regulatory requirements related to stress-testing
- Working to **expand operating margin** over the medium term
  - Driven by ERS: as customer needs standardize, business will deliver more operating leverage
  - From 18% in 1H 2014 to the mid-20s percent range
  - Multi-year effort

Managing Growth in RD&A

Sales Production by Year

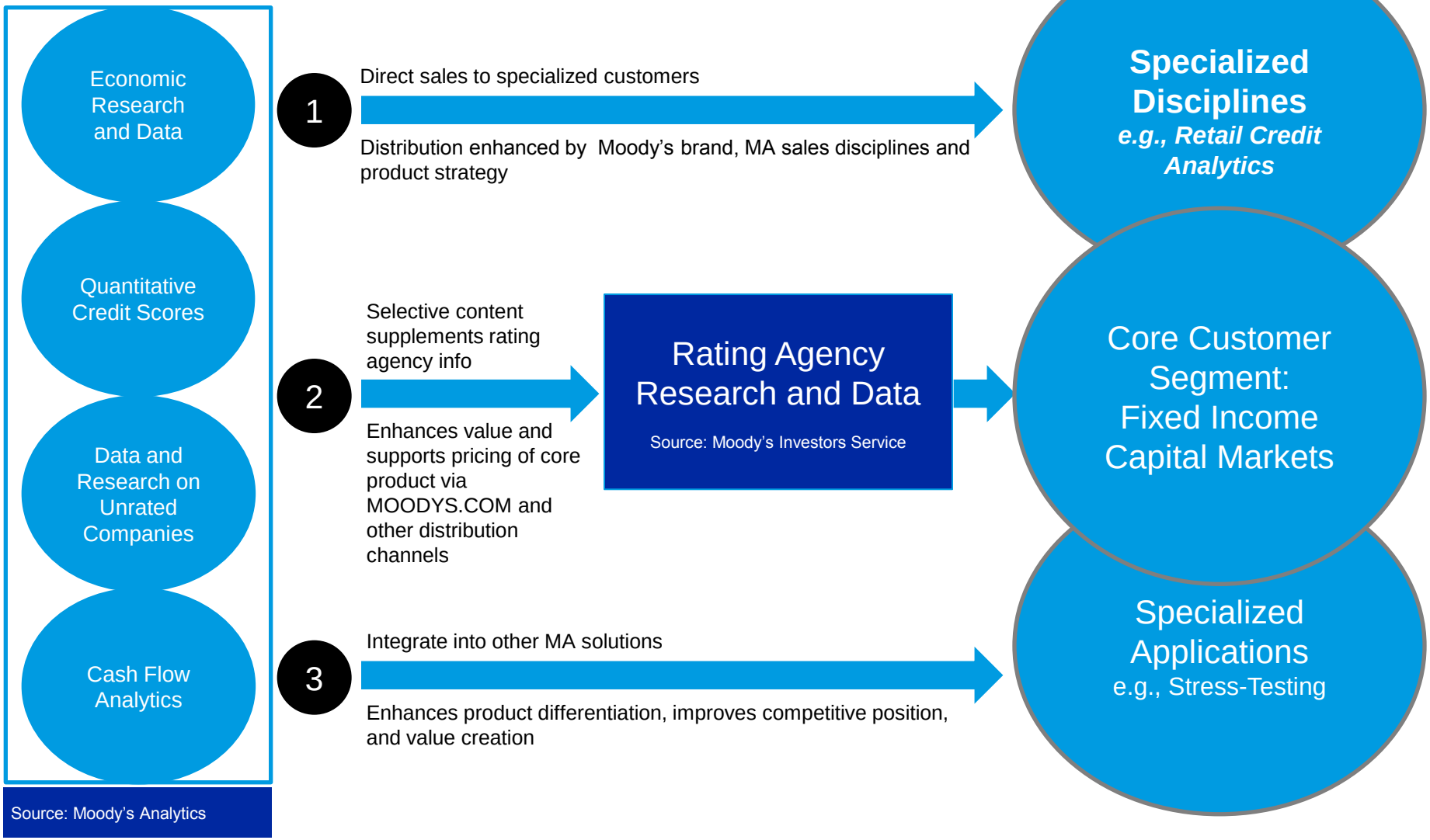


*Guidance as of September 30, 2014.

RD&A: Managing a Unique and Valuable Asset

- Research and data sourced from rating agency continues to deliver good growth
  - **MIS content is a must-have reference** for participants in institutional credit markets
  - Enhanced user experience and customer service support **high retention rates**, product upgrades and value-based pricing
  - New packaging and pricing options enabling **growth from new customer segments**
- Supplemental content deepens reliance on Moody's and contributes to growth
  - Sales of **economic research and structured analytics** up over 20% in 1H 2014
  - Although smaller in scale, these businesses are **adding nearly half as much growth as the core rating agency content**
- Content integration enables us to extract incremental value from other sources
  - MA **product strategy and sales disciplines are well-developed** and support better packaging, pricing and distribution
  - Additional content draws traffic to moodys.com, reinforces client retention
  - Information must be relevant and of premium quality to align with Moody's brand – requires **HIGHLY selective approach to acquiring/building new content businesses**

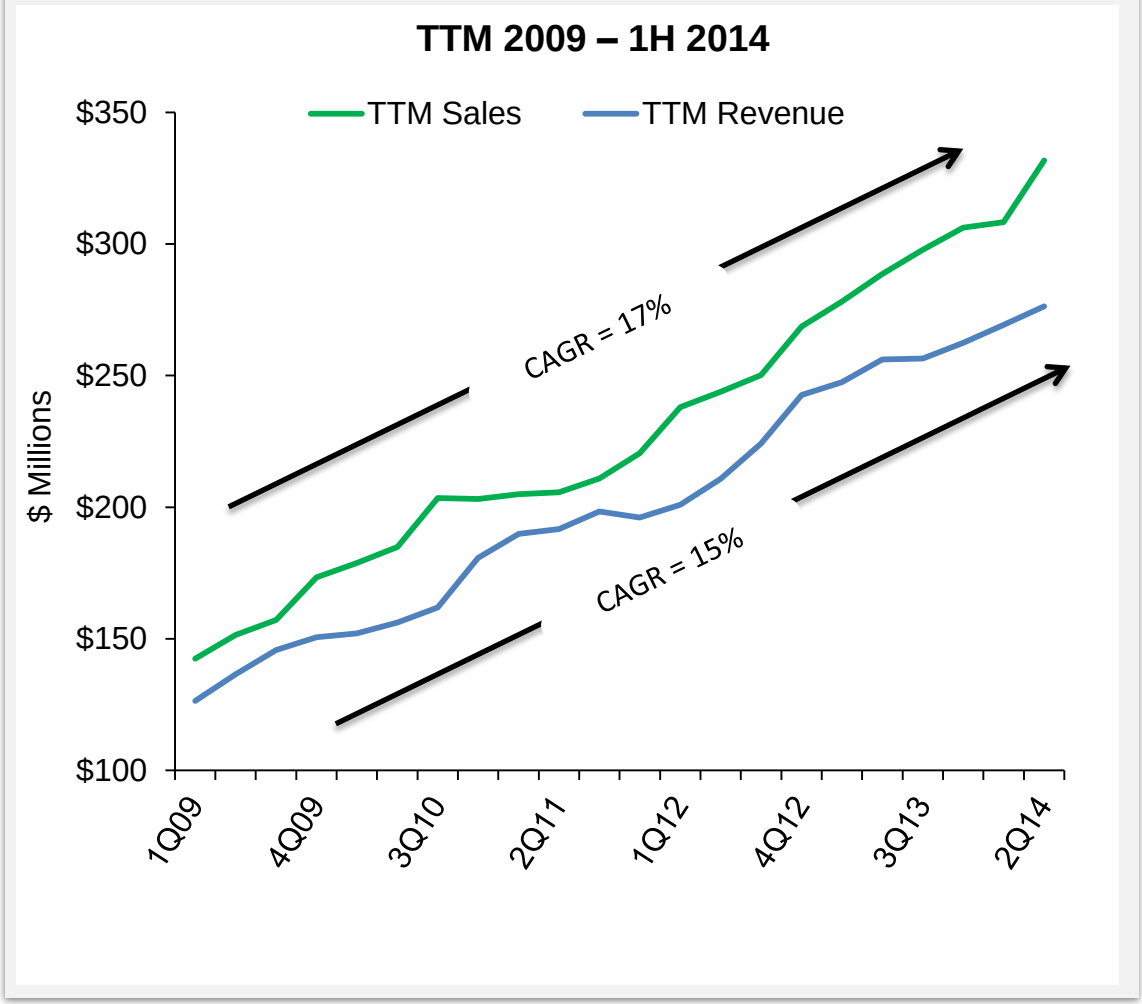
Multiple Ways to Monetize Information Assets



Spotlight on ERS

Steve Tulenko
Executive Director, Enterprise Risk Solutions

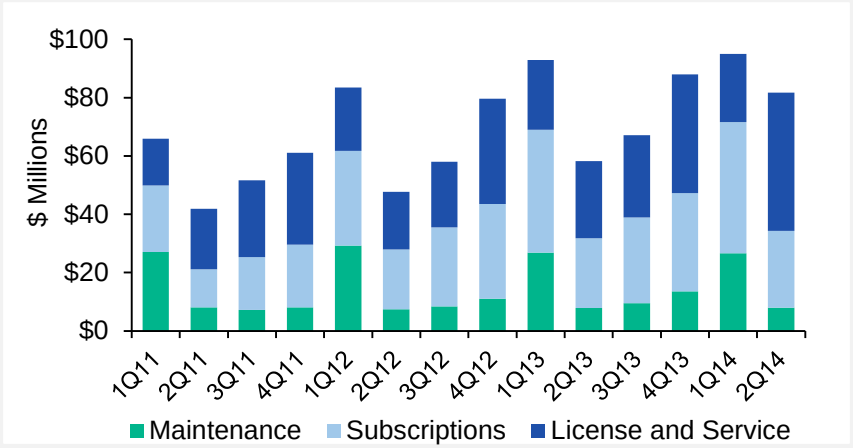
Strong Growth in Sales and Revenue



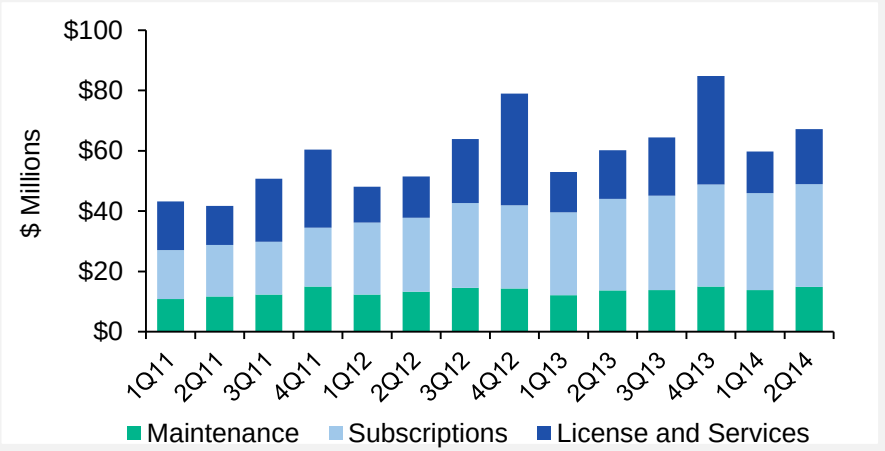
- Sales production continues to be strong, pipeline is healthy
- Growth pattern is affected by large projects -- they boost sales, but take time to complete (and hit income statement)
- Bank regulation driving product offering into must-have category
- Banks seeking operational benefits as they comply with regulatory requirements

Renewable Book Growing, But Revenue Dependent on Project Timing

ERS Sales by Type

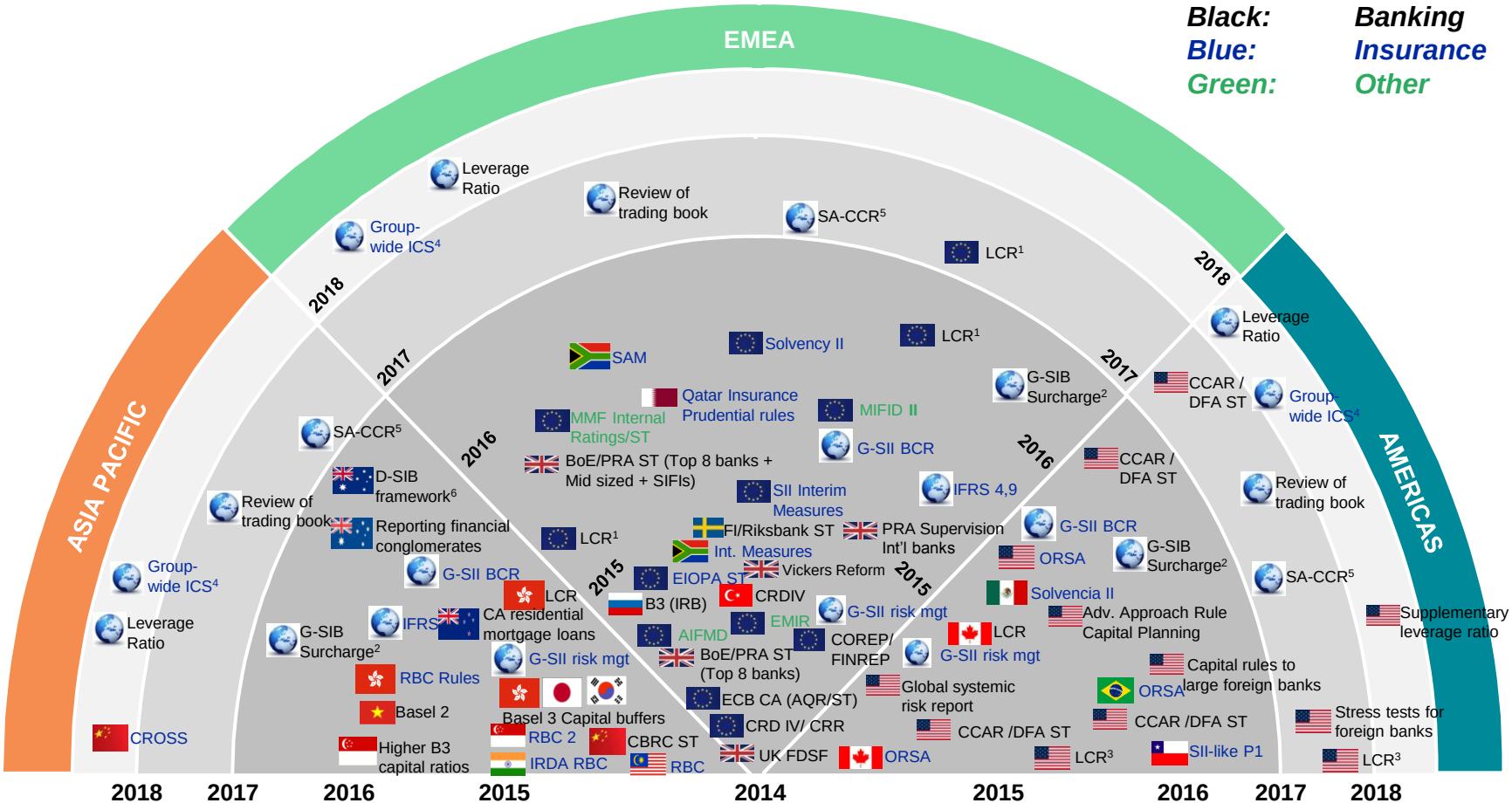


ERS Revenue by Type



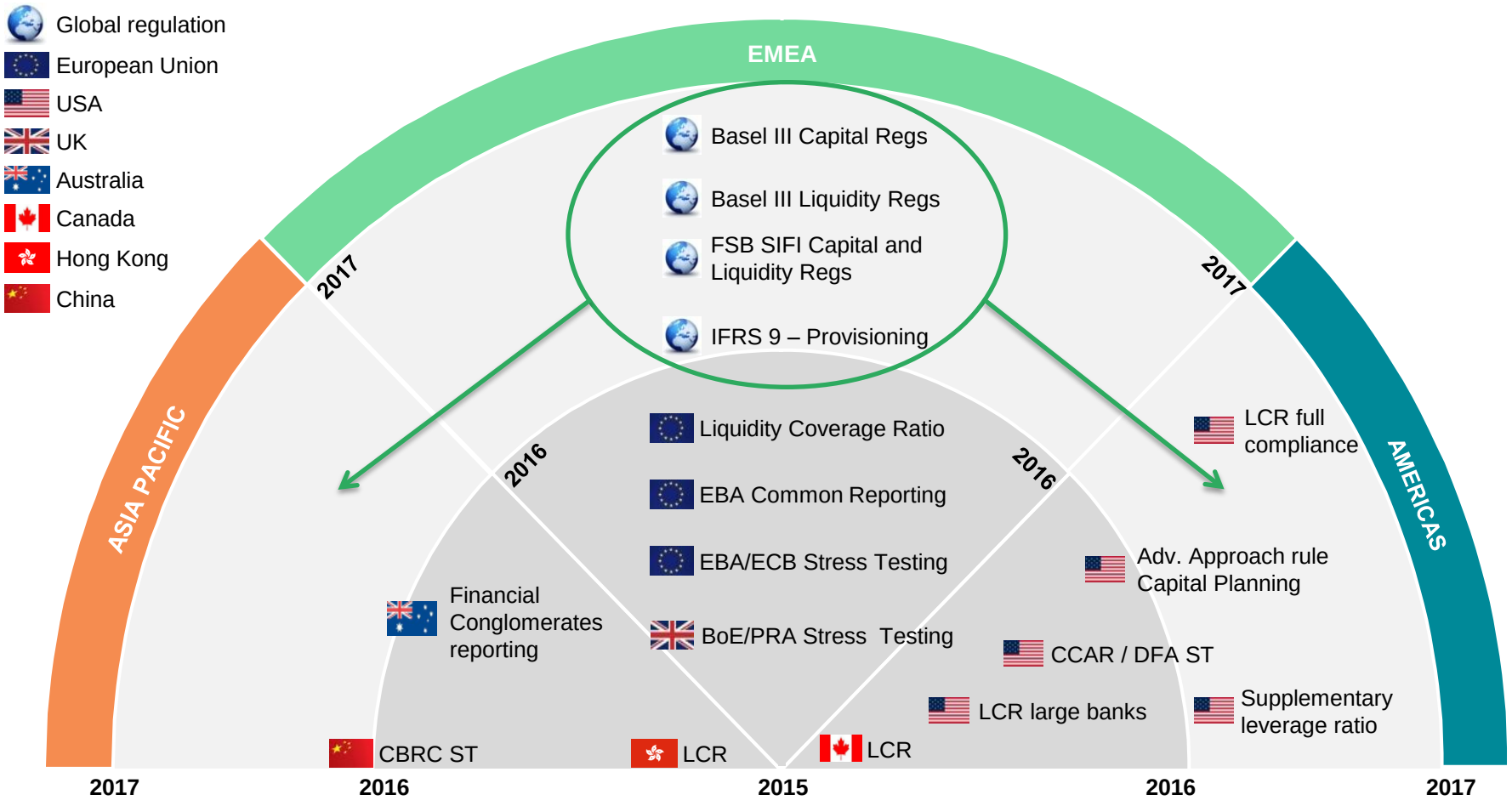
- Recurring Maintenance and Subscriptions revenue represents ~⅔ of total revenue; growing at 3-year CAGR of 20%
- Non-recurring License and Service revenue drives variability in quarter-to-quarter top-line results
  - Revenue recognized as implementation projects are completed
  - Sales provide 12-24 months' visibility into revenue
- Seasonal pattern
  - Sales tend to be strongest in 1Q and 4Q, in line with customer budgeting/planning cycles
  - Revenue strongest in 4Q, driven by prior year's 4Q sales and customer timelines for year-end project completion

Regulation is Driving Demand for MA Solutions

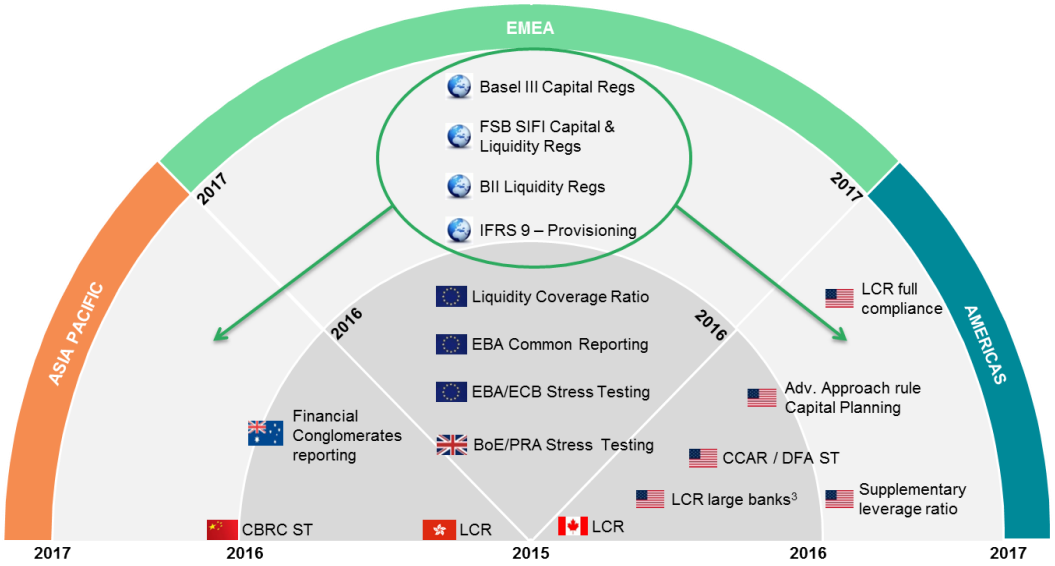


Source: Moody's Analytics market research and analysis as of July 2014.

Application of Regulatory "Radar" Chart -- Large Bank



With ERS Platform, Customers Can Leverage Investments in Regulatory Compliance Infrastructure



MA's ERS Platform

- Enabling financial institutions to:
  - Create a common infrastructure that addresses a wide range of regulations
  - Obtain consistent information and accurate understanding of business performance
  - Make better decisions across product and geographic silos
- Ideal end-state: regulatory infrastructure becomes an asset that creates operational leverage -- not simply a compliance mechanism

ERS Efforts to Expand Margin

- **Shifting sales to off-the-shelf, and renewable products**
  - Launching extensions of credit scoring product line
  - Converting licensed software products to subscriptions
- **Investing in product quality, upgrades and compatibility to improve efficiencies**
  - Increase modularity across products, encourage more snap-in functions
  - Emphasize integration to foster network effects associated with comprehensive product platform
    - Drive down costs of software implementation
    - Enable product implementation by third-parties
- **Develop SaaS (Software as a Service) solutions to meet demand as market adapts**
  - Next generation of product improves returns for MA and customers

WebEquity Acquisition – Jump-Starts Next Gen Products

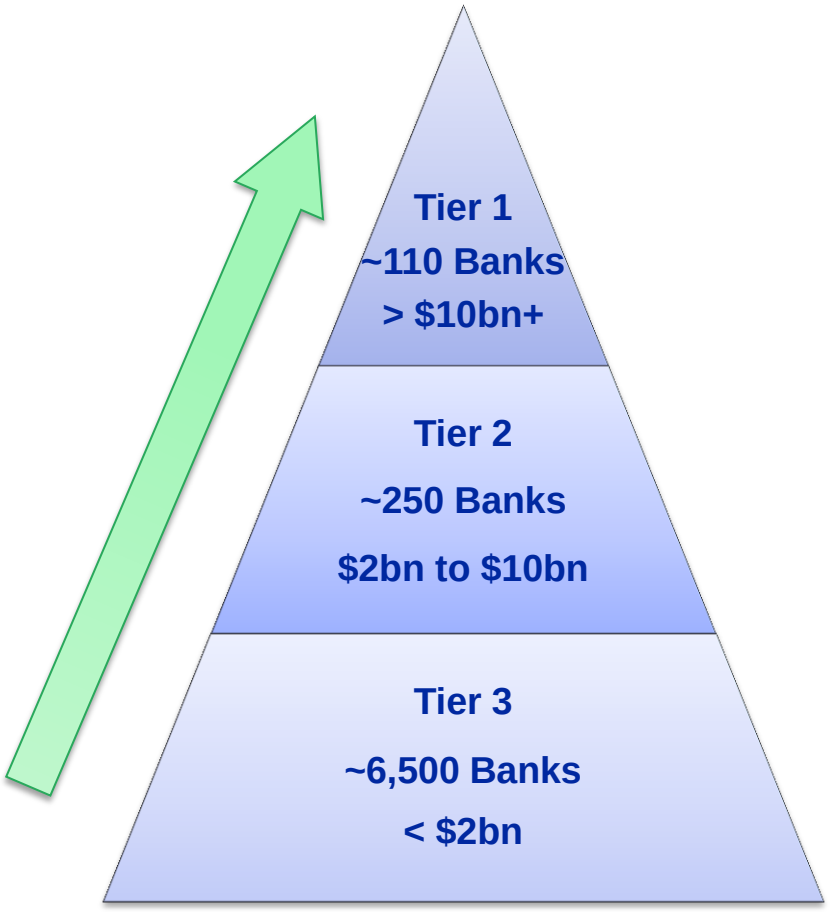
Loan Origination Platform
WebEquity's SaaS Model:

Customer Benefits:
- Lower cost of ownership, not traditional installed software
- Enhancements and upgrades delivered automatically
- Implementation costs minimized
- Less dependent on IT

Moody's Benefits:
- Lower development costs - one version of the product
- Recurring revenue produced by subscription model
- More operating leverage, less reliant on implementation

Market Opportunity Starts in Tiers 2 and 3:
- With WebEquity, Moody's has solid presence across U.S. banks
- Best practices bring new benefits
- Decision process is simpler, fewer security concerns
- As market adopts SaaS, drive up-market to enable productivity improvements and lower cost infrastructure

U.S. Bank Segments
(by asset size)



ERS Takeaways

- **Growth Remains Strong**
  - Anticipate solid mid-teens growth – *subject to short-term variability due to project timing*
  - High proportion of subscription revenue, growing nicely
  - Scale of projects increasing with growing relevance to customers -- largest single transaction in ERS history sold in 2Q
- **Intense Regulatory Pressure Gives New Meaning to "Must-Have" Products**
  - Real consequences for those that can't comply
  - Executives accept it -- seeking operating benefits from regulatory investments
- **ERS Product Strategy is Shifting**
  - Expanding product array delivered sustained growth, now shifting investments to refine capabilities and drive margin
  - SaaS solutions will be less expensive AND more effective for customers, more profitable for MA

Wrap-up

Mark Almeida
President, Moody's Analytics

Bank Stress Testing Started as an Exercise to Restore Confidence…

- **2009**: Regulators in U.S. and Europe conduct stress tests of largest banks
  - Objective: restore market confidence in the stability of banking systems by quantifying capital levels under adverse economic conditions
- **2010**: Fed establishes CCAR as an annual exercise; extends coverage to banks above $50 billion in assets; and expands scope of the tests. Dodd-Frank Act extends to banks above $10 billion in assets (DFAST)
- **2013**: UK bank regulator adopts CCAR-like program for largest banks
- **2014**: 124 European banks to undergo stress test directed by EBA

…And Has Now Become Central to Bank Regulatory Supervision

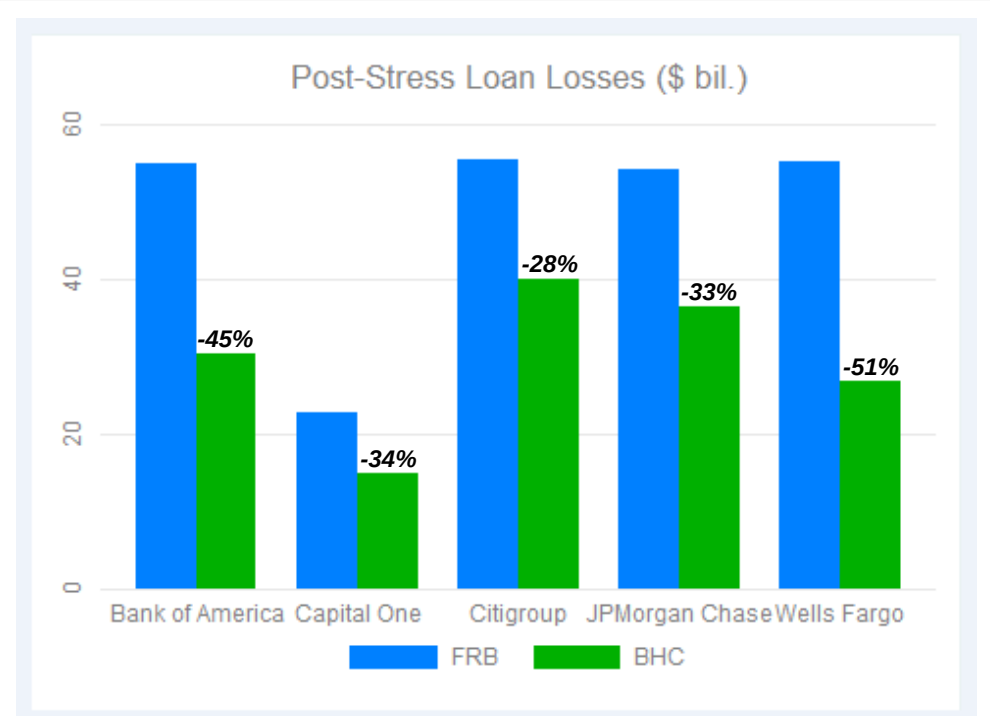
"Passing the Fed's stress test is the equivalent of a Good Housekeeping seal of approval by regulators for the banks these days: it says banks are safe enough to use some of their money to pay dividends and buy back shares. Falling short of the mark, however, is more than just humiliating for bank CEOs. It has real-world consequences for investors in these stocks as they see the share price fall."

theguardian.com, May 4, 2014

- As stress testing has become more rigorous, expectations of regulators, especially the Fed, have increased
- U.S. law now gives regulators more authority to conduct stress tests. Regulatory approval of capital plans depends on satisfactory performance on stress tests
- Recognizing the important role of stress testing in regulatory oversight, banks are making investments to facilitate the process and improve their results

Stress Testing: Not an Exact Science

2014 CCAR Exercise Comparing Fed's Estimates to the Banks' Results



Source: Federal Reserve (FRB), bank holding company (BHC) disclosures

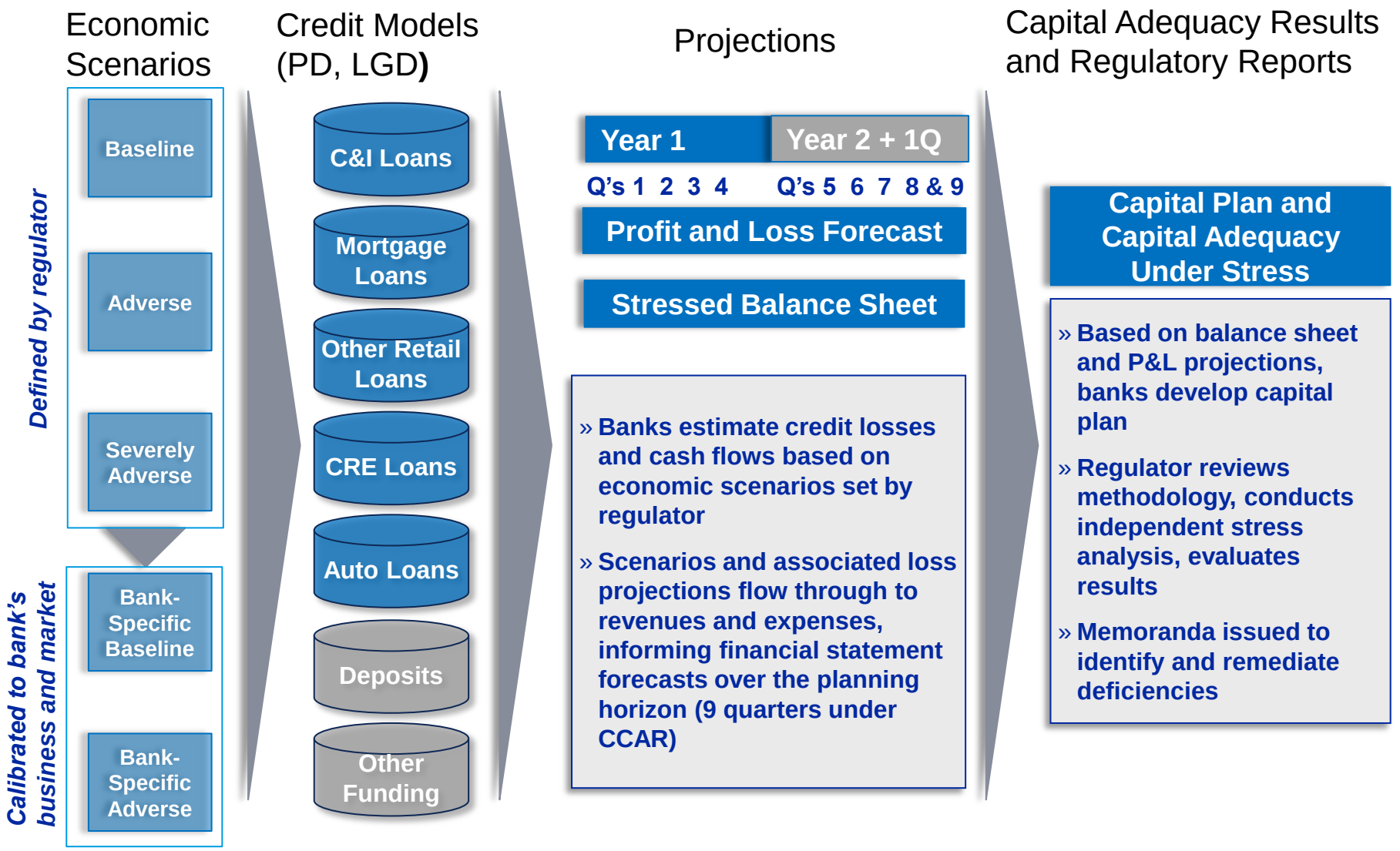
More Than Just Measuring Capital Under Stress

- To address regulatory requirements for rigorous analytical processes, banks are undertaking extensive infrastructure projects that link 3 principal areas:

Infrastructure | **Analytics** | **Reporting**

- Regulators expect banks to demonstrate:
  - Completeness, accuracy and cleanliness in data on their risk exposures
  - Ability to deliver modeled outputs and projections **that they can explain to the regulator**
  - Shared ownership of analytical processes between the risk office and front-line business management
  - Consistency between risk measures and GAAP accounting figures
- To achieve this, banks need to:
  - Clean, organize and maintain data on their borrowers
  - Calibrate the regulator's scenario to the bank's geographic markets and business mix
  - Systematically produce forecasts of accounting figures
  - Document processes, including the role of management over-ride of modeled results

Anatomy of a Stress Test



Relevance to Stress Testing

- Superior macroeconomic analysis and econometric modelling capabilities
- Long experience developing credit risk models for commercial loan portfolios, real estate and consumer credit assets -- used by banks worldwide
- Established provider of country-specific regulatory reporting tools
- Software tools embedded in loan origination and risk management processes of ~1,500 banks worldwide

MA is building a scalable, auditable and replicable solution that integrates our data management, analytical competencies and regulatory reporting capabilities to address banks' stress testing requirements.

Good Results, Good Outlook

- **Performing well across multiple business lines**
  - RD&A delivering good, steady growth
  - Mid-teens growth from ERS, driven by bank regulation
  - Copal Amba offers a proven solution to expense pressures faced by financial institutions
- **While growth remains the priority, we are focused on margin expansion**
  - Exploiting opportunities to leverage scale in infrastructure, especially through distribution capacity
  - Remain selective about acquisitions to preserve premium brand image
  - ERS emphasizing maturity of product and profitability of customer projects
- **Favorable market opportunity**
  - Core business prospects are good
  - Applying MA practices to newly acquired companies to accelerate growth
  - Stress testing can be a game-changer

Moody's



Q&A

MARK ALMEIDA, PRESIDENT, MOODY'S ANALYTICS
STEVE TULENKO, EXECUTIVE DIRECTOR, ENTERPRISE RISK SOLUTIONS

SEPTEMBER 30, 2014

Moody's

Session 5: Financial Strategy

LINDA HUBER, EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

DAVID PLATT, MANAGING DIRECTOR, HEAD OF CORPORATE DEVELOPMENT

LISA WESTLAKE, SENIOR VICE PRESIDENT, CHIEF HUMAN RESOURCES OFFICER

SEPTEMBER 30, 2014

Session Overview

1. Financial Overview
2. Capital Allocation Strategy
3. Copal Amba Update
4. Corporate Development Update
5. Compensation Overview

Key Messages

- Very strong performance in the first half of 2014
- Diversification of our businesses provides ballast
- Strength and momentum even during tough cycles
- Continued focus on capital allocation:
  - Share repo up to $1.25 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)*
  - Annual dividend of $1.12
  - Optimized leverage capacity
  - Opportunistic acquisitions

*Guidance as of September 30, 2014.

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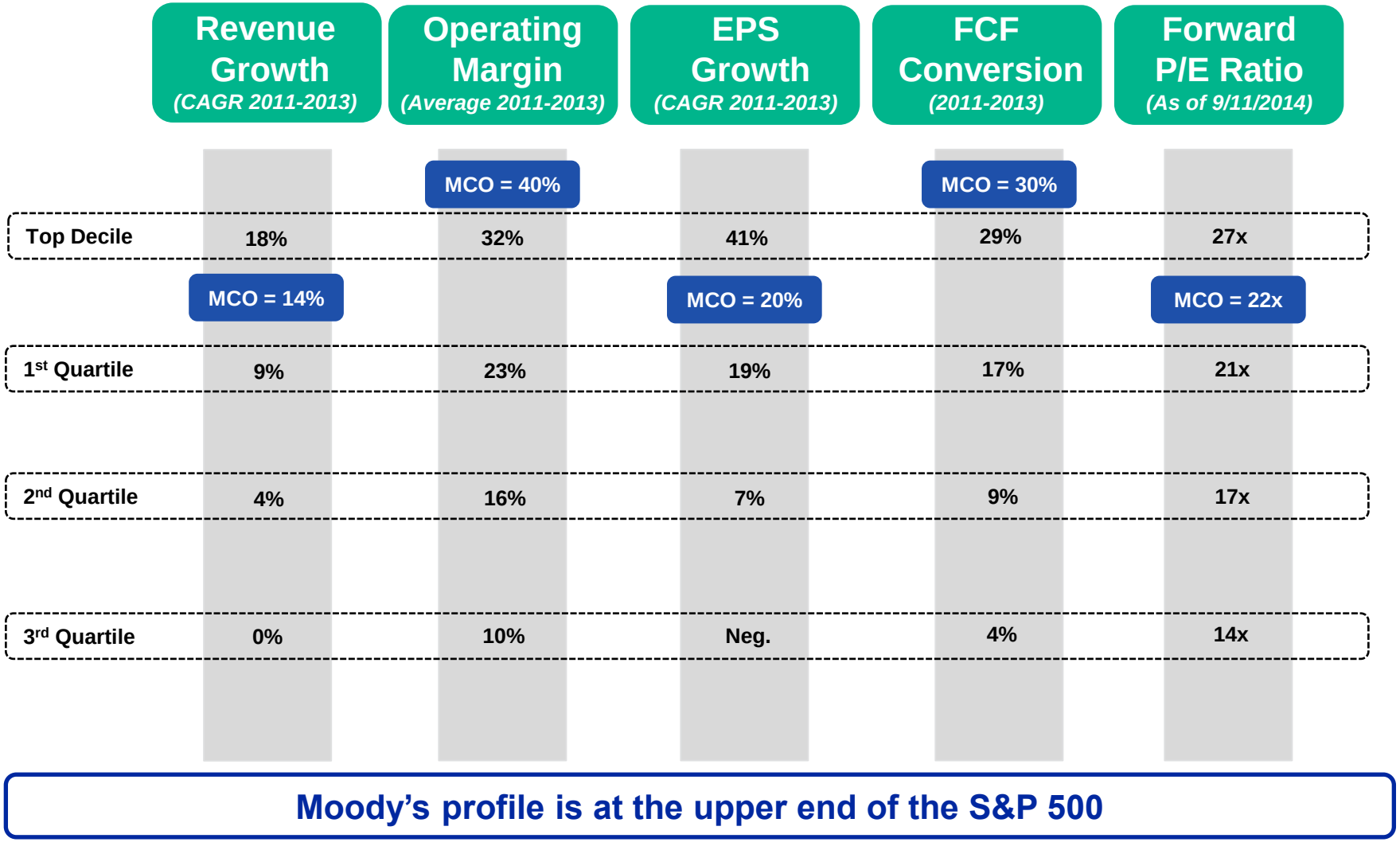
Financial Overview

Actions Announced Today

ACTION	PREVIOUS	CURRENT
1. Increase 2014 Non-GAAP EPS Guidance	$3.90 to $4.00	$3.95 to $4.05*
2. Repurchase Shares	Approximately $1 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)	Up to $1.25 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)*
3. Buy Out the Remaining Shares of Copal Amba	N/A	To be completed in 4Q14; no more minority interest

*Guidance as of September 30, 2014.

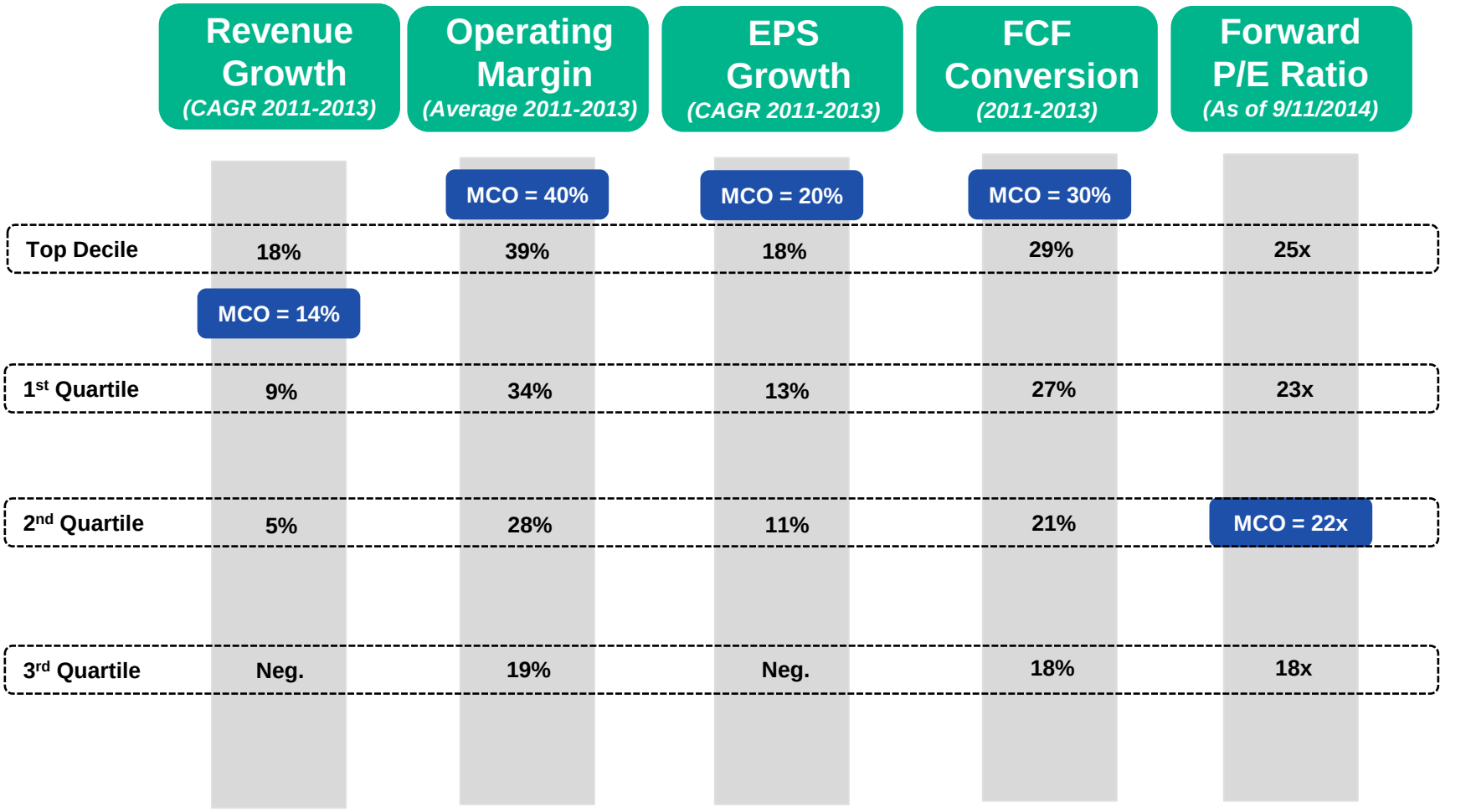
How Does Moody's Compare to the S&P 500?



Moody's profile is at the upper end of the S&P 500

Source: FactSet.

How Does Moody's Compare to the Info Services Peer Group?

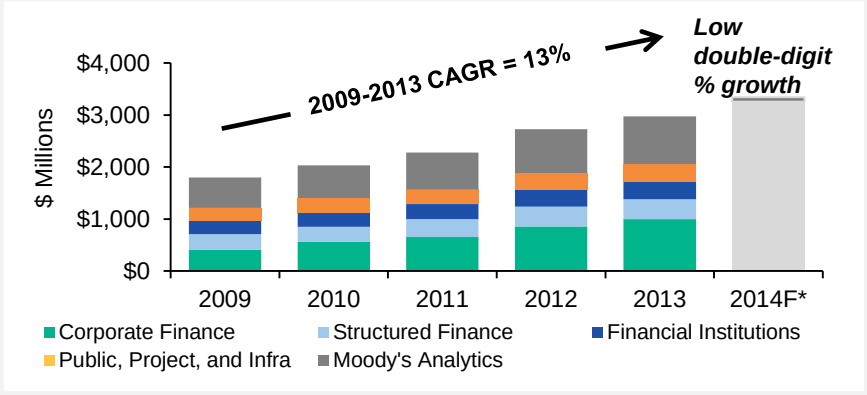


Moody's profile is at the top end of its peer group

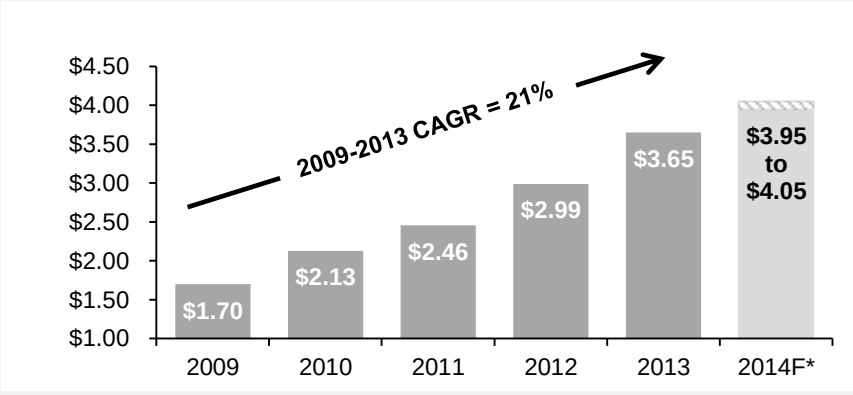
Source: FactSet. Info Services Peer Group includes the following companies: CLGX, DNB, EXPN, FDS, IHS, MHFI, MORN, MSCI, TRI, VRSK.

Moody's Has Consistently Delivered Strong Performance Over a Challenging Global Economic Period

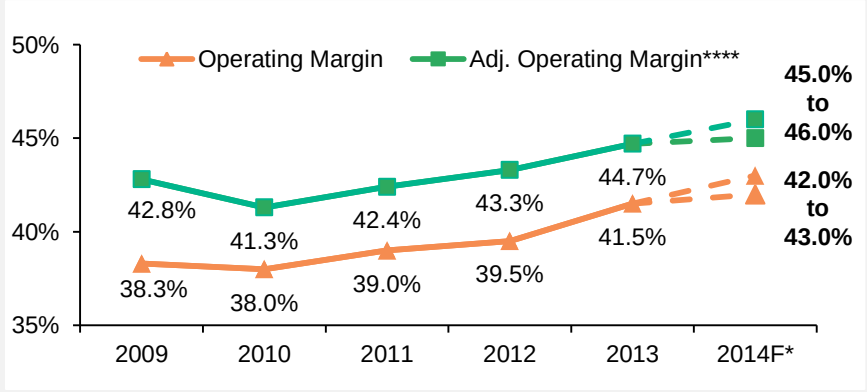
Revenue



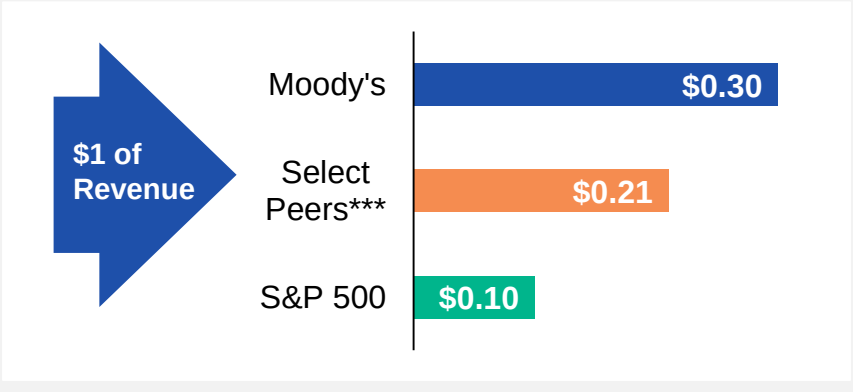
Non-GAAP EPS



Operating Margin Performance



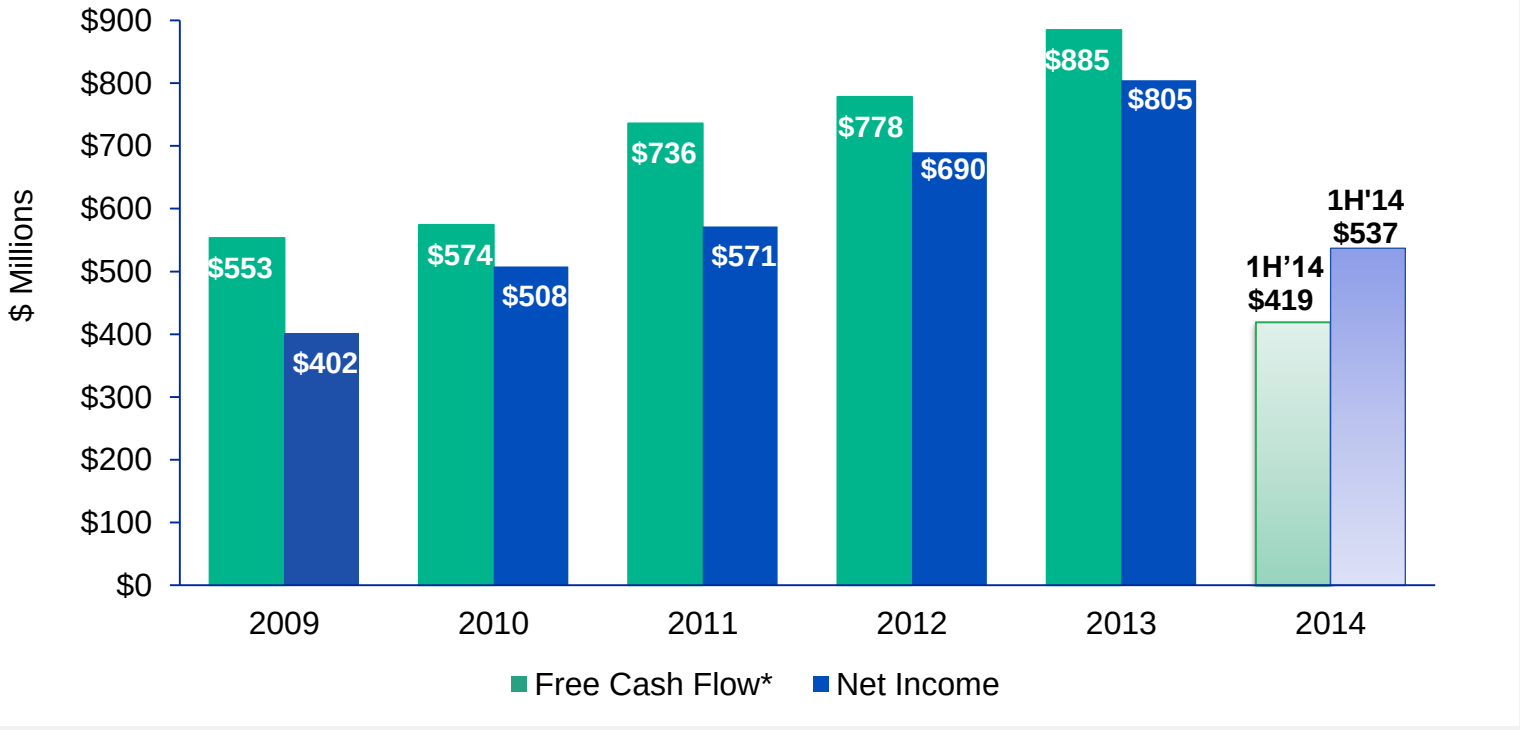
5-year Average Free Cash Flow Conversion**



*Guidance as of September 30, 2014.
**As of September 2014, over last five available fiscal years. Source: FactSet.
***Includes CLGX, DNB, EXPN, FDS, IHS, MHFI, MORN, MSCI, TRI, VRSK. Source: FactSet.
****Adjusted Operating Margin is a non-GAAP measure. See appendix for reconciliation from non-GAAP to GAAP.

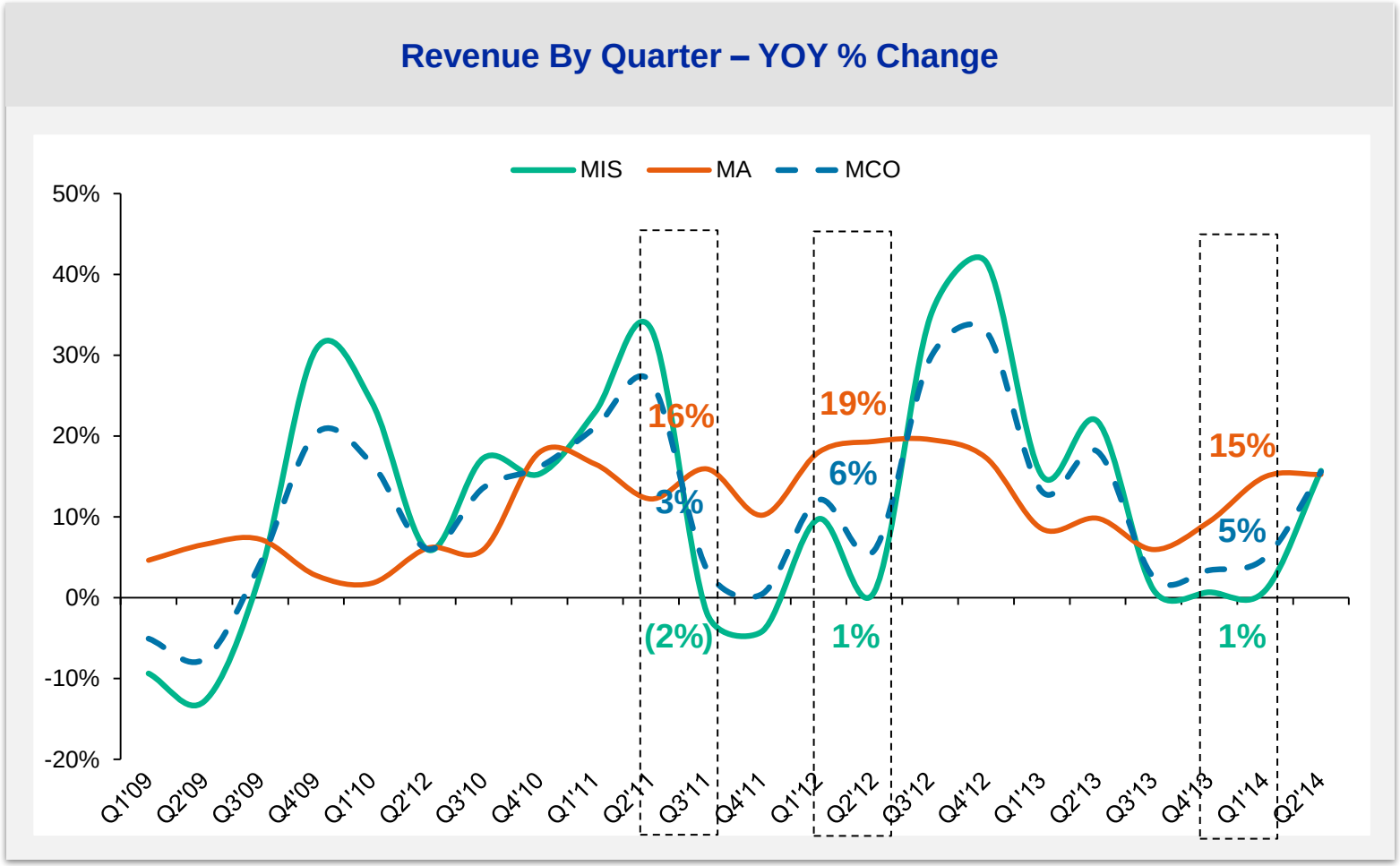
Moody's has Strong Free Cash Flow Generation

Free Cash Flow and Net Income



*See Appendix for reconciliation of Cash Flow from Operations to Free Cash Flow.

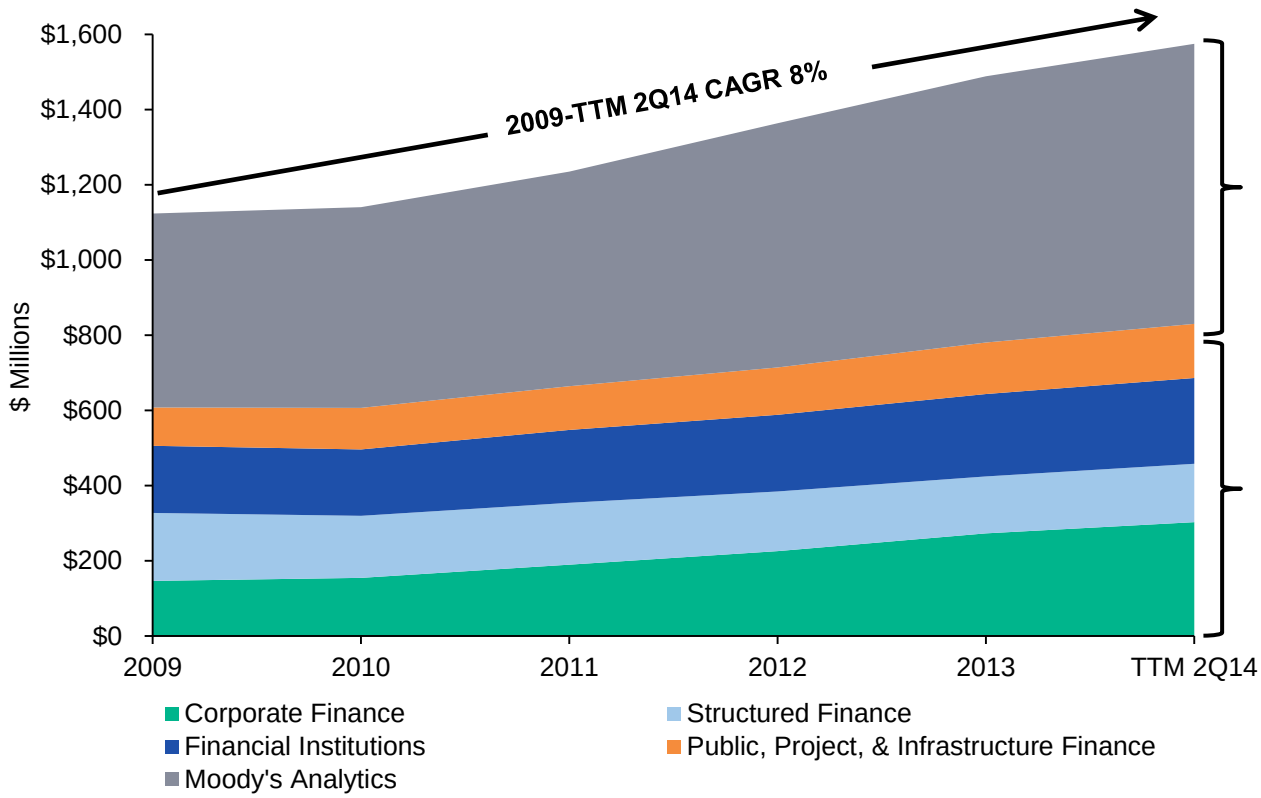
Steady MA Revenue Growth Complements Variability of MIS Revenue



Moody's Recurring Revenue Base Provides Stability

» High single digit % growth going forward

Recurring Revenue*



MA Drivers

» Growth in RD&A
» Growth in ERS maintenance and subscription revenue

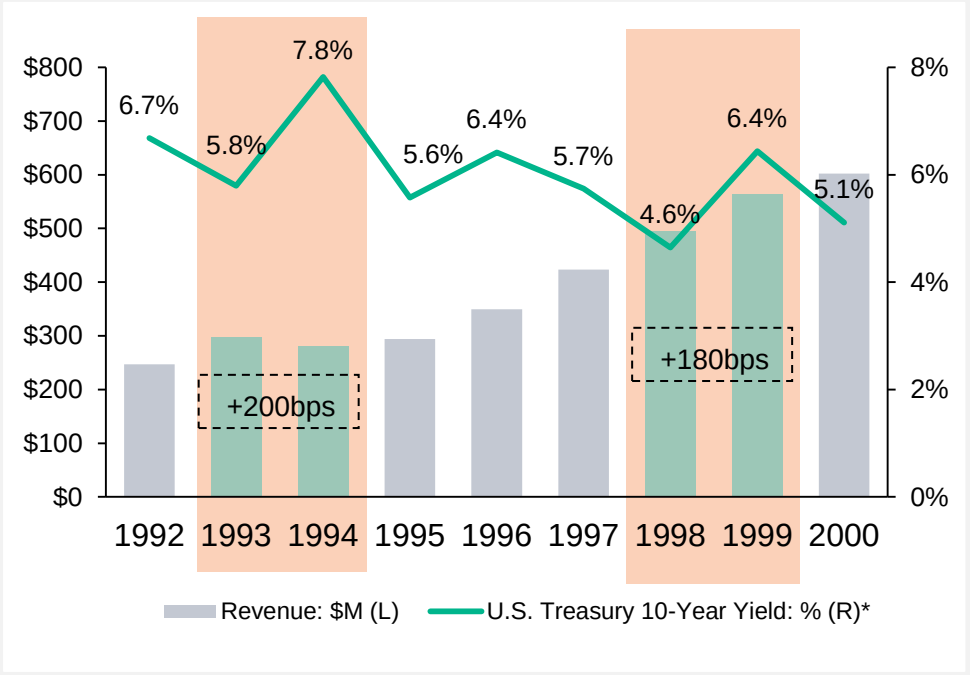
MIS Drivers

» Growth in monitoring fees driven by new mandates
» Pricing changes

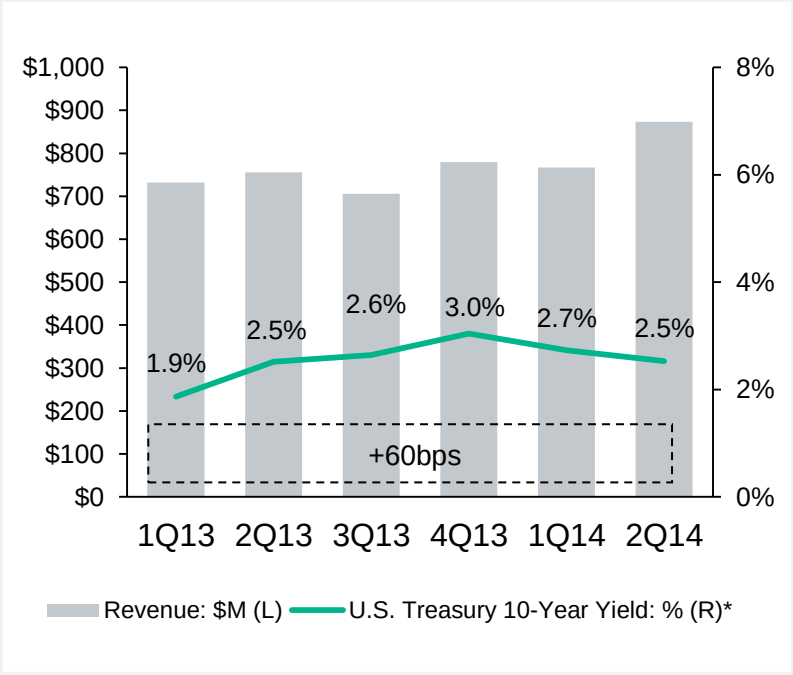
*Recurring Revenue recognized ratably over security life (MIS) and over contract period (MA).

Historically, Rising Rates Have Not Had a Significant Impact on Moody's Revenue

MCO Revenue vs. UST 10-Yr Yield: 1992-2000



MCO Revenue vs. UST 10-Yr Yield: 1Q13-2Q14



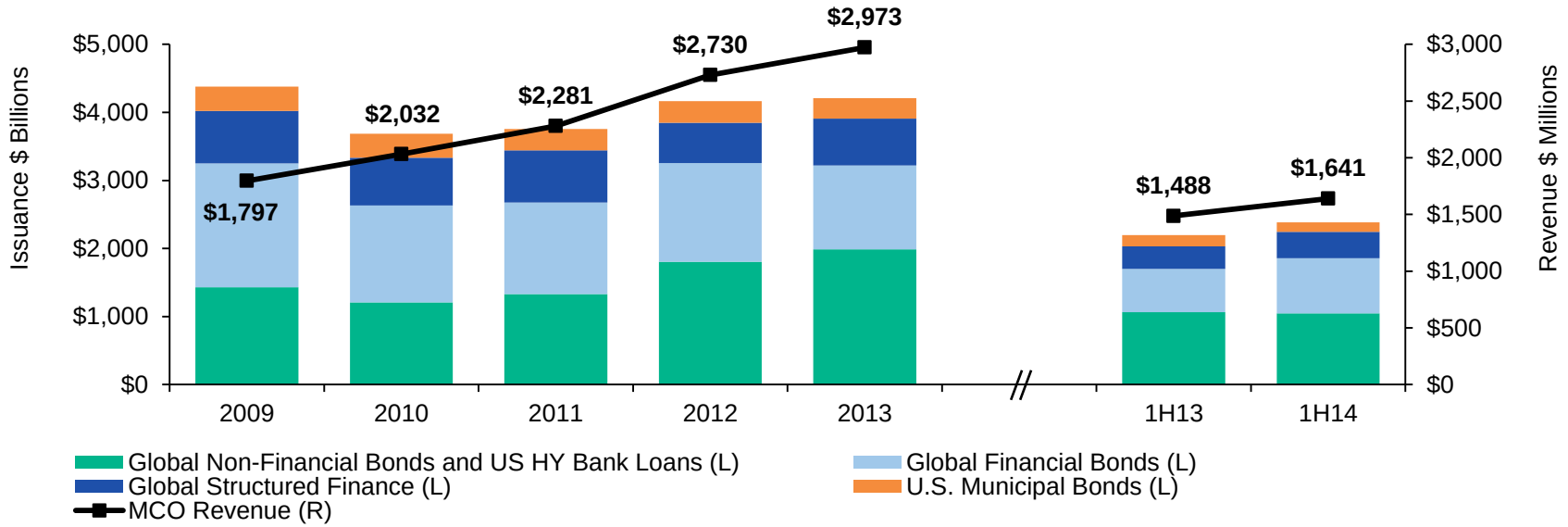
- Moody's is now more diversified geographically and in terms of the entities it rates than it was in the early 1990s, when U.S. public finance made up the largest part of the Moody's Investor Services business
- Moody's Analytics revenue is less correlated with interest rates

*Source: Bloomberg

Moody's Revenue Does Not Necessarily Directly Tie to Issuance

MCO Revenue vs. Rated Issuance*

YOY % Change	2009	2010	2011	2012	2013	2009-2013 CAGR	1H14
Issuance	-1%	-16%	2%	11%	1%	-1%	9%
Revenue	2%	13%	12%	20%	9%	13%	10%



» In addition to issuance activity levels, Moody's revenue is impacted by the mix of issuance activity, sales of non-issuance related products (including by Moody's Analytics) and pricing

*Rated global investment grade bonds, global high yield bonds, U.S. high yield bank loans, global structured finance, and U.S. municipal issuance.
Source: Moody's Capital Markets Research Group, Dealogic, AB Alert, CM Alert, Thomson SDC. U.S. High Yield Bank Loans represent Moody's rated new U.S. bank loan programs.

2

Capital Allocation Strategy

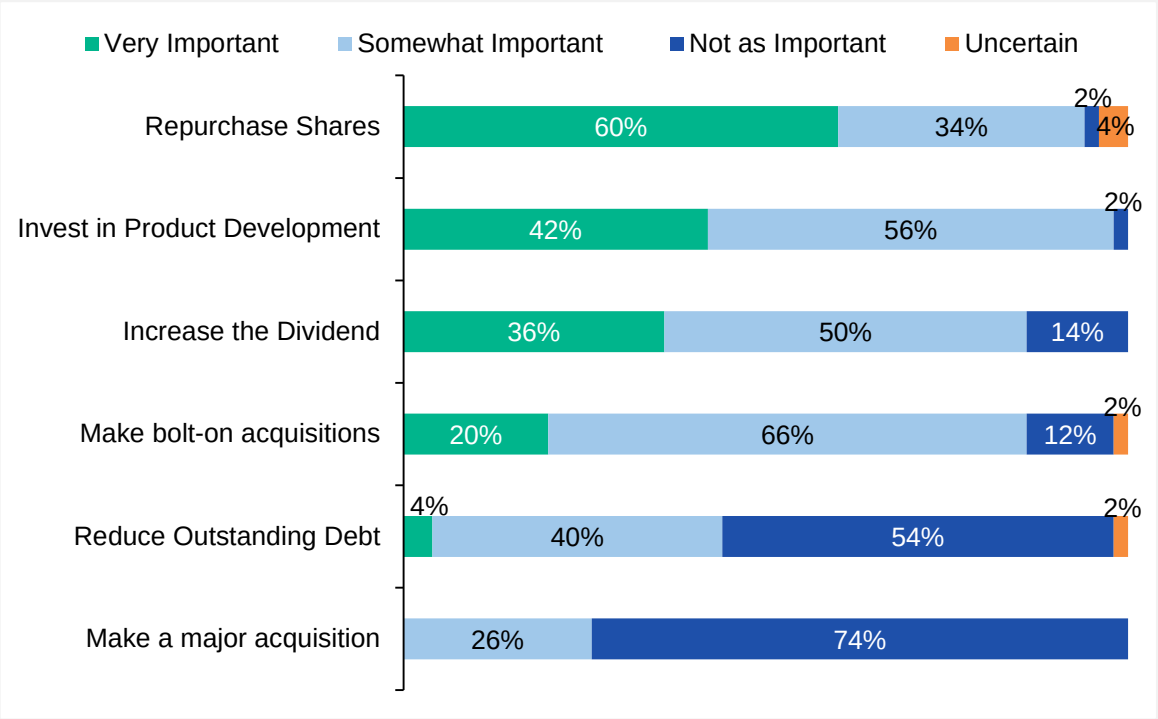
Moody's Capital Allocation Strategy Aligns with Shareholder Preferences

» We survey top shareholders and analysts twice each year

» **YTD 2014* Investor Relations activity:**

- More than 300 calls and meetings with 190+ institutional investors
- Investor non-deal roadshows in 18 cities in the U.S., Europe, Asia and Latin America
- Participation at 6 investor conferences

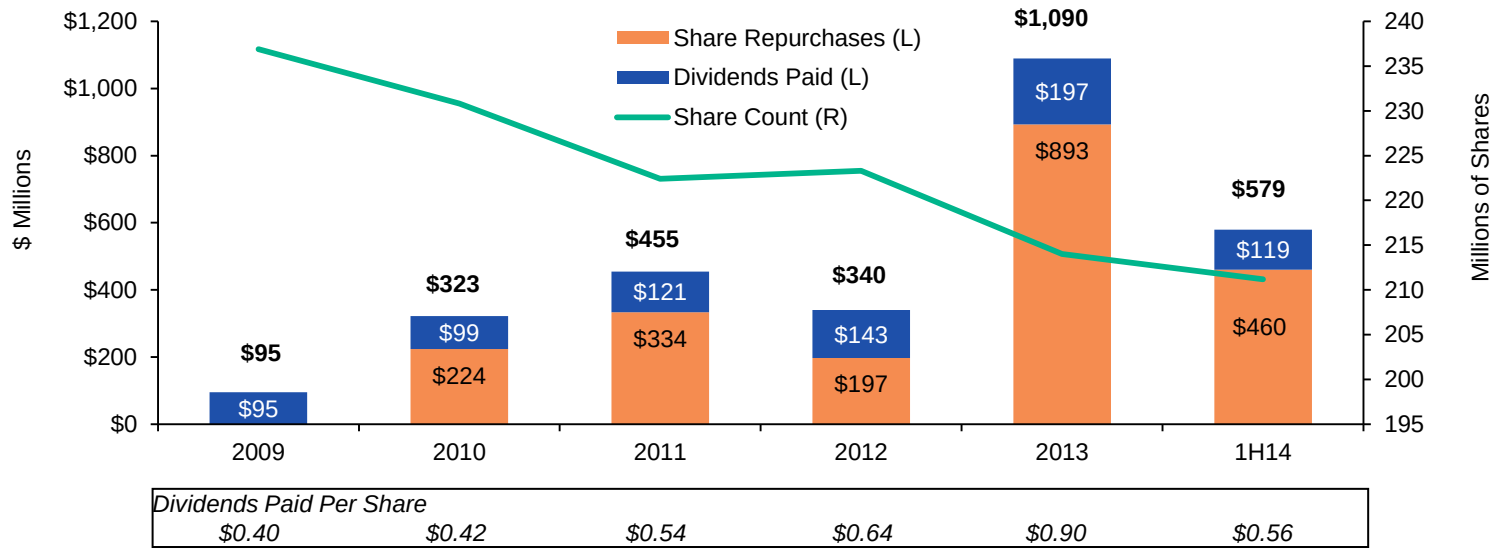
Importance of Moody's Pursuing Various Capital Deployment Initiatives



*Through August 31, 2014

Moody's Has Returned Capital to Shareholders via Dividends and Share Repurchases

Share Repurchases and Dividends Paid

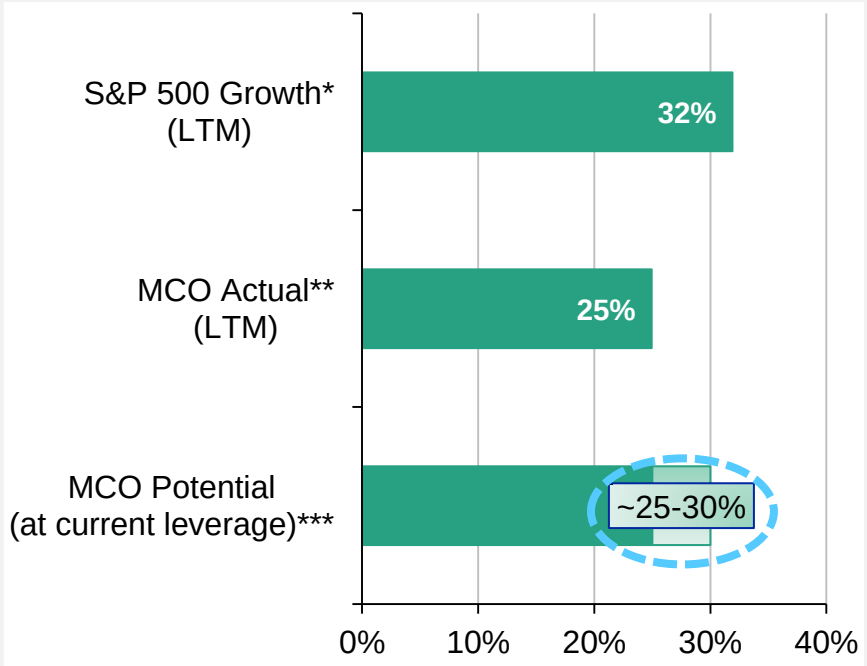


- FY 2014 share repurchases up to $1.25 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)*
- Current annualized dividend rate of $1.12 per share (payout of 25% of net income LTM as of June 30, 2014)

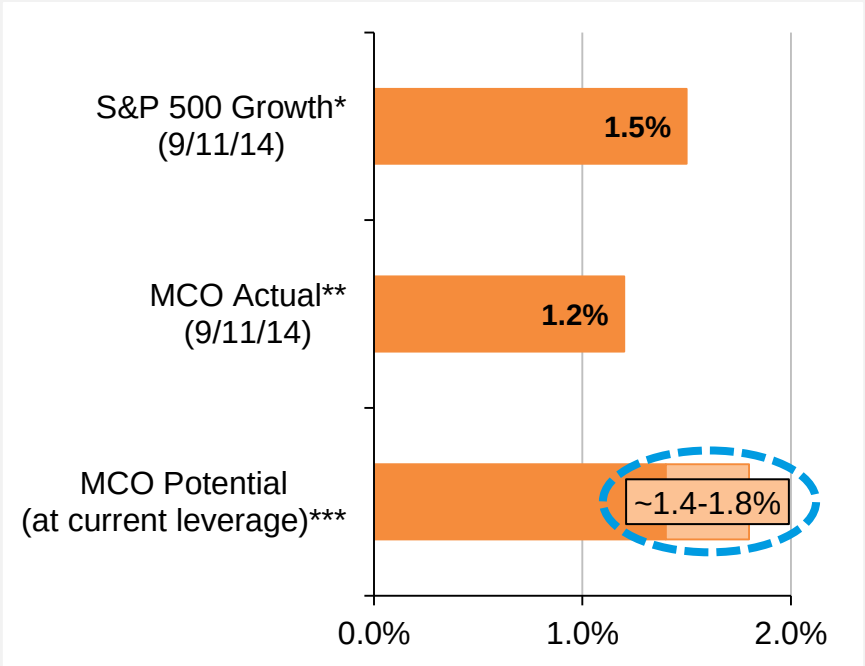
*Guidance as of September 30, 2014.

We are Committed to Continued Return of Capital via Dividends…

Dividend Payout Ratio



Dividend Yield



Source: FactSet, Moody's Corporation.

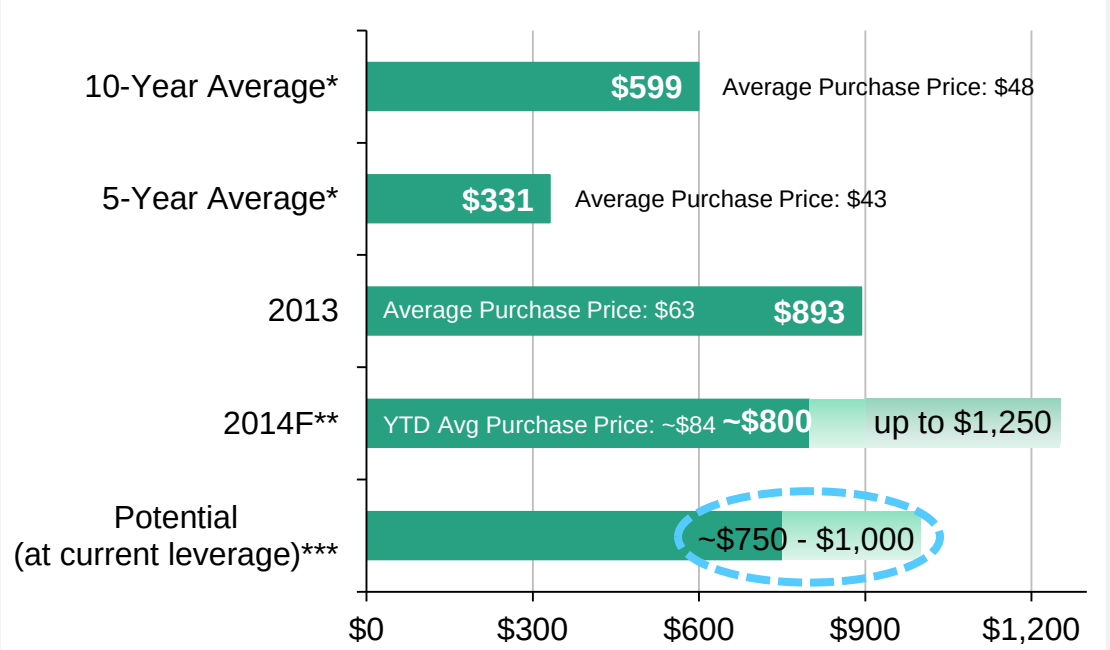
*Includes companies in the S&P 500 Index with expected long-term EPS growth rates above 10% that pay a dividend. Dividend Payout Ratio (defined as average of LTM dividends per share/EPS) for S&P 500 Growth represents average of companies with a dividend payout ratio greater than 0% and less than or equal to 100%. Dividend Yield is defined as current dividend yield as of 9/11/14.

**Dividend Payout Ratio for MCO Actual defined as LTM dividends per share/EPS. Dividend Yield for MCO Actual defined as current dividend yield as of 9/11/14.

***Assumes continued balance of return of capital between dividends and share repurchase.

…and Share Repurchases

MCO Annual Share Repurchase
($ in millions)



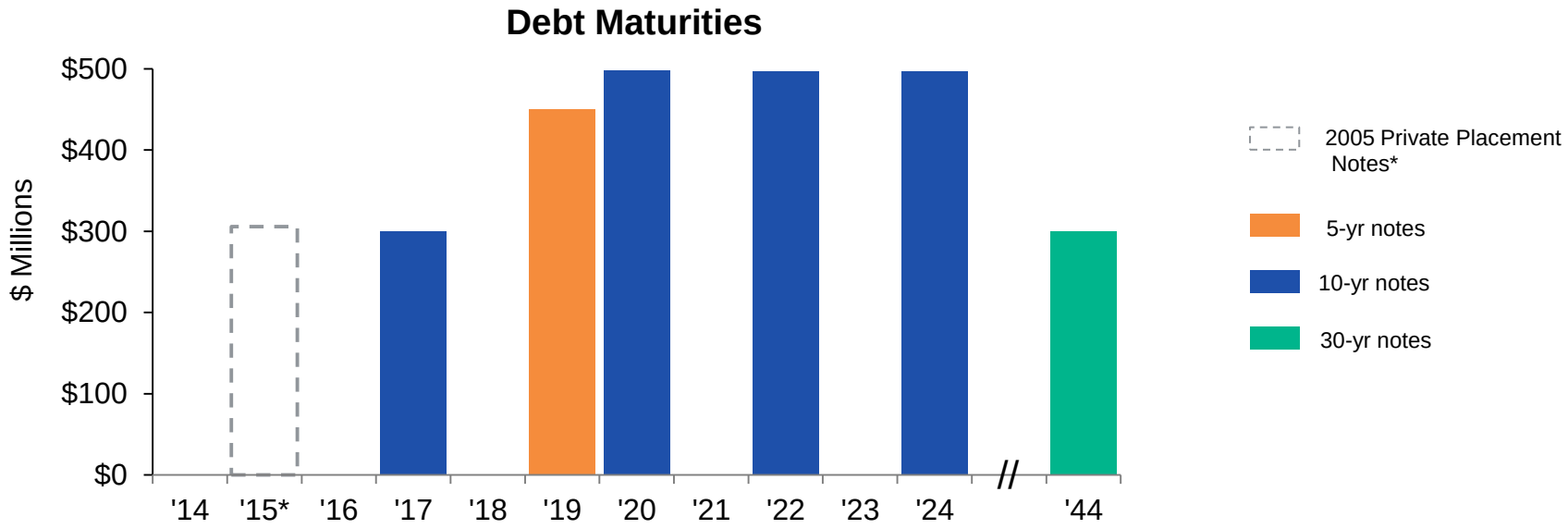
- Share repurchases will follow business reinvestment, dividends and attractive acquisitions, and therefore will vary year-to-year
- We endeavor to repurchase enough stock to cover shares issued for compensation, and ideally to reduce our share count

*10-Year Average figure represents average annual share repurchase from 2004-2013. 5-Year Average figure represents average annual share repurchase from 2009-2013.
**Guidance as of September 30, 2014.
***Assumes continued balance of return of capital between dividends and share repurchase.

Continued Focus on Optimizing Capital Allocation

- Moody's current credit rating from S&P is BBB+
  - Moody's leverage metrics remain within S&P's stated criteria for the current rating

- S&P viewed Moody's debt to EBITDA leverage ratio as 1.2x as recently as July 2014
  - Assumed a $600 million bond deal, with all proceeds immediately utilized (i.e., no incremental cash)
  - Actual July 16, 2014 bond deal was $750 million, with $300 million used to retire notes maturing in 2015



*2005 Private Placement Notes retired in August 2014.

Key Messages

- Very strong performance in the first half of 2014
- Diversification of our businesses provides ballast
- Strength and momentum even during tough cycles
- Continued focus on capital allocation:
  - Share repo up to $1.25 billion (subject to available cash, market conditions and other ongoing capital allocation decisions)*
  - Annual dividend of $1.12
  - Optimized leverage capacity
  - Opportunistic acquisitions

*Guidance as of September 30, 2014.

3

Copal Amba

Anticipated Buyout of Copal Amba

- Expect to purchase the remaining outstanding shares of Copal Amba pursuant to a call option as described in our SEC filings
  - Copal Partners has performed well since our acquisition of 67% of the business in late 2011
  - Our subsequent acquisition of Amba Investment Services has given us more complete research products and services for financial institutions globally
  - Moody's has offshored work to Copal Amba, and will continue to do so
- We expect returns to solidly exceed our cost of capital
  - **Timing:** expected to close in late 4Q14
  - **2014 EPS impact:** none
  - **Funding:** offshore cash

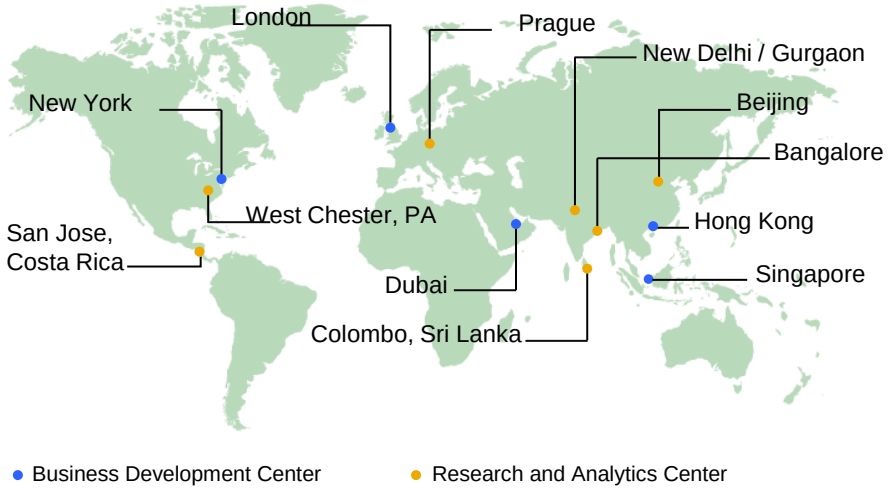


Copal Amba is a Market Leader in Analytics and Research Support Services

Copal Amba

- Provider of research, analytics and business intelligence services to global financial institutions and corporations
- A subsidiary of Moody's Corporation
- Over 2,700 employees with strong banking and research backgrounds

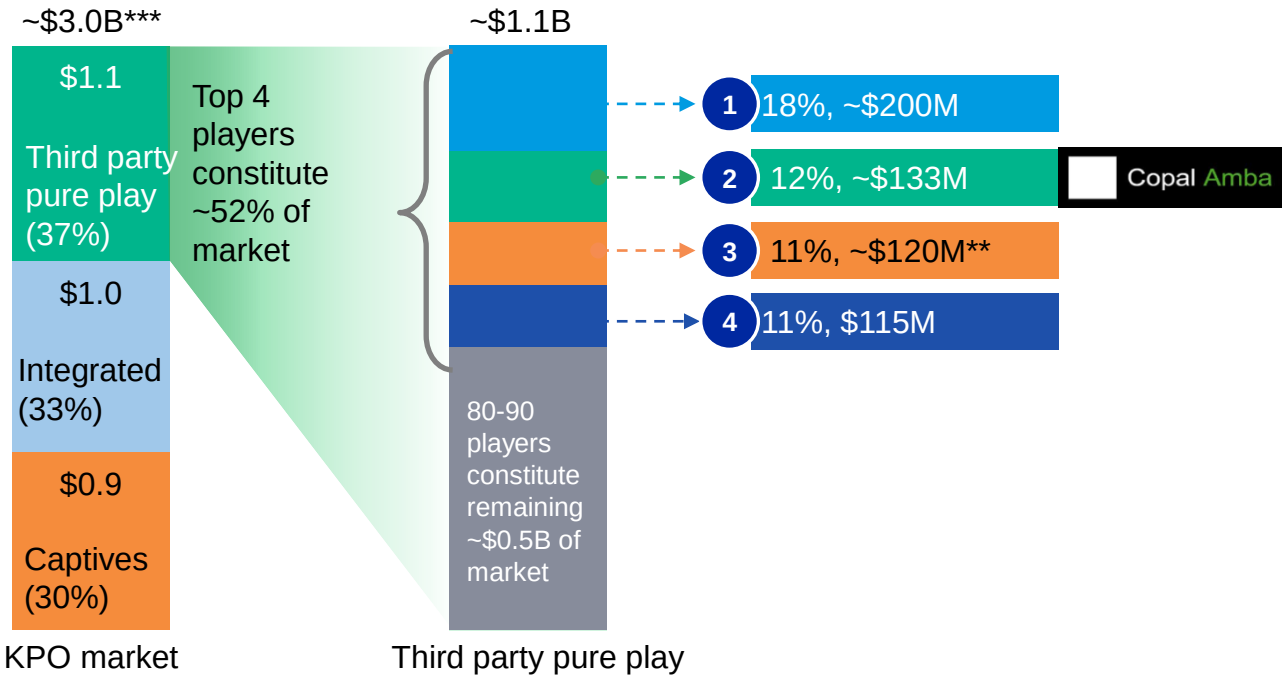
Global Research and Analytics Center Locations



Advisory	Brokerages	Asset management and private wealth	Corporates and consulting	Commercial banking
» Advisory, ECM, DCM, Global Markets » 40+ clients	» Equities, FICC, Research Production, Quants » 30+ clients	» Equities, Credit, Quants, Marketing, Compliance » 35+ clients	» Primary Research, Business Research » 50+ clients	» Origination, Underwriting, Portfolio Management » 10+ clients

Copal Amba is the 2nd Largest Player in the Third Party Pure Play KPO Market

Market Segmentation – Types of Players and Top 4*



Key Features

- Consolidated at top
- Copal Amba among top 4
- Fragmented at bottom
- Opportunity to consolidate further

*Used run rate revenue for all players.
**Select revenue has been excluded as it relates to analytics product market and not analytics services that KPO caters to.
***This figure is a management estimate and does not include market for legal research.

4

Corporate Development

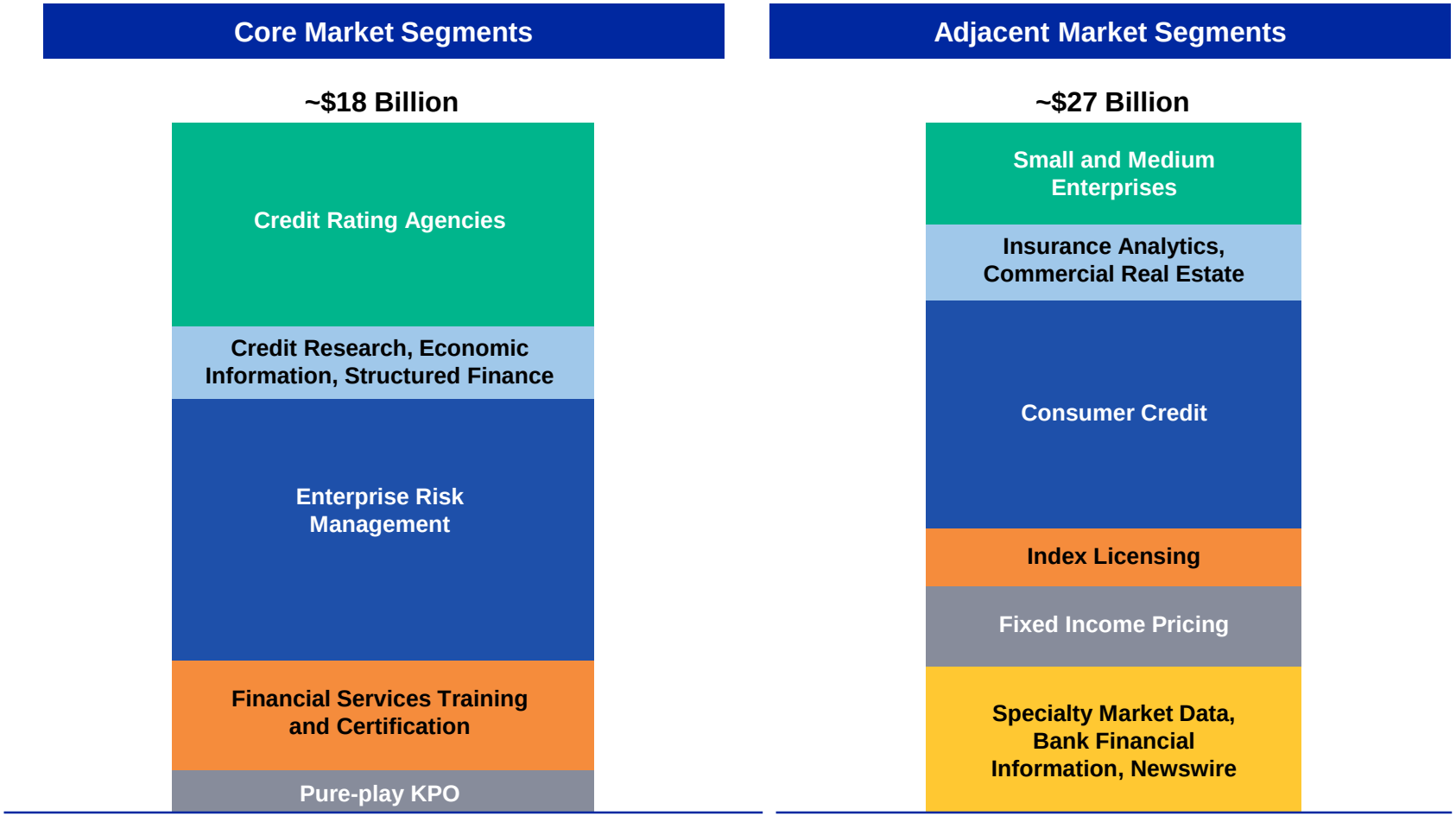
David Platt
Managing Director, Head of Corporate Development

Key Messages

- **Moody's is well-positioned in our core markets and selectively considers opportunities to expand our presence**
  - ~$18 billion core markets and ~$27 billion adjacent markets
- **We have successfully executed several strategic transactions**
  - Amba Research; Majority Control of ICRA; WebEquity Solutions
- **Our acquisition objectives and strategy are straightforward**
  - Complementary content and analytics for both existing and new customers
  - Ability to leverage Moody's brand, distribution, core credit and analytical expertise
  - Recurring revenue with low capital intensity
- **Potential acquisitions must pass rigorous strategic and financial review**
  - We consider many opportunities but are "picky" and take our time
- **Decision making guided by our mission to be the world's most respect authority serving risk-sensitive financial markets**

Moody's Addressable Markets

We continue to focus on both organic and acquired growth in our ~$18 billion core markets and selectively consider potential opportunities in adjacent market segments



Source: Copal Amba; Note: Market size is based on revenues

Successfully Executed Strategic Transactions

- Amba Research provides outsourced investment research and analytics to financial institutions
- Scale acquisition opportunity for Copal Partners, creating a leading outsourcing provider for the global financial sector, with clients including nine of the ten largest global investment banks
- Together with Amba's ~900 employees the combined Copal Amba has ~2,700 Copal Amba employees with delivery centers in Costa Rica, India, Sri Lanka and other global financial centers
- 2013 Revenue of ~$40 million

- ICRA is one of three leading Indian-based domestic rating agencies
- Moody's made an initial investment of 10% in 1999; increased our ownership to 28.5% in a staggered process over a decade; in June of 2014 acquired majority ownership of over 50%
- ~1,100 employees with offices throughout India
- 2013 Revenue of ~$40 million

- WebEquity Solutions is a cloud-based / SaaS lending platform that provides loan origination, credit analysis and loan management functionality to ~750 small financial institutions
- Opportunity for Moody's Analytics / ERS to leverage WebEquity's leadership in software for financial institutions; combined with our international reach / expertise, will help enhance Moody's risk management portfolio for banks, insurance companies and corporations
- ~70 employees headquartered in Omaha, Nebraska
- 2013 Revenue of ~$15 million

Moody's Acquisition Approach

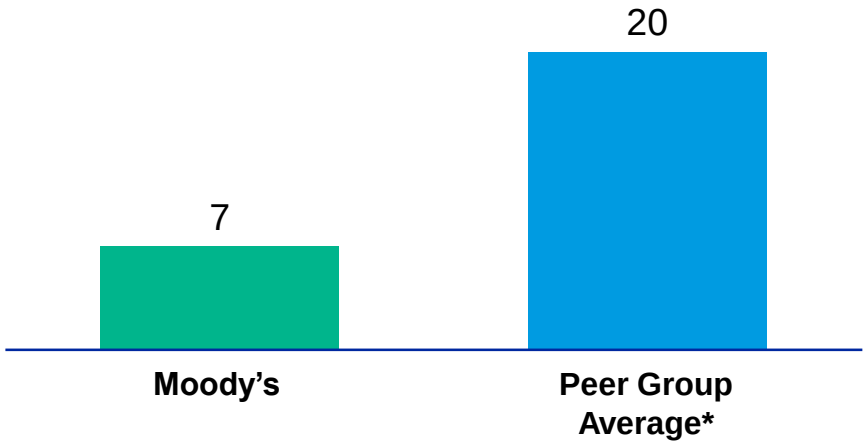
Financial Parameters

- IRR in excess of target's and Moody's cost of capital
- >10% annual cash return yield within 3-5 years
- Cash payback of 7-9 years
- GAAP EPS accretive by year 3 (where applicable)

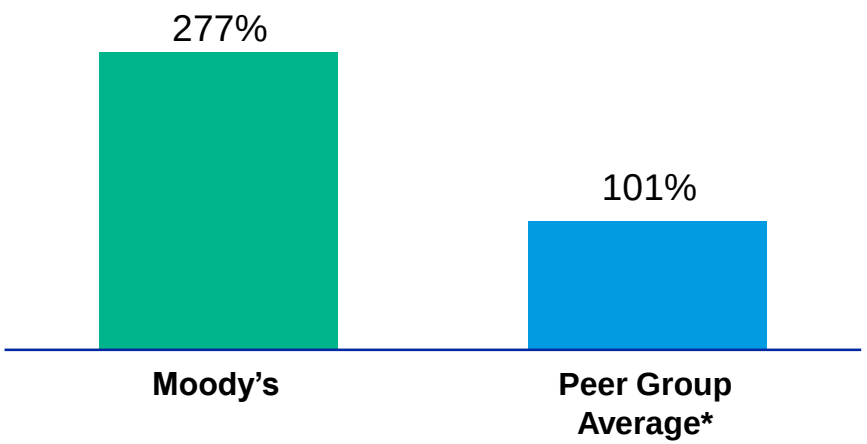
Target Profile

- Complementary ratings, businesses, content, data / analytics, risk management, etc., in existing and/or high growth markets
- Financial services client base that can leverage Moody's brand, distribution, core credit expertise and analytic capabilities
- Recurring or "repeat" revenue and low capital intensity

Number of Acquisitions (Last 5 Years)



Share Price Performance (Last 5 Years)**



*Peer Group includes Thomson Reuters, IHS, Experian, McGraw Hill, Verisk, CoreLogic, D&B, MSCI and FactSet
**Market data as of 9/15/2014

Moody's Acquisition Activity

- **Approximately $960 million cumulative purchase price since 2008**
  - No annual target for acquisition spend
  - Multiple deals in some years, no deals in others
- **Acquired >$360 million in first year revenues**
  - Average revenue multiple below 3.0x; before impacts of purchase accounting
  - Average of all transactions in our database across all sectors in which we operate: 3.6x LTM revenues and 17.1x EBITDA
- **Since January 2005, analyzed 500+ companies, acquired:**

	MINORITY INVESTMENT / STAKE INCREASE	MAJORITY ACQUISITION	PRICE RANGE
Ratings	4	4	$1 – 15 million
Analytics	2	13	$2 – 200 million

Overview of Recent Transactions / Performance

	Copal Amba	ICRA (50%)	WebEquity solutions
Ratings or Standards Business		✓	
High Growth Market	✓	✓	✓
Leverages Moody's Competencies	✓	✓	✓
Demonstrable Synergies	✓	✓	✓
Recurring or "Repeat Need" Revenue	✓	✓	✓
Performance / Commentary	On Track	On Track	Integration in Process

- **Amba was a scale opportunity for Copal and together are delivering solid results**
  - Moody's is using Copal Amba for our own internal functions
- **Majority control of ICRA provides the opportunity to more actively participate in the growth of the ratings and debt capital markets and better control our destiny in India**
  - We have teams working with ICRA management to deepen connectivity and collaboration

Moody's Post-Acquisition Monitoring

- **Generally prefer to fully integrate (within acquiring business unit) albeit practical approach to maintain unique and/or entrepreneurial characteristics**
  - Corporate functions, sales force, IT, etc.
- **Acquisition tracking for 3 years after acquisition close for transactions >$10 million**

Quarterly Dashboard

- **Track key performance indicators**
  - Measurable, relevant, allow us to track vs. acquisition model
  - Financial metrics: revenues and EBITDA (when possible) vs. acquisition model and budget
  - Operational metrics: client retention, employee retention, new sales, etc.

Annual Review

- **Post-acquisition annual reviews**
  - Review of financial performance vs. acquisition model
  - What went as planned vs. what didn't
  - Incorporate "lessons learned" into acquisition process
  - Overall strategic assessment of acquisition (performance, fit, other benefits and issues)
- **Annual impairment testing**

5

Compensation Overview

Lisa Westlake
Senior Vice President, Chief Human Resources Officer

Incentive Compensation – Funding Metrics

- Pool funding metrics differ based on level and individual areas of responsibility
- Payout to individual employees based on achievement of individual objectives
- Table below excludes Moody's Sales team which is subject to a Commission Plan

Annual Cash Incentives

Eligible Population	MA	MIS	MCO Corporate Groups***
NEOs* and Other CEO Direct Reports**	• MCO Operating Income • MCO EPS • MA Operating Income	• MCO Operating Income • MCO EPS • MIS Operating Income	• MCO Operating Income • MCO EPS
All Other Management** and Professional Staff	• MA Operating Income • MA Sales	• MIS Operating Income	• MCO Operating Income

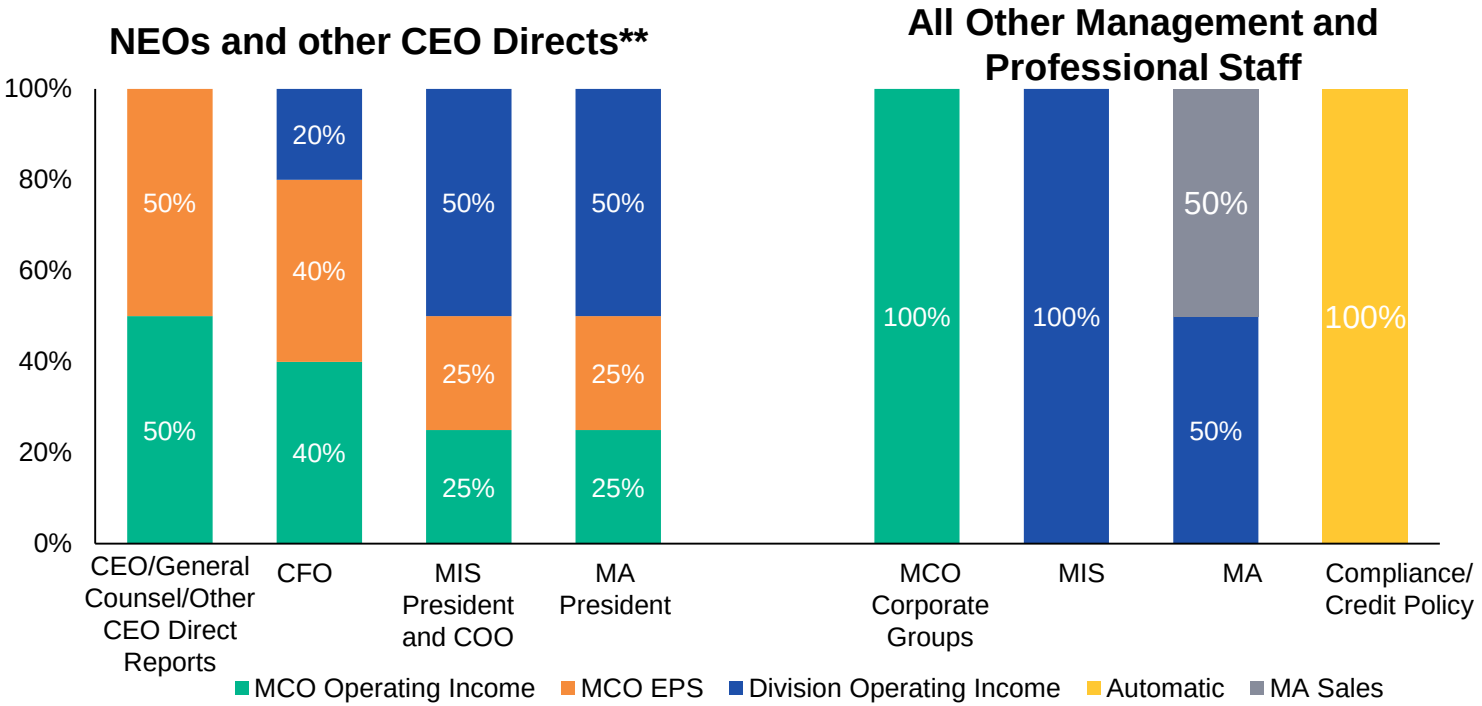
Long-Term Stock Incentives – 3-Year Performance Share Plan

Eligible Population	MA	MIS	MCO Corporate Groups***
"Top 50" including NEOs* and Other CEO Direct Reports**	• MCO EBITDA**** • MA Sales	• MCO EBITDA**** • MIS Ratings Quality	• MCO EBITDA**** • MA Sales • MIS Ratings Quality

*NEOs = Named Executive Officers as included in Moody's proxy statements
**Bonus plan for Chief Risk Officer and Compliance/Credit Policy automatically funds at 100% to avoid potential conflicts of interest. Payout to these employees is based on achievement of their individual non-financial goals
***MCO Corporate Groups include Finance, Accounting, Legal, Human Resources, and others
****To better align long-term incentives with Moody's acquisition strategy, EPS, which was one of the measures used prior to 2012, was replaced by EBITDA

Annual Cash Incentive Compensation – Funding Metrics Weights

- Pool funding is subject to performance thresholds and caps
- Pool funding metrics differ based upon individual areas of responsibility
- Payout to individual employees at Company's discretion and also based on individual and relative performance
- Institutional investor satisfaction survey* modifier adjusts the total funding of the annual cash incentive program for the "Top 50" by up to 10% based on achievements versus Moody's customer value goals



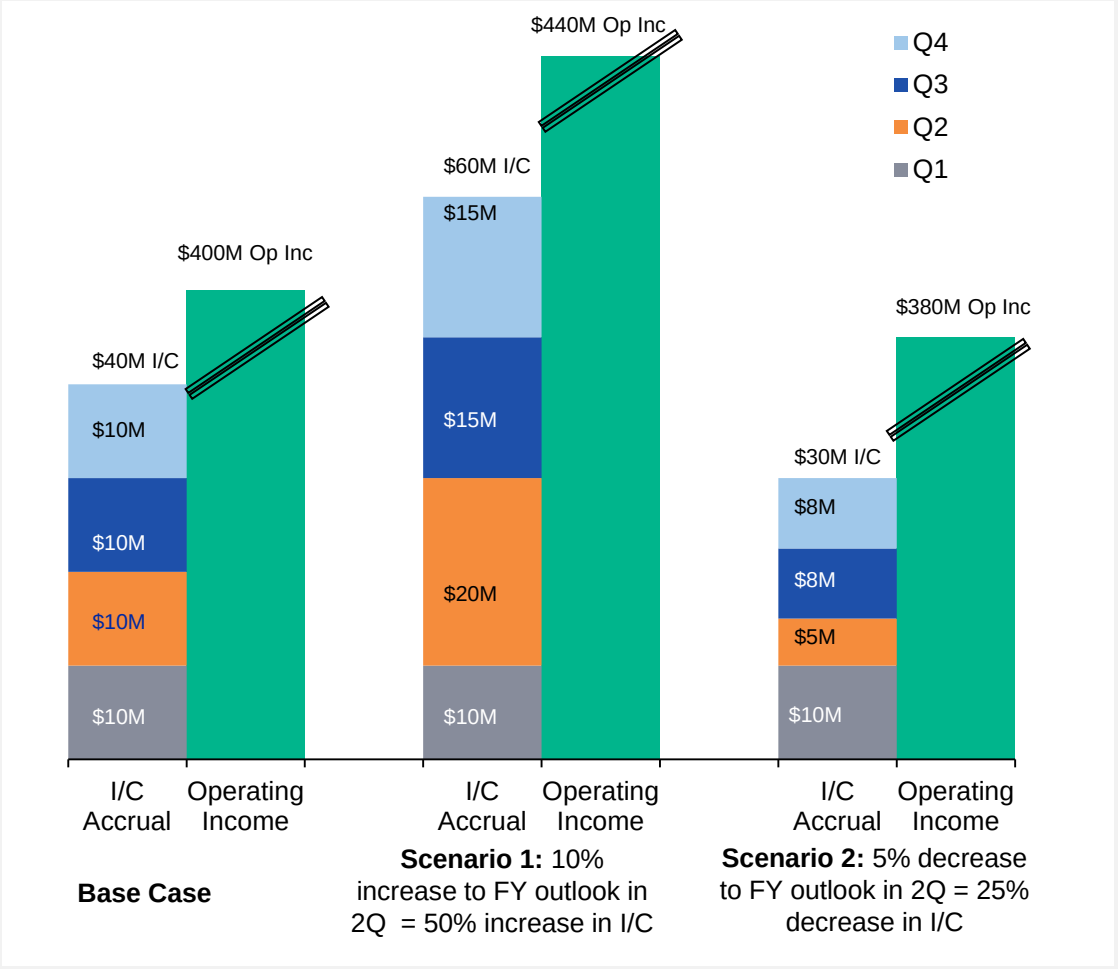
*Survey targets debt investors

**Bonus plan for Chief Risk Officer and Compliance/Credit Policy automatically funds at 100% to avoid potential conflicts of interest. Payout to these individual employees is based on achievement of their individual non-financial goals

***MCO Corporate Groups include Finance, Accounting, Legal, Human Resources, and others

Cash Incentive Compensation Accounting – Scenarios

Target vs Outlook Impacts on I/C (Illustrative)

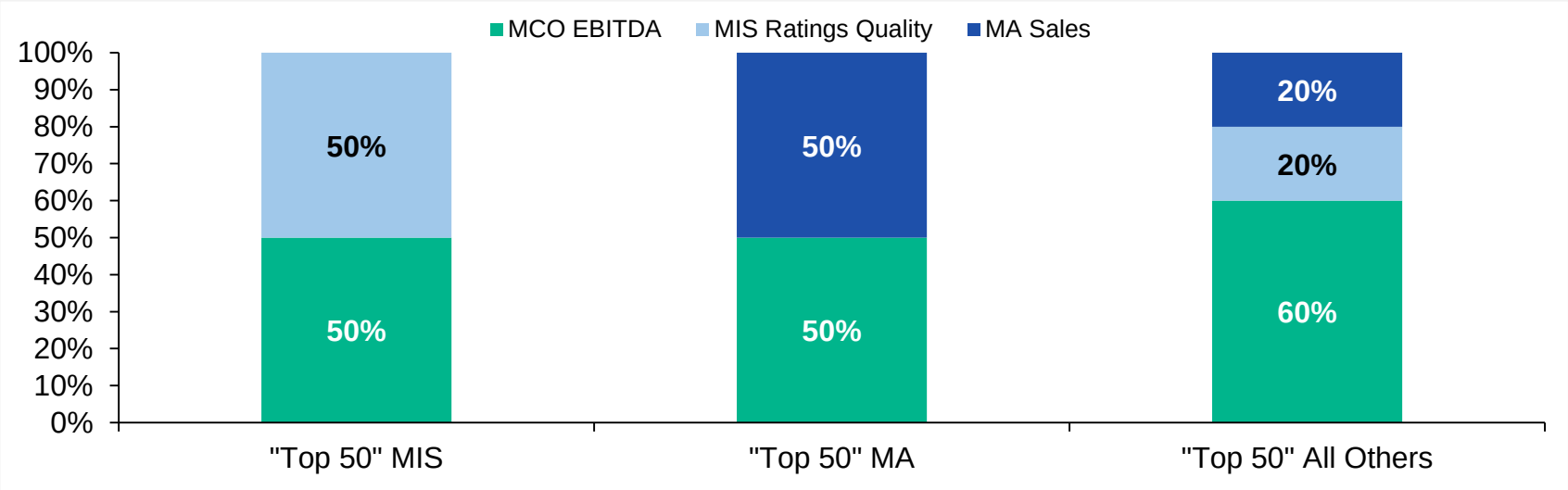


- Incentive compensation targets established by Board of Directors annually
- Quarterly accruals based on latest company projections
  - If full year outlook increases, quarterly accrual will increase accordingly
  - If full year outlook drops below target, quarterly accrual will decrease accordingly
- Within quarter of full year outlook change, quarterly accrual adjusted as needed to reflect year-to-date activity and full-year projections

Excludes earnings seasonality and businesses that are not PIC (Performance Incentive Compensation) bonus eligible, such as joint ventures

Long-Term Stock Incentives (LTI) are Performance-Focused, Based on Cumulative Operating Results and Share Price Appreciation

LTI Performance Goal Weightings for "Top 50" Including NEOs and Other CEO Direct Reports*



- » Stock options vest over 4 years in annual 25% increments; expire 10 years following grant date
- » Performance shares earned if certain cumulative *3-year* performance goals are achieved or exceeded; awards are subject to a dollar maximum
- » All Other Management and Staff are awarded restricted stock that vests ratably over 4 years

*Payout to these individuals is based on achievement of their individual non-financial goals. Chief Risk Officer receives restricted shares to avoid potential conflicts of interest.

Incentive Metrics Alignment with Strategy

» Moody's incentive metrics align management with shareholder interests as well as business strategy over 1, 3 and 10 years

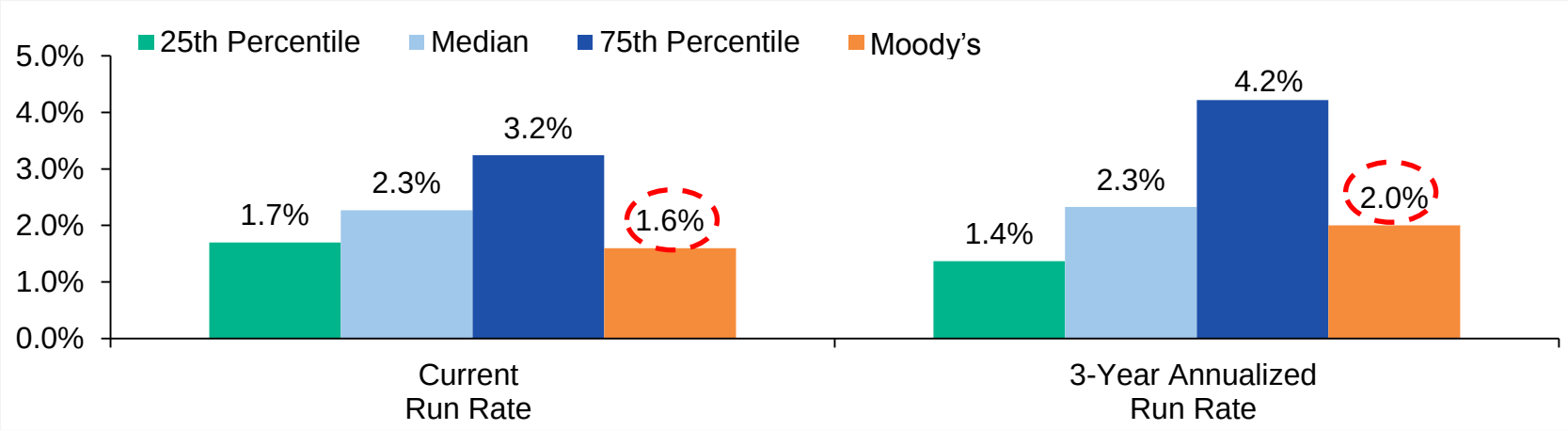
Measure	Aligns Management With Shareholders Interests	Grow Revenue And EPS	Execute Accretive Acquisitions Over The Medium Term	Improve Profitability	Return Of Capital To Shareholders	Protect And Enhance Product Quality
Sales	✓	✓	✓			✓
EBITDA	✓	✓	✓	✓		✓
Operating Income	✓	✓		✓		✓
EPS	✓	✓		✓	✓	✓
Ratings Quality	✓	✓	✓			✓
Investor Survey*		✓				✓

*Survey targets debt investors

Share Utilization is Monitored and in Line with Peer Group

- The Board considers competitive grant values and share utilization practices of Moody's peer group, and works to align the interests of executives with shareholders, while also motivating executives to improve Moody's current market position
- Moody's grants long-term incentives to approximately 25% of its employee population
- "Top 50" receive a combination of stock options and performance shares; all others receive restricted stock
- For the last three years, Moody's has maintained a utilization rate between the 25th percentile and median of its proxy peer group

Share Utilization Rate – Peer Group vs. Moody's*



*Source: Aon Hewitt's Comparative Analysis of Moody's Corporation Stock Compensation Utilization, December 2013

Stock Ownership Guidelines Reinforce Alignment of Management with Shareholders

- Executive officers are expected, within 5 years, to acquire and hold MCO shares equal in value to a specified multiple of their base salary
  - 6x base salary for CEO
  - 3x base salary for remaining named executive officers
  - 5x annual cash retainer for non-management Board directors
- Moody's NEOs hold significantly more shares than required; non-management Board directors are each in compliance of the guidelines

Key Messages

- Moody's executive compensation plans are directly aligned with shareholders' interests
- Moody's has robust, independent governance around executive compensation
- Moody's executive compensation is routinely benchmarked and in line with that of its peers, and with the broader financial services industry
- Shareholders approved Moody's executive compensation in 2014 with a 95% favorable vote

Moody's

Q&A

LINDA HUBER, EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

DAVID PLATT, MANAGING DIRECTOR, HEAD OF CORPORATE DEVELOPMENT

LISA WESTLAKE, SENIOR VICE PRESIDENT, CHIEF HUMAN RESOURCES OFFICER

SEPTEMBER 30, 2014

Moody's

Closing and Thanks

Moody's Investor Day 2014 Presenters

Salli Schwartz



Global Head of Investor Relations

Salli Schwartz is Global Head of Investor Relations at Moody's. In this role, Ms. Schwartz is responsible for communications with Moody's current and prospective shareholders and sell-side analysts, and for managing Moody's Investor Relations team.

Ms. Schwartz, who joined Moody's in 2007, served previously as Vice President — Corporate Development, where she was responsible for various corporate development and strategic planning initiatives, including acquisitions, joint ventures and strategic alliances.

Prior to joining Moody's, Ms. Schwartz held positions in corporate strategy, corporate treasury and planning and analysis for investment research with Citigroup. She has also held investment banking and merchant banking positions with Legg Mason, Inc. Ms. Schwartz has a Master of Business Administration from Cornell University and a Bachelor of Arts from the University of Pennsylvania, both with distinction.

She recently joined the board of directors of the National Academy Foundation.

Ray McDaniel



President and Chief Executive Officer

Raymond W. McDaniel, Jr. is President and Chief Executive Officer of Moody's Corporation. In this role, Mr. McDaniel is responsible for all activities of the Company and its two operating divisions: Moody's Investors Service, the credit rating agency; and Moody's Analytics.

Mr. McDaniel has held a variety of positions since joining the Company in 1987. He was named President of Moody's Investors Service in November 2001. He was promoted to Executive Vice President of the Company and was elected to its board of directors in April 2003. Mr. McDaniel served as the Company's President from October 2004 until April 2005 and the Company's Chief Operating Officer from January 2004 until April 2005. He has served as CEO since April 2005, was named President in April 2012, and served as the Chairman of the Board from April 2005 until April 2012.

Mr. McDaniel holds a J.D. from Emory University School of Law and a B.A. in political science from Colgate University. He was admitted to the Bar of the State of New York in 1984, and is a member of the board of directors of John Wiley & Sons, Inc.

Moody's Investor Day 2014 Presenters

Mark Zandi



Chief Economist, Moody's Analytics

Mark M. Zandi is chief economist of Moody's Analytics, where he directs economic research. Dr. Zandi is a cofounder of Economy.com, which Moody's purchased in 2005.

A trusted adviser to policymakers and an influential source of economic analysis for businesses, journalists and the public, Dr. Zandi has frequently testified before Congress and has advised the Obama administration as well as Senator John McCain's presidential campaign. Dr. Zandi is often quoted in national and global publications and interviewed by major news media outlets and is the author of Financial Shock, an exposé of the financial crisis. His forthcoming book, Paying the Price, provides a roadmap for meeting the nation's daunting fiscal challenges.

Dr. Zandi received his Ph.D. at the University of Pennsylvania, where he did his research with Gerard Adams and Nobel laureate Lawrence Klein, and received his B.S. from the Wharton School at the University of Pennsylvania.

Michel Madelain



President and Chief Operating Officer, Moody's Investors Service

Michel Madelain is President and Chief Operating Officer of Moody's Investors Service, and is responsible for setting the strategic direction and managing the day-to-day operations of Moody's ratings business. He was named Chief Operating Officer of Moody's Investors Service in May 2008 and was named President in November 2010. Prior to this role, he held the position of Executive Vice President, Fundamental Ratings, with responsibility for all global fundamental ratings, including corporate finance, financial institutions, public finance and infrastructure finance. Previously, he was Senior Managing Director with responsibility for global banking. Prior to this position, Mr. Madelain managed Moody's corporate ratings in Europe, Middle East and Africa and held several Managing Director positions in the U.S. and the U.K. fundamental rating groups.

Prior to joining Moody's in 1994, Mr. Madelain was a Partner of Ernst & Young, Auditing Practice. Mr. Madelain is a graduate of the Ecole Superieure de Commerce de Rouen, Rouen, France, and holds an MBA in management from Northwestern University, Evanston, Illinois. He is qualified as a Chartered Accountant in France.

Moody's Investor Day 2014 Presenters

Tom Keller



Managing Director, Geographic Management and Sovereign Ratings

Thomas Keller is the Managing Director for Sovereign Ratings and Geographic Management of Moody's Investors Service (MIS). In this role, Tom oversees all activities related to sovereign ratings. In addition, Tom is responsible for leading the Geographic Management of MIS, which entails driving business growth initiatives, along with budgeting and planning outside the U.S., the management of Moody's global assets (people, products, offices, capabilities), regulatory monitoring and affiliate relations. Tom is also the executive sponsor of Moody's LGBTA Employee Resource Group and a board member of the Hetrick-Martin Institute.

Prior to this role, beginning in 2007, Tom was the Managing Director for the Global Public, Project and Infrastructure Finance Group, responsible for ensuring MIS had a globally consistent methodology to assessing credit risk for all levels of financing across the group's portfolio. He also served as the head of the Asia Pacific region, responsible for Moody's offices and ratings in the region, first as Managing Director of the Ratings Group and then as Representative Director of Moody's Japan.

Prior to Moody's, Tom worked at Chemical Bank and Manufacturers Hanover Trust Company. He earned a B.B.A. from the University of Rhode Island and an M.B.A. from Iona College.

John Goggins



Executive Vice President and General Counsel

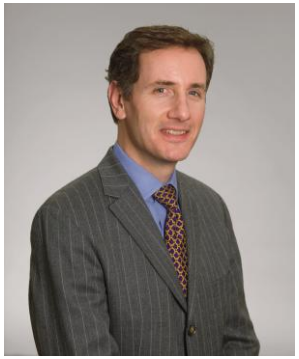
John Goggins is Executive Vice President and General Counsel of Moody's Corporation. In this role, Mr. Goggins is responsible for managing all legal and regulatory matters for the company, including litigation, corporate governance and transactions, securities regulation and intellectual property, as well as the company's regulatory affairs and compliance activities. Mr. Goggins joined the firm in 1999 as Vice President and Associate General Counsel.

Prior to joining Moody's, he served as Counsel for Dow Jones & Company from 1995 to 1999, responsible for SEC compliance, corporate finance, executive compensation, investor relations and negotiating acquisitions, dispositions and joint ventures. Mr. Goggins was an Associate with Cadwalader, Wickersham & Taft from 1985 to 1995 where he worked on mergers and acquisitions.

Mr. Goggins holds a J.D. from the University of Chicago and a B.A in economics and history from Amherst College. He is a member of the New York State Bar.

Moody's Investor Day 2014 Presenters

Mark Almeida



President, Moody's Analytics

Mark Almeida has been President of Moody's Analytics since January 2008. Prior to this position, Mr. Almeida was Senior Managing Director of the Investor Services Group (ISG) at Moody's Investors Service, where he was responsible for sales and development of Moody's portfolio of research products and services.

Mr. Almeida joined the Corporate Finance division of Moody's Investors Service in 1988. Based in London in the early 1990s, he organized a marketing team to position Moody's for the business opportunities anticipated from the development of the European debt capital markets. Mr. Almeida was named Group Managing Director, Investor Services in 2000, and was promoted to Senior Managing Director in 2004.

Prior to joining Moody's, Mr. Almeida worked in marketing and regional economics for Chase Econometrics, a consulting subsidiary of The Chase Manhattan Bank. He holds a B.A. from St. Joseph's University in Philadelphia and an M.B.A. from the Leonard N. Stern School of Business at New York University.

Steve Tulenko



Executive Director, Enterprise Risk Solutions

Stephen Tulenko serves as Executive Director - Enterprise Risk Solutions for Moody's Analytics. Prior to this appointment, Mr. Tulenko was Executive Director - Sales, Customer Service and Marketing from 2008 to 2013.

Mr. Tulenko also worked as Group Managing Director, Global Head of Sales for the Investor Services Group within Moody's Investors Service, a unit dedicated to providing credit research and risk management tools to buy-side and sell-side institutions. A Managing Director in the organization since 1998, Mr. Tulenko has also managed marketing and product development teams within Moody's.

Mr. Tulenko joined Moody's in 1990. He holds an undergraduate degree in Economics and Business Administration from the University of Notre Dame and an M.B.A. in Finance, Marketing and International Business from the Stern School of Business at New York University.

Moody's Investor Day 2014 Presenters

Linda Huber



Executive Vice President and Chief Financial Officer

Linda Huber is Executive Vice President and Chief Financial Officer of Moody's Corporation. Ms. Huber has executive responsibility for the corporation's global finance activities, including accounting and financial reporting, tax, treasury, business planning, investor relations and internal audit. She is also responsible for Moody's information technology, communications and corporate services functions. In addition, she is also responsible for the company's Copal Amba business, based in India. In total, more than 5,000 employees report to Ms. Huber.

Prior to joining Moody's, Ms. Huber was Executive Vice President and Chief Financial Officer at U.S. Trust Company, a subsidiary of Charles Schwab & Company, Inc., from 2003 to 2005. Previously, she was Managing Director at Freeman & Co. from 1998 through 2002. Ms. Huber served PepsiCo as Vice President of Corporate Strategy and Development from 1997 until 1998, and as Vice President and Assistant Treasurer from 1994 until 1997. From 1991 until 1994, Ms. Huber was a Vice President in the Energy Investment Banking Group at Bankers Trust Company, and was an Associate in the Energy Group at The First Boston Corporation from 1986 through 1990. Ms. Huber held the rank of Captain in the U.S. Army, where she served from 1980 to 1984. During her years of military service, she received two Meritorious Service Medals and is airborne qualified.

Ms. Huber holds an MBA from Stanford Graduate School of Business and a B.S. (with high honors) in business and economics from Lehigh University.

David Platt



Managing Director, Head of Corporate Development

David Platt became Managing Director and Head of Corporate Development for Moody's Corporation in January 2013. He runs the Company's corporate development group, which includes the origination, evaluation, and execution of investment, merger, and acquisition opportunities as well as corporate strategy.

Mr. Platt has over 20 years of investment banking experience having executed assignments across a wide range of industries. Prior to joining Moody's, Mr. Platt's experience includes Middle Market M&A and Exclusive Sales at Deutsche Bank. Prior to Deutsche Bank, Mr. Platt was a Managing Director in the M&A Group at Bank of America and held similar roles in the M&A Groups at Citigroup and DLJ. Mr. Platt started his post-graduate career at Fidelity Investments where his responsibilities included credit risk assessment of corporate and municipal issuers as well as structured products.

Mr. Platt holds an MBA from the University of Chicago Graduate School of Business, a BA from the University of California, Berkeley in Political Economies of Industrialized Societies and earned the CFA designation.

Moody's Investor Day 2014 Presenters

Lisa Westlake



Senior Vice President and Chief Human Resources Officer

Lisa Westlake is Chief Human Resources Officer for Moody's Corporation, a role she took on in November 2008 after serving two years as Vice President of Investor Relations. Ms. Westlake joined Moody's in 2004 as Managing Director – Finance, responsible for leading Treasury, Tax, and Business Planning for the firm and was appointed as a corporate officer in 2007.

Prior to joining Moody's, Ms. Westlake was a Senior Consultant with the Schiff Consulting Group from 2003 to 2004 specializing in leadership strategies for finance executives.

She was previously at American Express as Vice President and Chief Financial Officer for the OPEN Small Business Network where she oversaw more than $50 billion of small business spending and $6 billion of small business lending. Prior positions at American Express included Vice President and Chief Financial Officer for Establishment Services and before that for Relationship Services. She was at American Express from 1996 through 2003.

From 1989 until 1995 Ms. Westlake held a range of financial management positions at the Dun & Bradstreet Corporation and its subsidiary at the time, IMS International. Ms. Westlake began her career at Lehman Brothers working in the investment banking and municipal trading areas.

Ms. Westlake holds an MBA from Columbia University Graduate School of Business and an AB in Biochemistry from Dartmouth College.

Appendix

Recurring Revenue Detail

Recurring Revenue ($ Millions)

	2009	2010	2011	2012	2013	TTM 2Q14	2009 – TTM 2Q14 CAGR
Corporate Finance	$ 147	$ 155	$ 190	$ 226	$ 273	$ 303	17%
Structured Finance	$ 181	$ 165	$ 165	$ 159	$ 151	$ 155	-3%
Financial Institutions	$ 179	$ 177	$ 194	$ 204	$ 219	$ 228	6%
Public, Project, & Infrastructure Finance	$ 102	$ 110	$ 116	$ 126	$ 137	$ 144	8%
Moody's Investors Service	**$ 608**	**$ 607**	**$ 664**	**$ 714**	**$ 781**	**$ 830**	**7%**
Moody's Analytics	**$ 516**	**$ 534**	**$ 571**	**$ 649**	**$ 708**	**$ 745**	**9%**
Moody's Corporation	**$ 1,124**	**$ 1,141**	**$ 1,235**	**$ 1,364**	**$ 1,489**	**$ 1,575**	**8%**

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.

Reconciliation of Non-GAAP Financial Measures to GAAP

Adjusted Operating Income and Adjusted Operating Margin Reconciliation

(in $ millions)	2009	2010	2011	2012	2013
As Reported Operating Income	$687.5	$772.8	$888.4	$1,077.4	$1,234.6
Operating Margin	*38.3%*	*38.0%*	*39.0%*	*39.5%*	*41.5%*
Add Adjustment:					
Depreciation & Amortization	*$64.1*	*$66.3*	*$79.2*	*$93.5*	*$93.4*
Restructuring	*17.5*	*0.1*	*-*	*-*	*-*
Goodwill Impairment Charge	*-*	*-*	*-*	*12.2*	*-*
Adjusted Operating Income	$769.1	$839.2	$967.6	$1,183.1	$1,328.0
Adjusted Operating Margin	*42.8%*	*41.3%*	*42.4%*	*43.3%*	*44.7%*

Moody's Corporation Operating Margin Guidance Reconciliation

	2014F*
Projected Operating Margin - GAAP	42% to 43%
Projected impact from Depreciation & Amortization	Approximately 3%
Projected Adjusted Operating Margin	45% to 46%

*Guidance as of September 30, 2014

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

Moody's Corporation Free Cash Flow Reconciliation

(in $ millions)	2009	2010	2011	2012	2013	2014F*
Cash Flow from Operations	$ 643.8	$ 653.3	$ 803.3	$ 823.1	$ 926.8	$ ~990.0
Less Adjustment:						
Capital Expenditures	*$ 90.7*	*$ 79.0*	*$ 67.7*	*$ 45.0*	*$ 42.3*	*$ ~90.0*
Free Cash Flow	$ 553.1	$ 574.3	$ 735.6	$ 778.1	$ 884.5	$ ~900.0
Cash Flow used in Investing Activities	$ (93.8)	$ (228.8)	$ (267.6)	$ (50.2)	$ (261.9)	
Cash Flow provided by (used in) Financing Activities	$ (348.8)	$ (241.3)	$ (417.7)	$ 202.6	$ (498.8)	

*Guidance as of September 30, 2014.

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

Moody's Corporation EPS Reconciliation

(in $ millions)	2009	2010	2011	2012	2013	Projected full-year ended December 31, 2014
Diluted EPS attributable to Moody's common shareholders—GAAP	$1.69	$2.15	$2.49	$3.05	$3.60	$4.31 - $4.41
Legacy Tax	(0.04)	(0.02)	(0.03)	(0.06)	(0.09)	-
Restructuring	0.05	-	-		-	-
Impact of litigation settlement	-	-	-		0.14	-
ICRA Gain	-	-	-	-	-	(0.36)
Diluted EPS attributable to Moody's common shareholders—Non-GAAP	$1.70	$2.13	$2.46	$2.99	$3.65	$3.95 - $4.05

*Guidance as of September 30, 2014

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