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# Investor Presentation



1Q 2009 Results  
May 5, 2009

MOODY'S

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# Disclaimer

Certain of the 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. The forward-looking statements and other information are made as of April 29, 2009 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 has identified certain factors that could cause actual results to differ, perhaps materially, from those indicated by these forward-looking statements. Those factors include, but are not limited to, the current world-wide credit market disruptions and economic slowdown, which are affecting and could continue to affect the volume of debt securities issued in domestic and/or global capital markets; other matters that could affect the volume of debt securities issued, including credit quality concerns, changes in interest rates and other volatility in the financial markets; the uncertain effectiveness and possible collateral consequences of U.S. and foreign government initiatives to respond to the economic slowdown; possible loss of market share through competition; and other risk factors as discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2008, and in other filings made by the Company from time to time with the Securities and Exchange Commission. This presentation includes certain non-GAAP financial measures as defined under SEC rules. As required by SEC rules, at the end of this slide presentation we have provided a reconciliation of those measures to the most directly comparable GAAP measures. A copy of this presentation, including the relevant reconciliation slides, is available on Moody's investor relations website <http://ir.moody.com>.

# Moody's Corporation

Leading global provider of credit rating opinions and insight on credit risk measurement and management to capital markets

## Moody's Investors Service

Independent provider of credit rating opinions and related information for over 100 years

**66% of MCO 1Q09 revenue:  
\$270 Million\***

## Moody's Analytics

Research, data and tools for quantitative credit risk assessment and related risk management products

**34% of MCO 1Q09 revenue:  
\$139mm\***

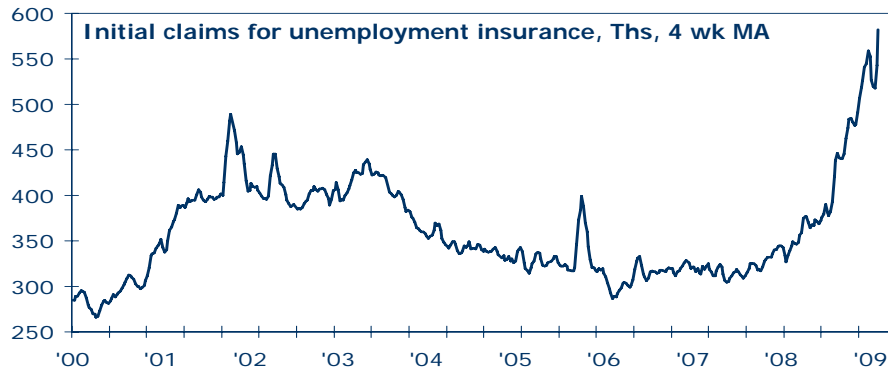
\* Represents percentage of consolidated revenue and excludes intersegment royalty

# Current Environment

- **Recent government efforts attempt to restore confidence and establish stability**
  - Monetary policy measures
  - Use of government balance sheets, including stimulus and debt guarantees
  - Coordinated rate cuts
  - TALF and related government programs implemented
- **Issuance activity remains limited**
  - Recent high-grade issuance activity not necessarily indicative of smooth operations within broader fixed income markets
  - Despite recent narrowing, high-yield spreads still remain high with sustainable narrowing unlikely until the end of 2009 after default rate peaks
- **Macroeconomic drivers will present continued challenges in 2009**
  - Emerging market growth slowing; forex reserve concerns
  - Unemployment rising while consumer spending weakens
  - U.S. house price declines continue, though bottom may be foreseeable

# Key Cycles To Break Before Market Improvement Becomes Visible and Sustainable

Unemployment insurance claims continue to rise, but fiscal stimulus should help



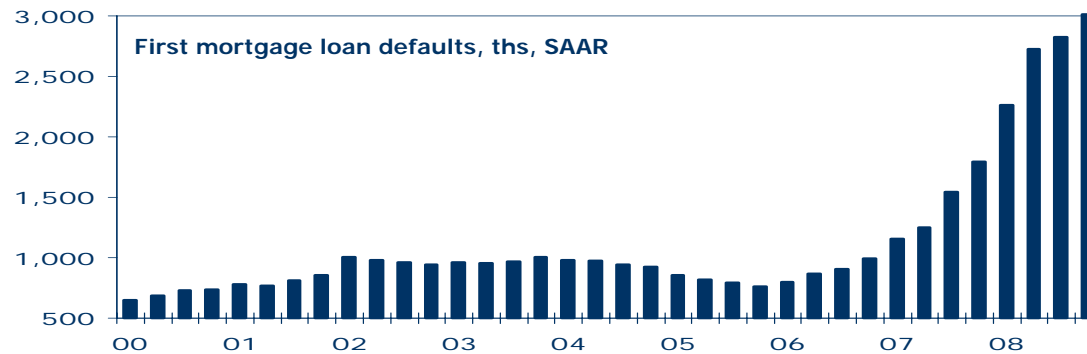
Source: Moody's Economy.com

Lenders more willing to make consumer loans, but need significant improvement in lending



Source: Moody's Economy.com, Federal Reserve's Senior Loan Officer Survey

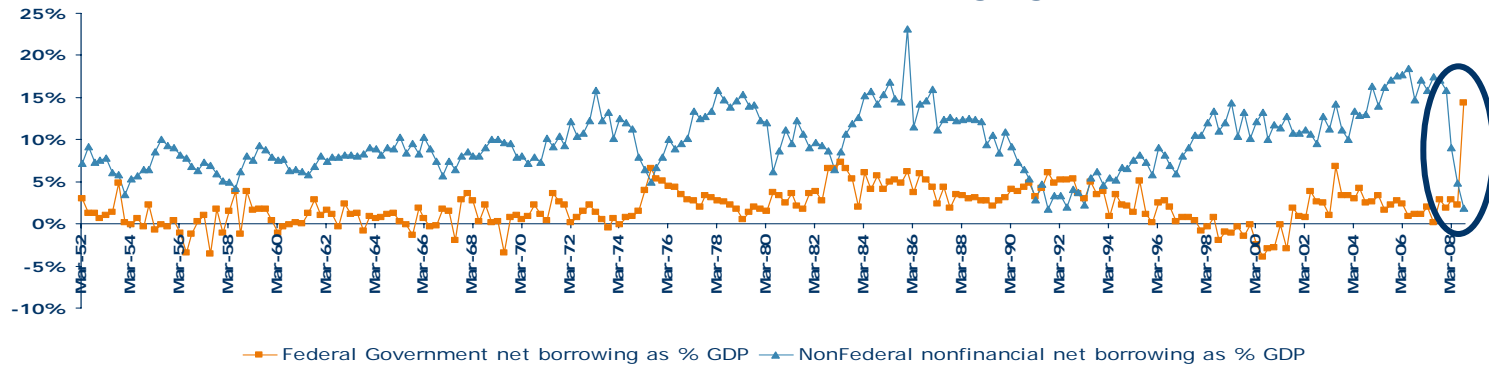
First mortgage loan defaults increasing but may slow following policy actions



Source: Moody's Economy.com, Equifax

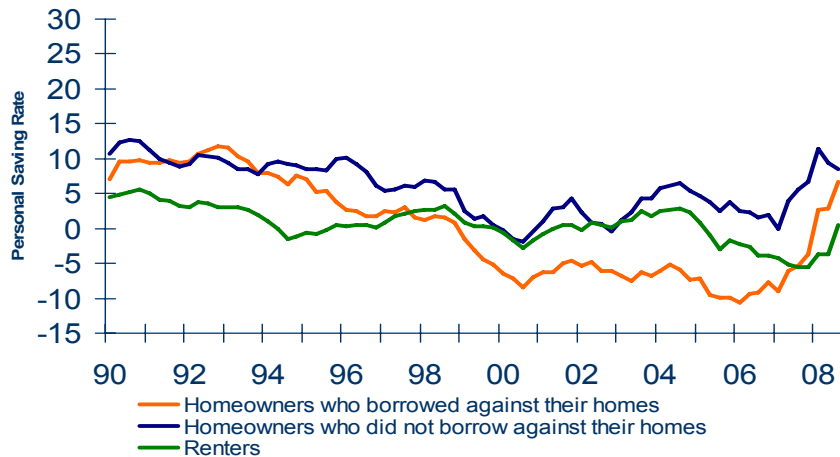
# Current Macroeconomic Indicators Signal a Challenging 2009

## Surge in U.S. Government Net Borrowing Compensates for Private-Sector Deleveraging



Source: Moody's Corporation

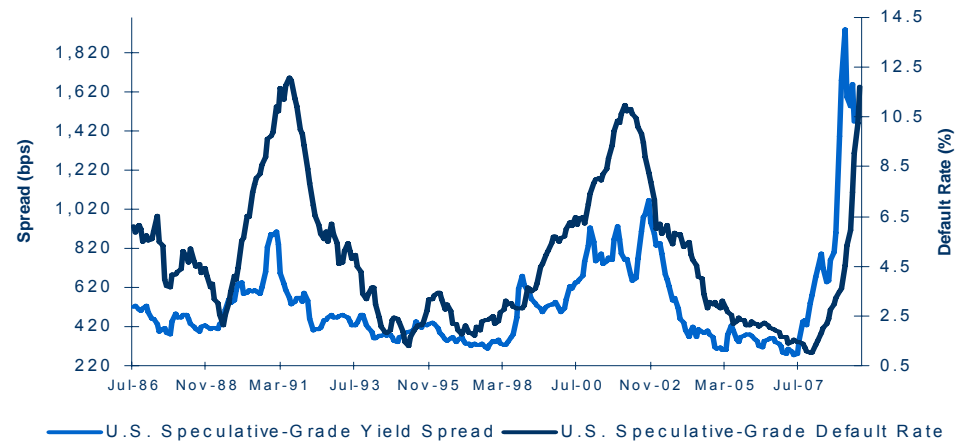
## Saving Rates Climb Signaling Weak Consumer Spending Outlook



Source: Moody's Economy.com

Moody's Corporation

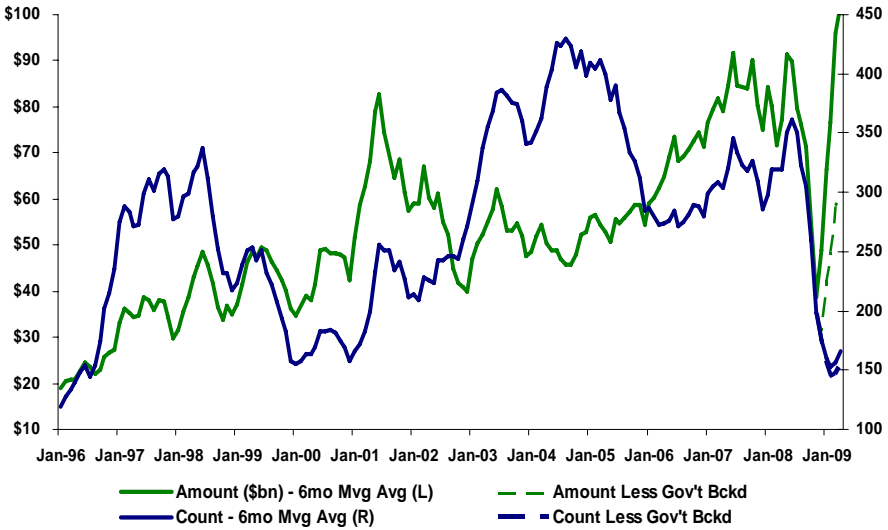
## Spreads signal depression-level default rates



Source: Moody's Corporation

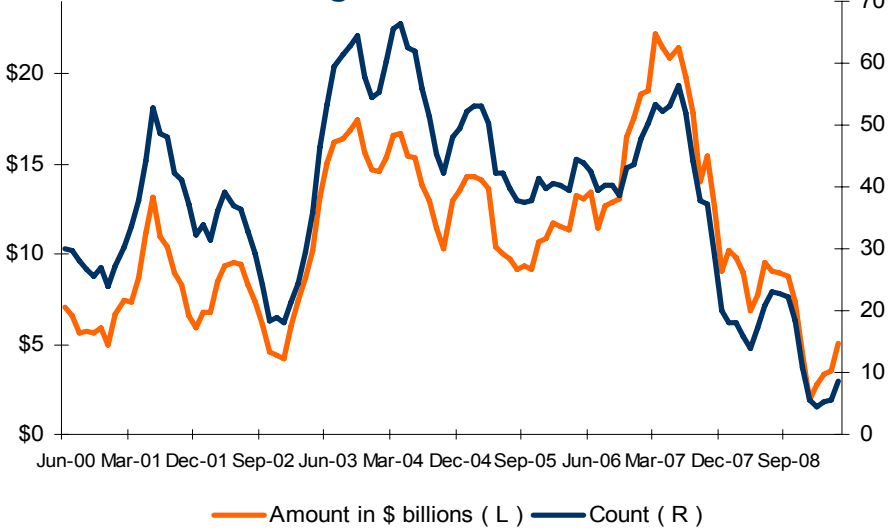
# Is Recent High-Grade Issuance Activity Sustainable? High-Yield Issuance Activity Weak but Continues to Exist

**U.S. High-Grade Issuance Strengthens, But Count Continues to Be Weak**



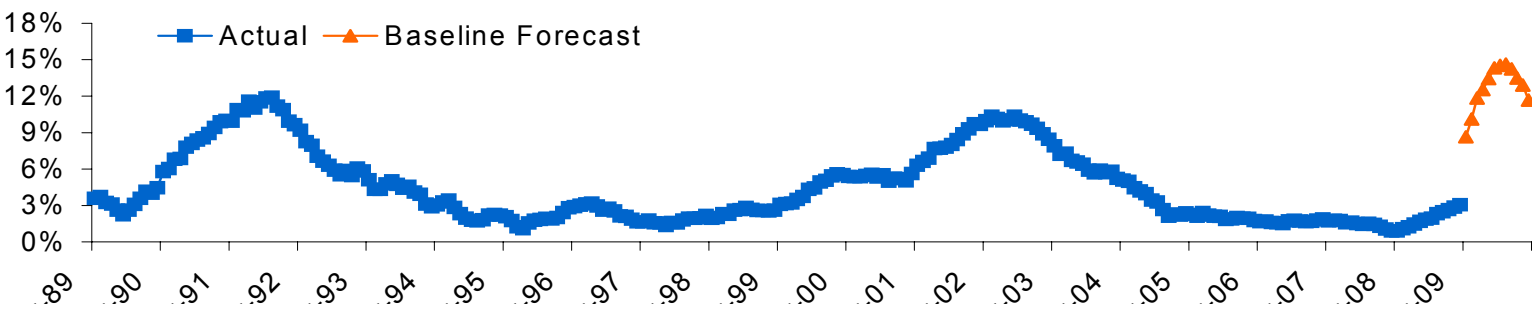
Source: Dealogic; Moody's Capital Markets Research Group

**U.S. High-Yield Issuance Showing Signs of Life Although Continues to Be Weak**



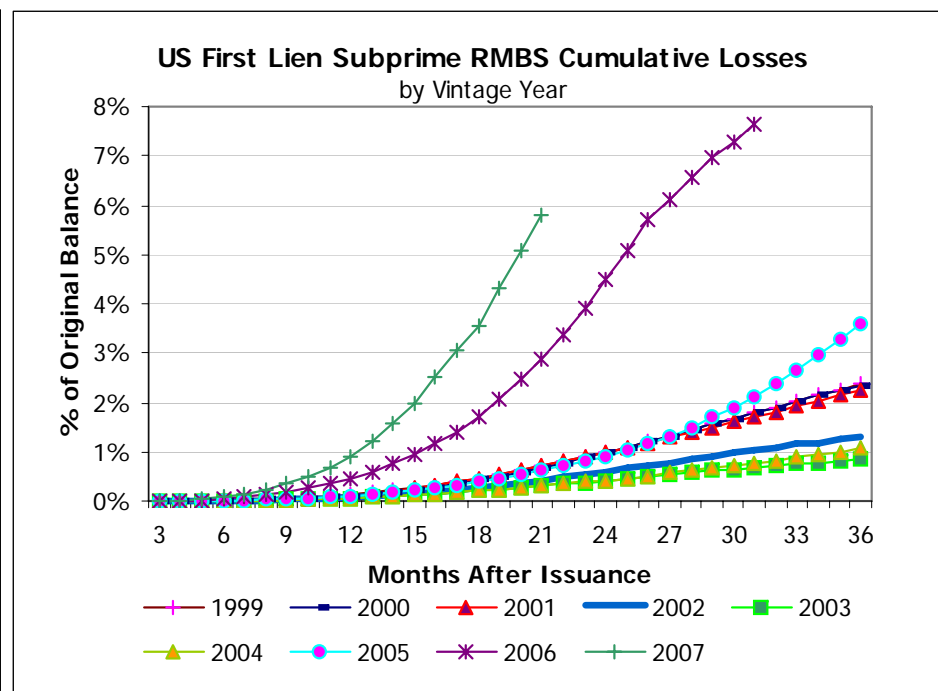
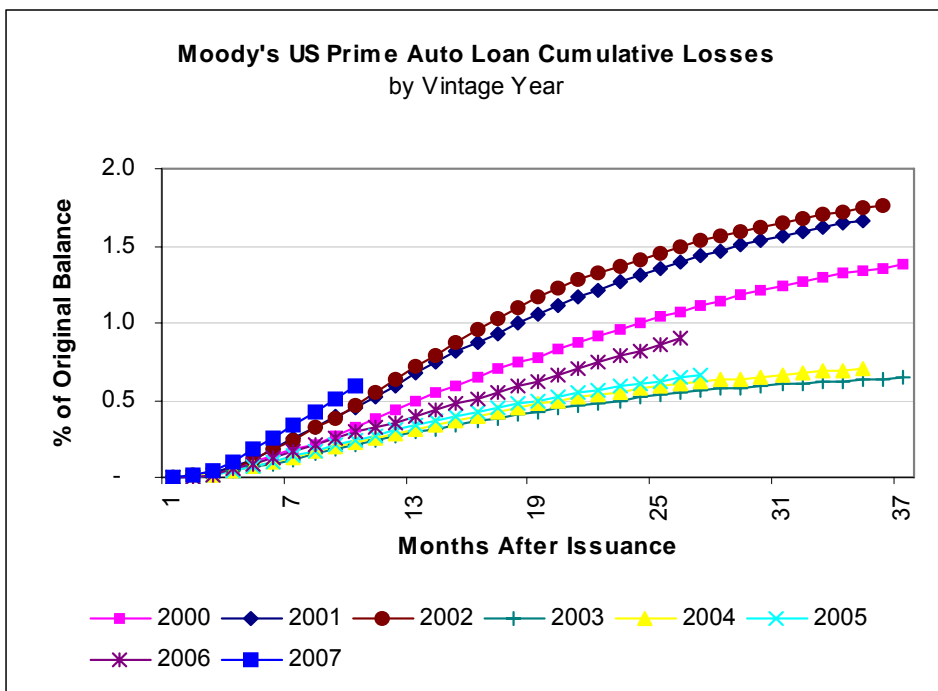
Source: Dealogic; Moody's Capital Markets Research Group

**Global High-Yield Default Rates Finished 1Q09 at 7%; Expected to Peak at 14.6% in 4Q09**



Source: Moody's Investors Service "March Default Report"

# Uncertainty Remains on Ultimate Losses For Subprime, While ABS Losses Continue to Rise Within Historical Trends



Source: Moody's Corporation

Source: Moody's Corporation

# Business Prospects Remain Solid Despite Market Conditions

## Moody's Operating Considerations

- Recurring revenue and its associated cash flow are source of ongoing stability
  - **2009 recurring revenue expected to remain stable to 2008**
- Rigorous cost and investment management through cyclical downturn and structural changes of credit markets
  - **Expenses expected to increase in the low-to mid-single digit percent range, including acquisitions**
- Solid balance sheet and strong free cash flow conversion
  - **No major debt repayment due until 2012**
- Moody's long-term growth prospects remain intact

# Good Growth Opportunities Remain

Key near- and longer-term sources of growth:

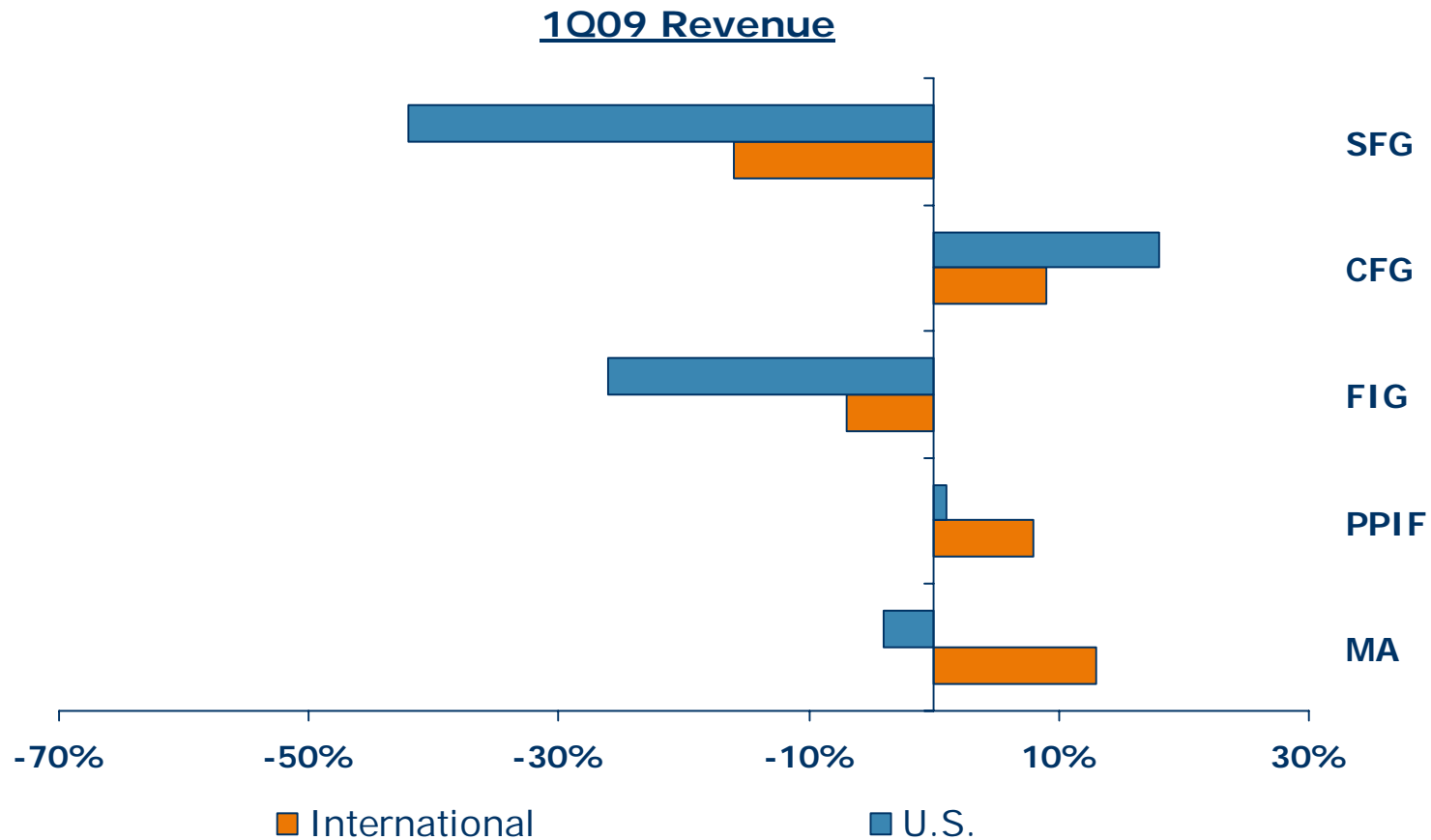
## *Moody's Investors Service*

- Future capital demands will act to reverse extreme de-leveraging
  - Eventual resumption of “normal” credit market conditions in the U.S. and Europe
- Disintermediation of government (and financial institution) financing
- Non-U.S. growth (developed and emerging markets)
- Infrastructure needs and market development

## *Moody's Analytics*

- Responding to need for enhanced risk management and measurement
- Tools for improved investment decisions and transparency through analytical and research services

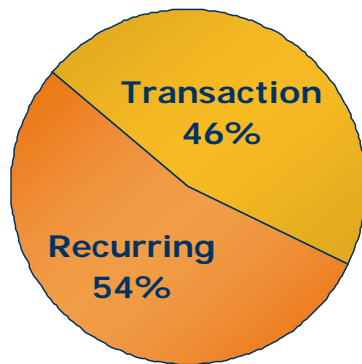
# International Markets Less Affected than U.S. Markets



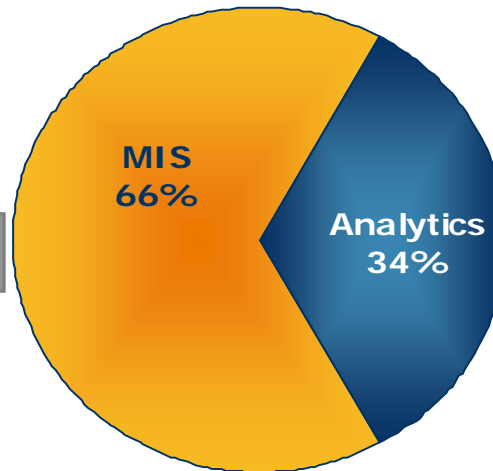
- 1Q09 U.S. revenue down 10% vs. prior year
- 1Q09 international revenue up 1% vs. prior year

# Revenue Attributes of Moody's Businesses

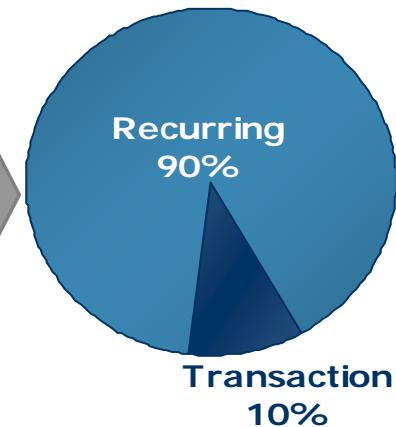
**Moody's Investors Service\***  
1Q09 Revenue: \$270 Million



**Moody's Corporation**  
1Q09 Revenue: \$409 Million



**Moody's Analytics**  
1Q09 Revenue: \$139 Million



**MCO 1Q09 Revenue:**  
Transaction: 34%  
Recurring: 66%

**MIS Ratings:**

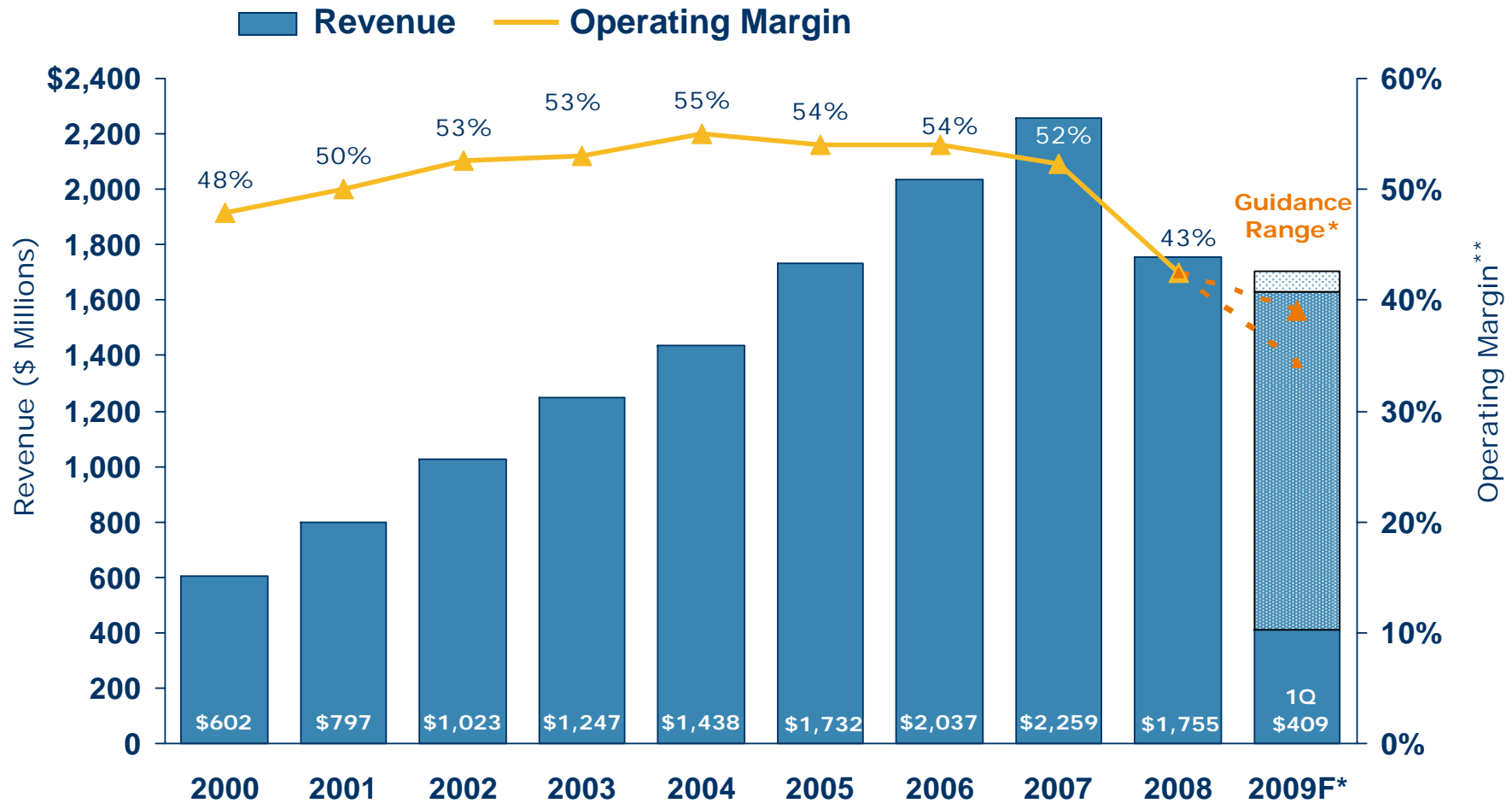
- **Transaction** revenue recognized when rating published
- **Recurring** revenue recognized ratably over the life of the security

**Analytics:**

- **Transaction** revenue recognized when service rendered
- **Recurring** revenue recognized ratably over the contract period

*Historical data has been adjusted to conform with current information  
\* Represents percentage of consolidated revenue and excludes intersegment royalty*

# MCO Annual Revenue and Operating Margin



\* Represents guidance provided on April 29, 2009

\*\* Operating margin excludes the gain on the sale of Moody's former NY headquarters building (2006); restructuring charge (2007 and 2009); restructuring adjustments (2008)

# Moody's Strong Capital Position

Balance sheet items as of 3/31/2009:

– Cash and equivalents	\$ 342 million
– Debt	\$ 1,411 million
– Equity*	\$ ( 919) million

*\* Negative equity position is primarily the result of Moody's share repurchase program. Treasury stock is classified as a reduction of shareholders' equity under GAAP.*

- No major debt repayment due until 2012
- Cash flow and related sources remain strong
- Approximately \$1.4 billion share repurchase authorization remaining at 3/31/09 – curtailing share repurchase activities in 2009
- At 3/31/09, \$1.4 billion of outstanding debt and approximately \$300 million of additional debt capacity available
- Expect to reduce short-term debt levels throughout 2009; 1Q09 short-term debt reduced by \$57 million from 4Q08

# MCO Non-GAAP Earnings Per Share

2003-2008 CAGR = 9%



\* Represents guidance provided on April 29, 2009

All figures adjusted to reflect 2-for-1 stock split effective May 2005

EPS is shown on pro forma basis – see Appendix. Pro forma basis: 2008 excludes 2007 restructuring adjustments; 2007 and 2006 excludes the restructuring charge and the gain on sale of Moody's former NY headquarters building, respectively; in 2003 excludes the insurance recovery; in 2003-2005 reflects impact of stock compensation expense determined as if FAS123 was adopted on its effective date; and in 2003-2008 excludes legacy tax adjustments

# Full Year 2009 Guidance as of April 29, 2009

## Moody's Corporation

- Revenue:
  - To decrease in the mid-single-digit percent range
- Operating margin:
  - Full-year operating margin in the mid- to high-thirties percent range
- Operating expenses:
  - To increase in the low- to mid-single-digit percent range
- Earnings per share:
  - In the range of \$1.40 to \$1.50

# Appendix



# Moody's is a Global Organization

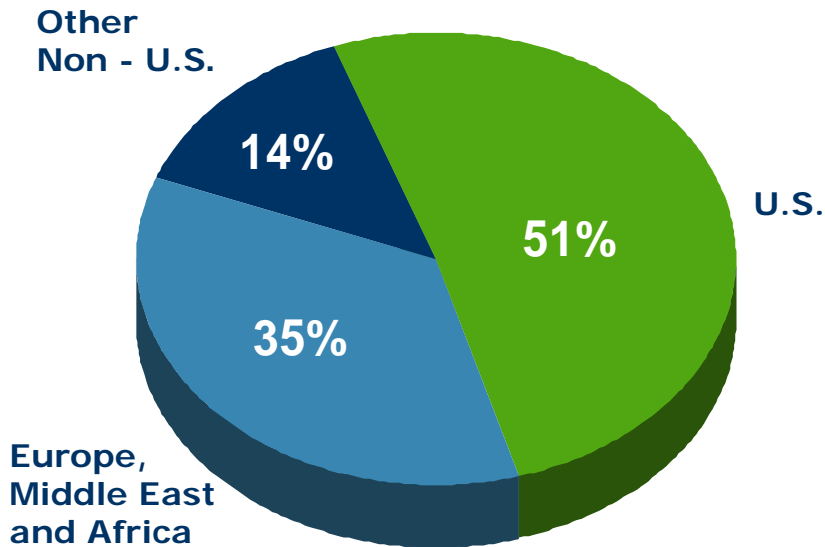


- More than 1,200 analysts
- Approximately 3,900 staff
- Presence in 29 countries

		<b>Moody's Global Staffing</b>		
		<u>U.S.</u>	<u>Non - U.S.</u>	<u>Total</u>
	3/31/2009	2,111	1,799	3,910
	3/31/2008	2,106	1,409	3,515

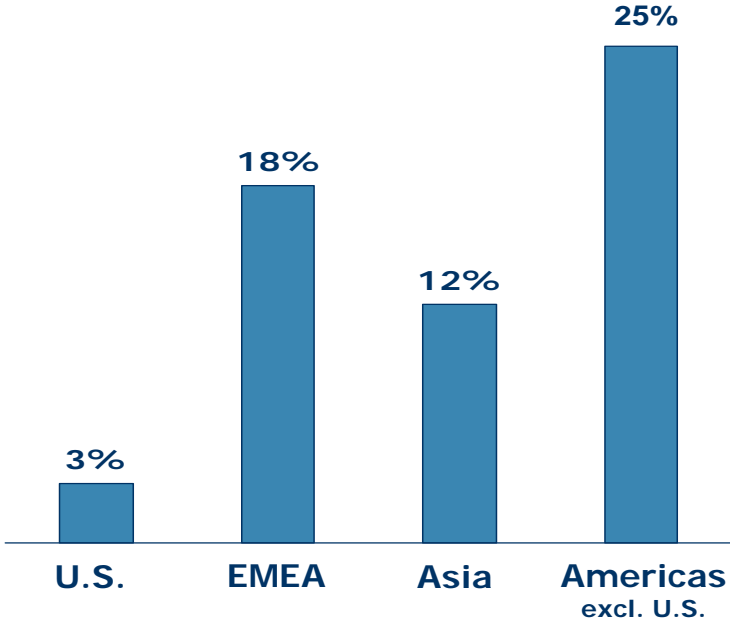
# Moody's Revenue Distribution and Growth by Region

Revenue by Region



1Q09 Total Revenue: \$409 Million

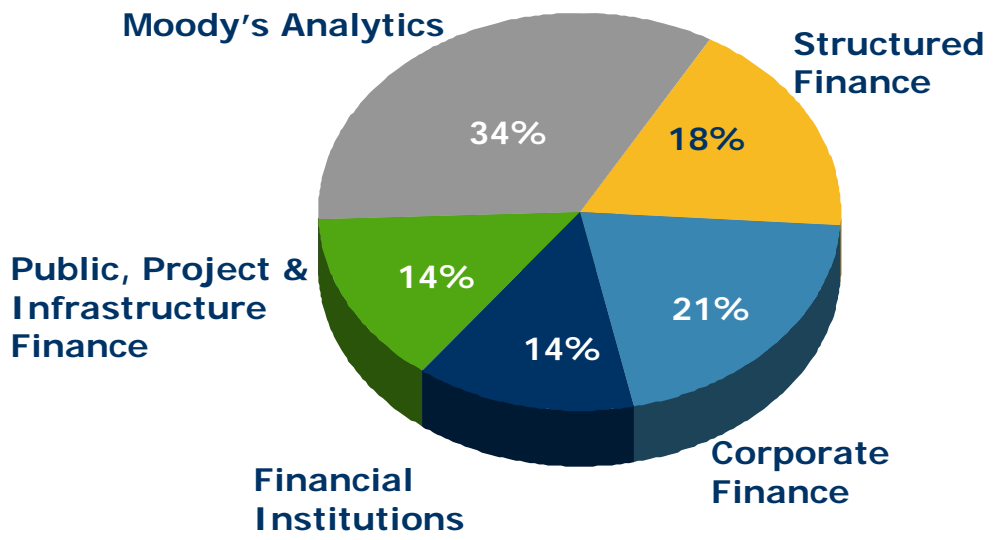
CAGR 2003-2008



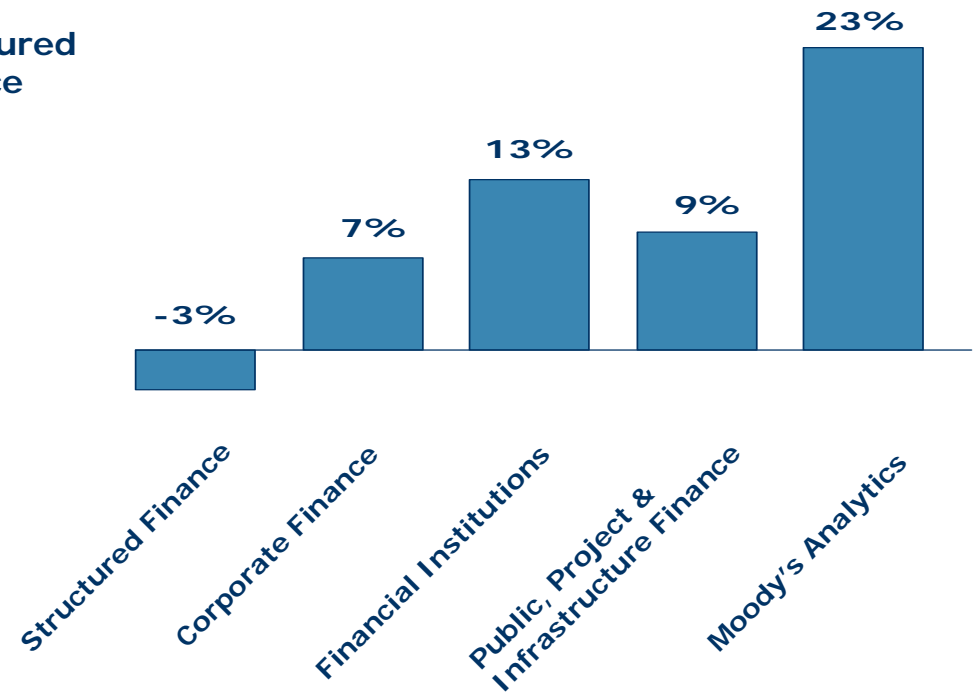
# Moody's Revenue Distribution and Growth by Product

Revenue by Product

MCO CAGR 2003-2008 = 9%



1Q09 Total Revenue: \$409 Million



Historical data has been adjusted to conform with current information

# Moody's Analytics

- Products and services to support two primary segments:
  - Capital Markets functions and customers
  - Commercial Lending functions and customers
- Coverage is most prevalent where credit markets are well-developed
  - 95% of business from top 25 countries
  - Customers in 100+ countries



# How Moody's Analytics Helps Clients

## Investment Management

- Credit-related research
- Qualitative and quantitative credit ratings and analytics
- Relative value analysis
- Training and education in financial and credit analysis

## Credit Valuation & Pricing

- Dealer marks for structured securities
- Valuation tools for hard-to-value assets
- Discounted Cash Values data services
- Pricing data for corporate and municipal securities
- Loan-level pricing data and models

## Economic Forecasting

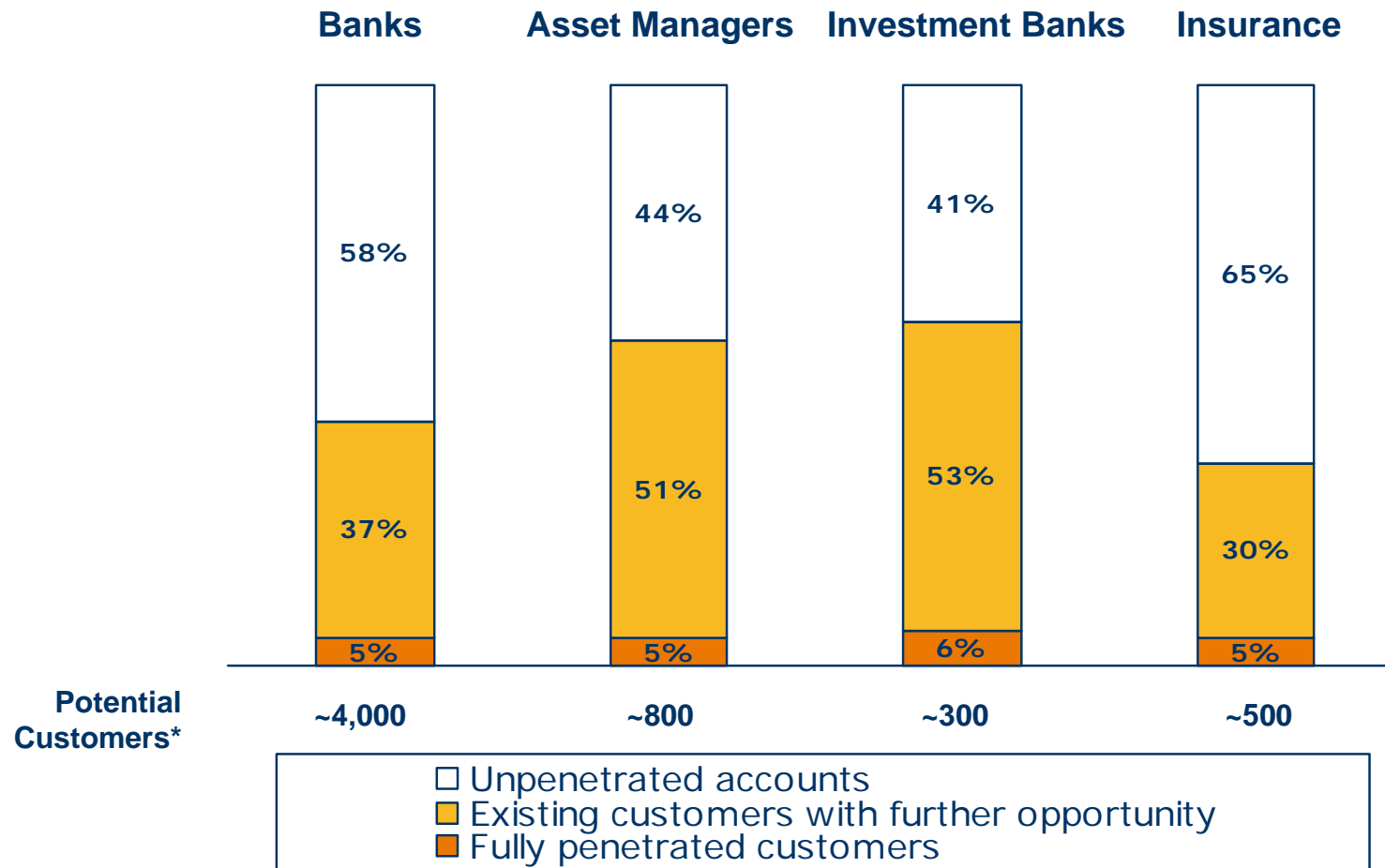
- Macro- and regional economic performance data, forecasts, and analyses
- Industry data and forecasting
- Consumer credit data, analytics and consulting
- Expertise in U.S. regional real estate markets

## Credit Risk Management

- Economic capital management
- Default data
- Global training on credit risk analysis
- Historical data to anticipate credit risk transition
- Regulatory capital compliance
- Asset/liability management
- Risk reporting, limits monitoring and compliance

# Moody's Analytics: Significant Opportunity to Better Penetrate Existing Customers and Acquire New Customers

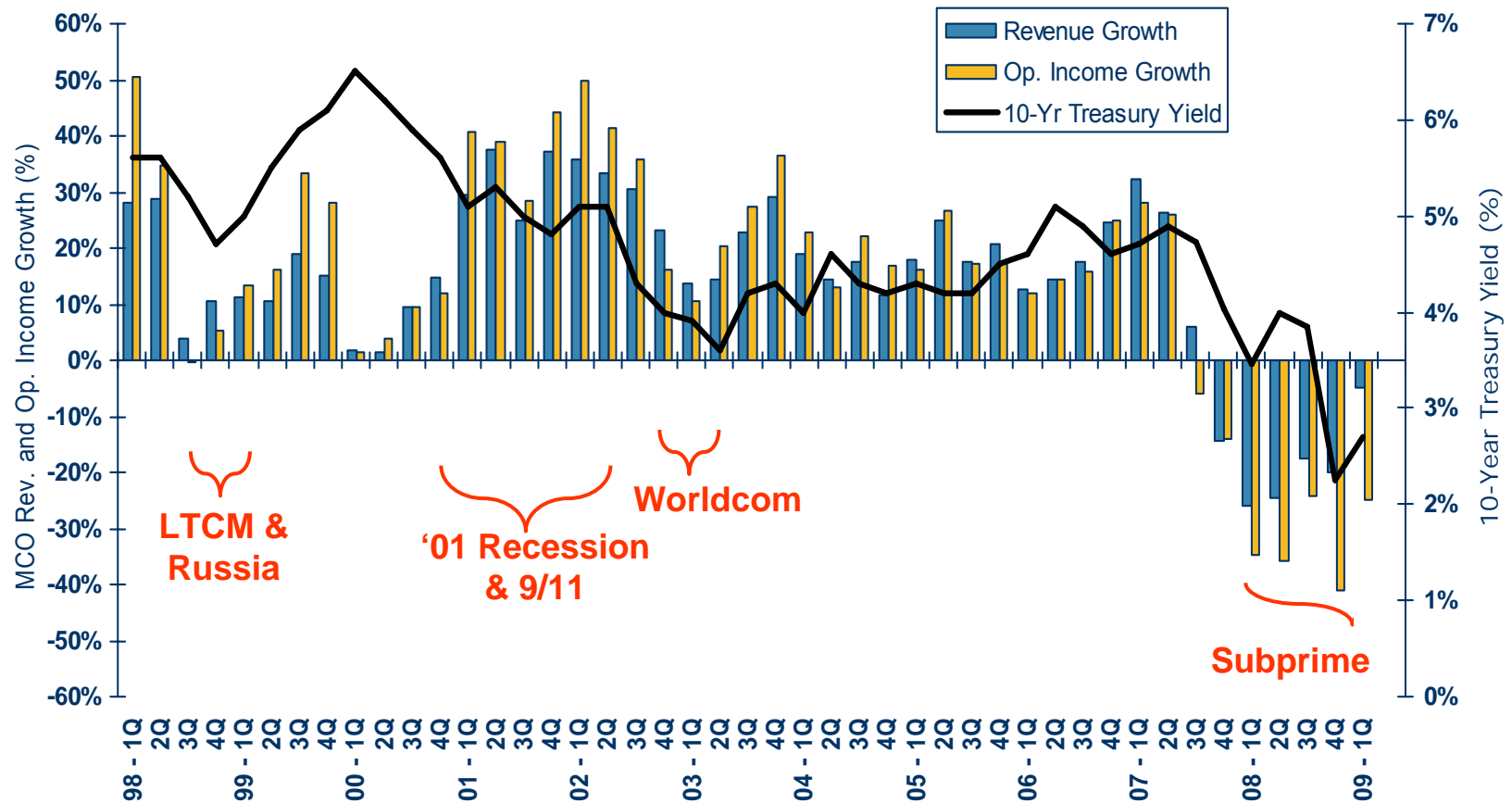
## Penetration of Core Customer Segments



\* Number of potential customers in each segment is estimated based on asset size, deal volume, and current customer profiles

# Performance Through "Credit Crunches"

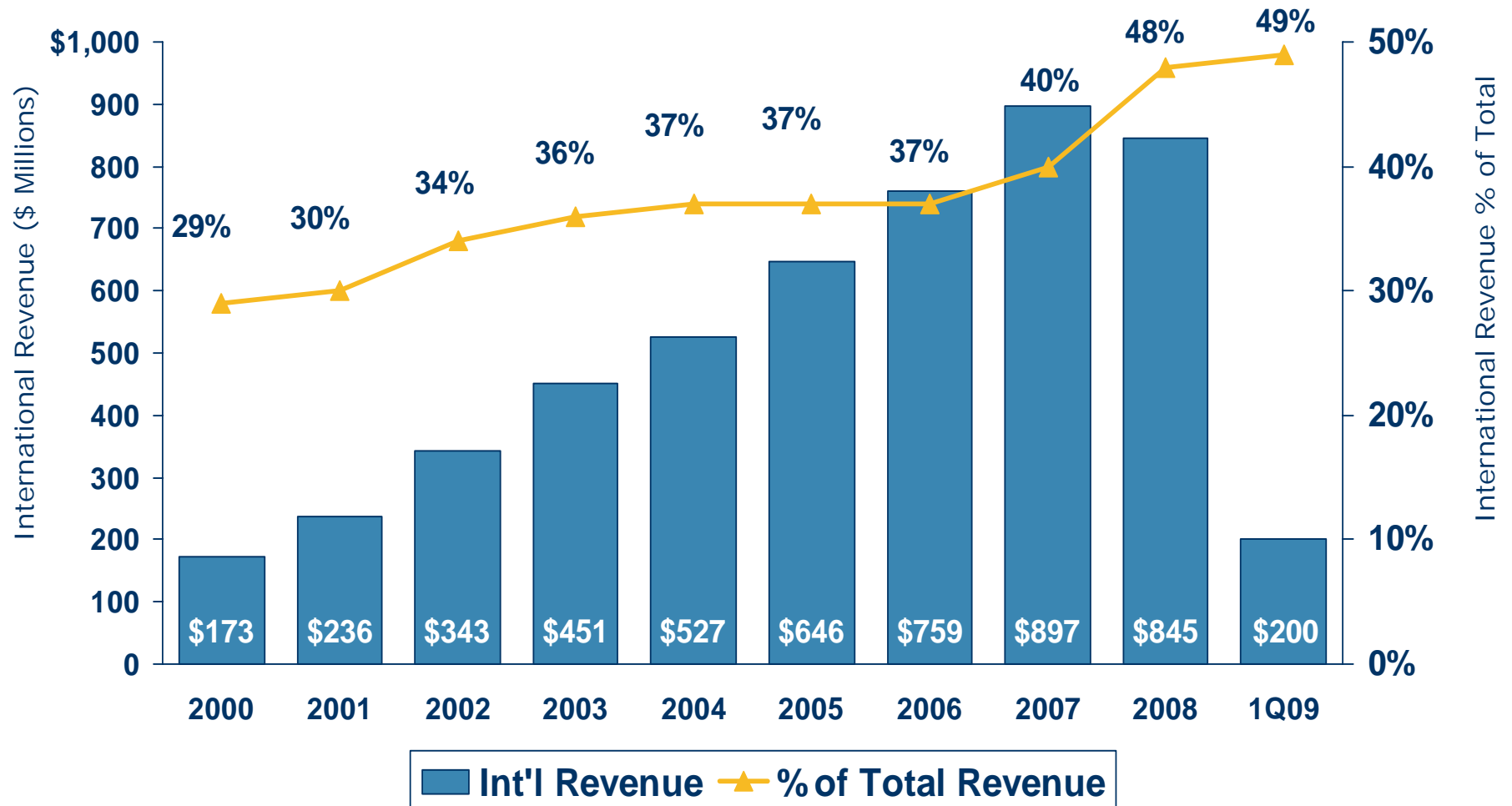
The current environment is more severe and recovery will be more protracted than past credit crunches



Source, Treasury Yields: U.S. Department of Treasury

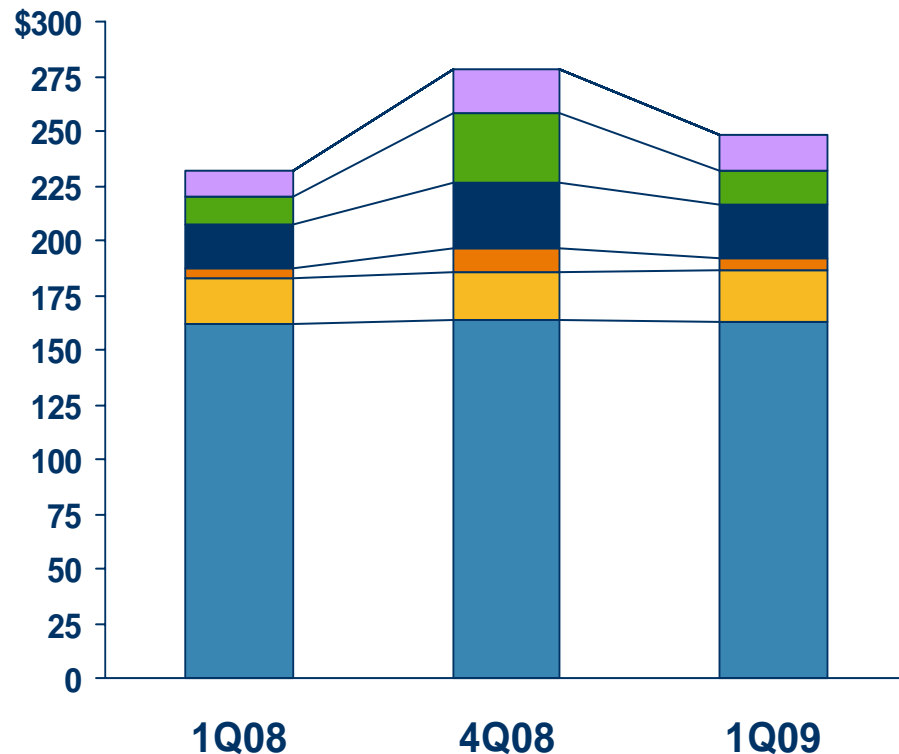
# Moody's International Growth

2000-2008 Revenue CAGR = 22%



# Composition of Expenses

Total Expense	1Q08:	4Q08:	1Q09:
	\$232* M	\$278* M	\$248* M



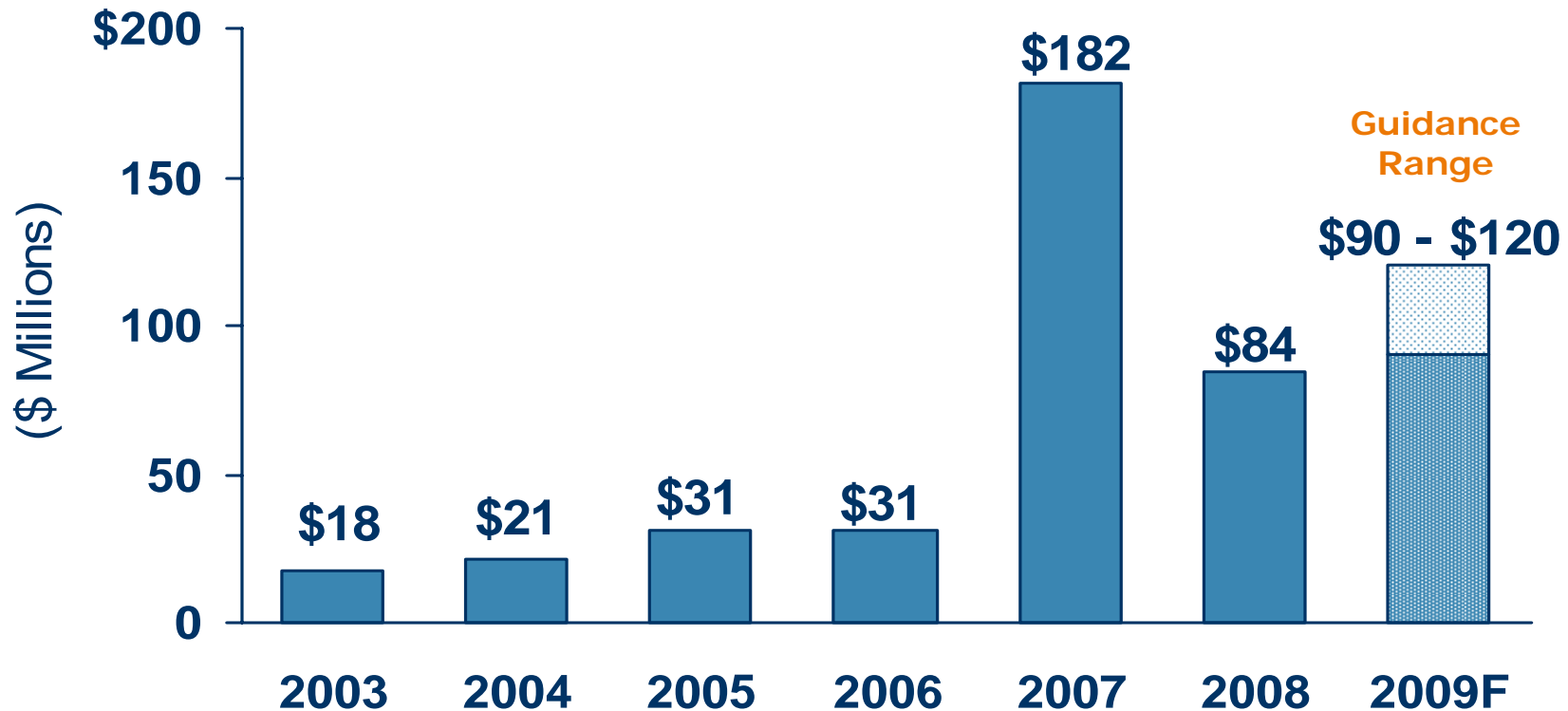
■ Compensation	■ Rent & Occupancy
■ Travel & Entertainment	■ Consulting & Professional Svcs
■ Depreciation & Amortization	■ Other

## Expense Components

- "Other" includes recruiting, relocation and training expense, computer maintenance, and production and postage
- "Consulting" includes professional service fees associated with technology investments, capitalization credits and legal fees
- Incentive compensation was 6% of total 1Q09 compensation
- Stock compensation was 9% of total 1Q09 compensation

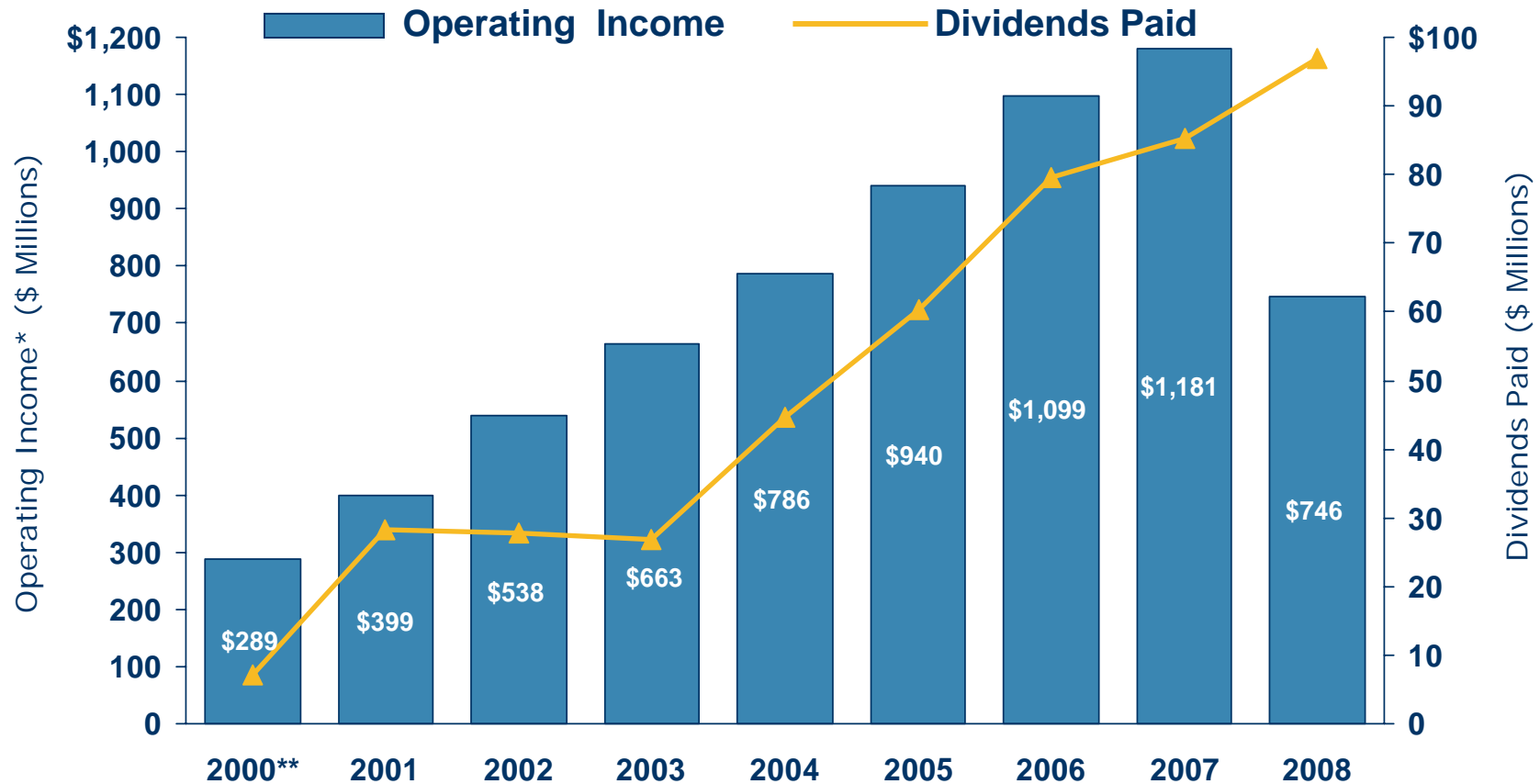
\*Excludes the impact of restructuring

# Capital Expenditures



- 2007 and 2008 capital expenditures include costs associated with the build-out of the New York headquarters office
- 2009 forecast represents guidance provided on April 29, 2009 and includes ~ \$50 million associated with the build-out of the London office at Canary Wharf

# Operating Income and Dividend Payout

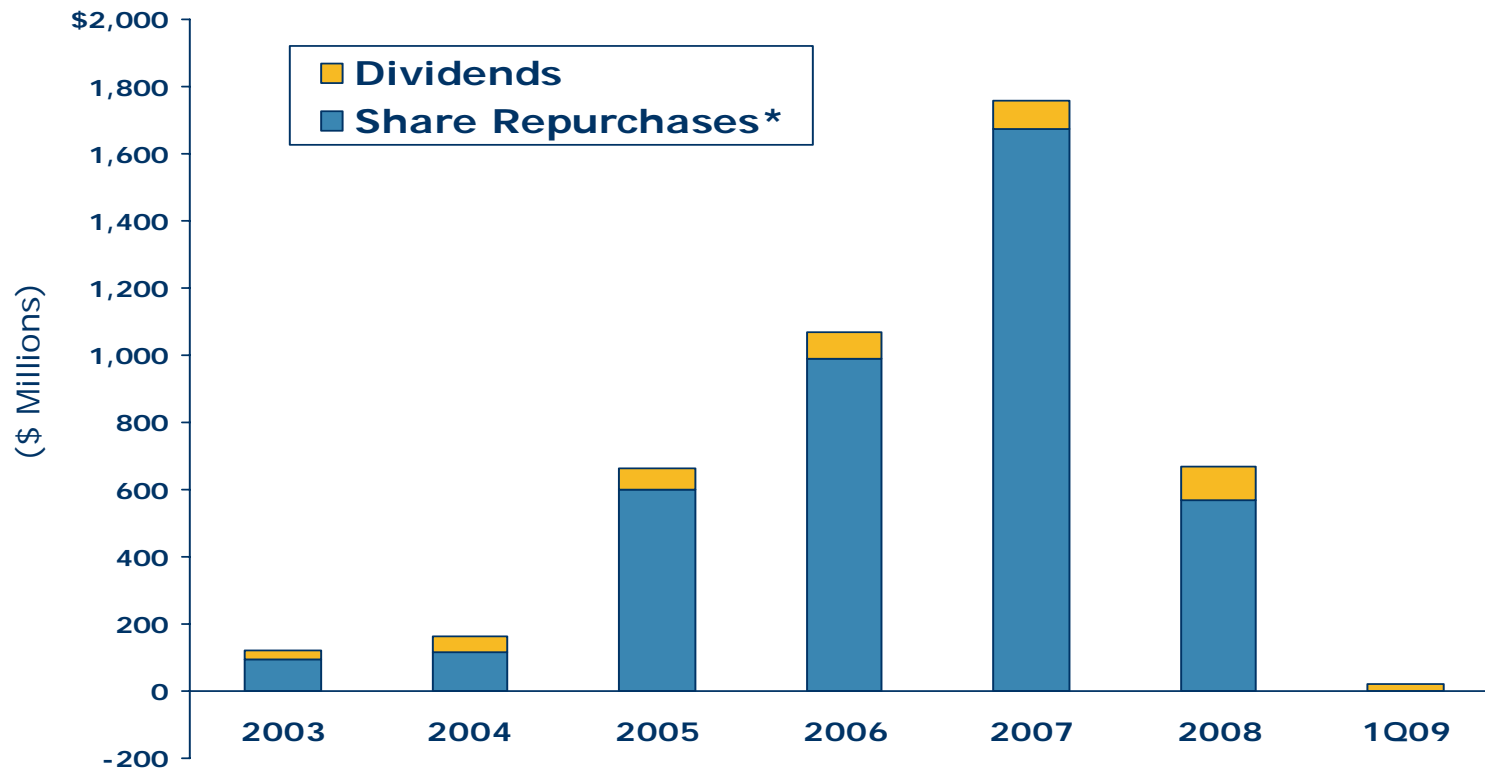


\* Operating income excludes the gain on the sale of Moody's former NY headquarters building (2006), the restructuring charge (2007), and 2007 restructuring adjustments (2008)

\*\* Moody's Corporation spun off from The Dun & Bradstreet Corporation to become a public company in October 2000

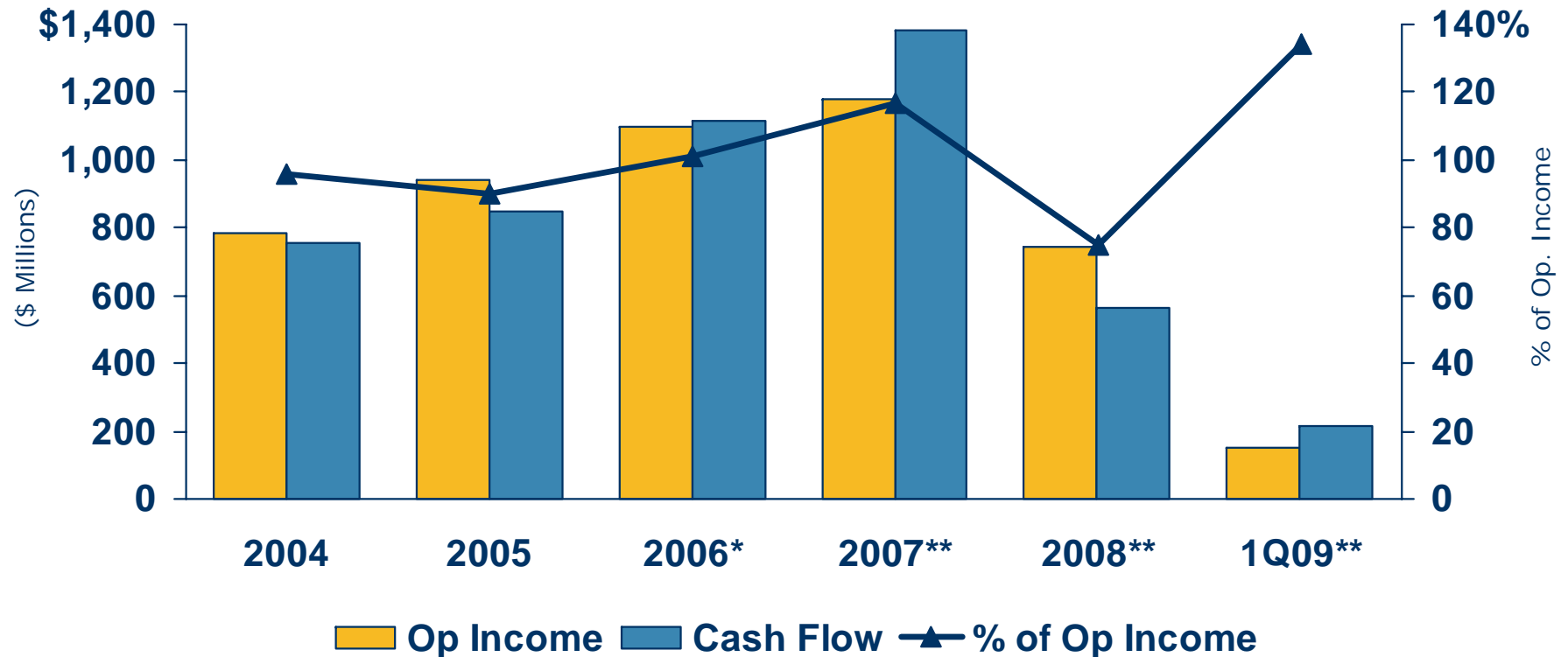
# Total Capital Returned to Shareholders

- At 3/31/09, actual shares outstanding totaled 235.7 million
- Curtailing share repurchase activities in the near-term



\* Share repurchase figures shown net of proceeds from employee stock plans  
 Source: Moody's Corporation 10-Ks and proxy statements

# Significant Cash Flow



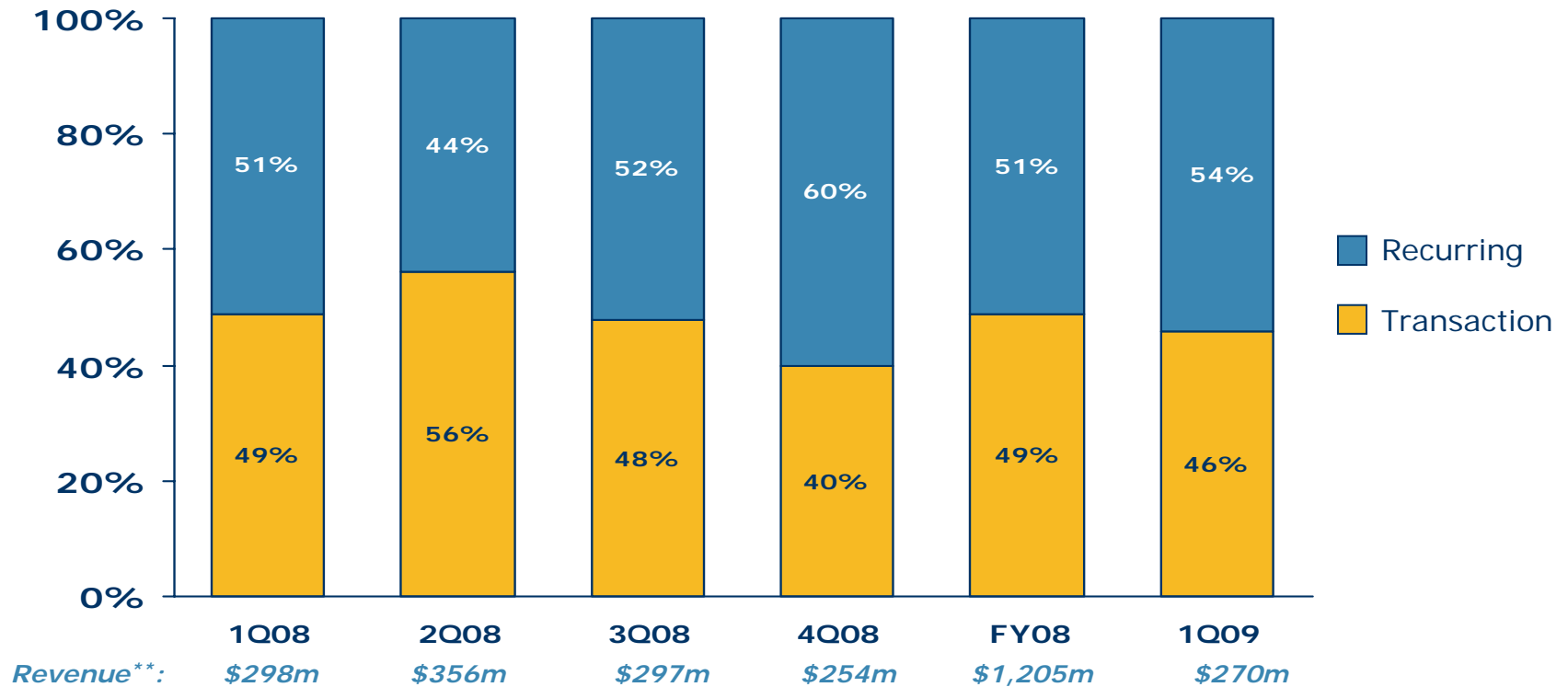
Note: Represents pre-tax cash flow – for reconciliation refer to slide 41

\* Operating income excludes the gain on the sale of Moody's former NY headquarters building (2006)

\*\* Operating income excludes restructuring charge and adjustments (2007, 2008 and 2009)

# MIS Revenue Mix: Transaction vs. Recurring\*

## Moody's Investors Service



**Recurring revenue** represents the recurring monitoring of a rated debt obligation and/or entities that issue such obligations, as well as revenue from programs such as commercial paper, medium-term notes and shelf registrations.

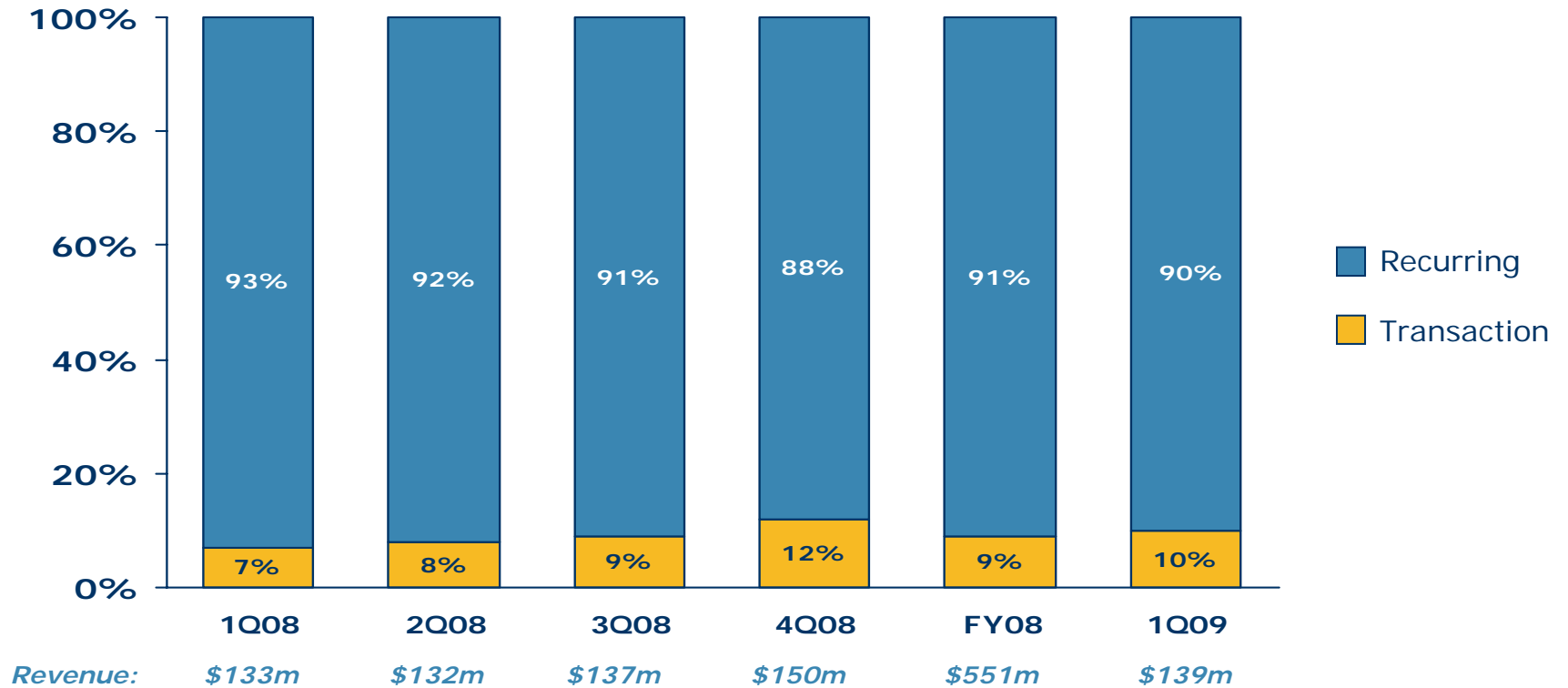
**Transaction revenue** represents the initial rating of a new debt issuance as well as other one-time fees.

\* Historical data has been adjusted to conform with current information

\*\* Represents revenue for MIS excluding intersegment royalty

# Moody's Analytics Revenue Mix: Transaction vs. Recurring

## Moody's Analytics



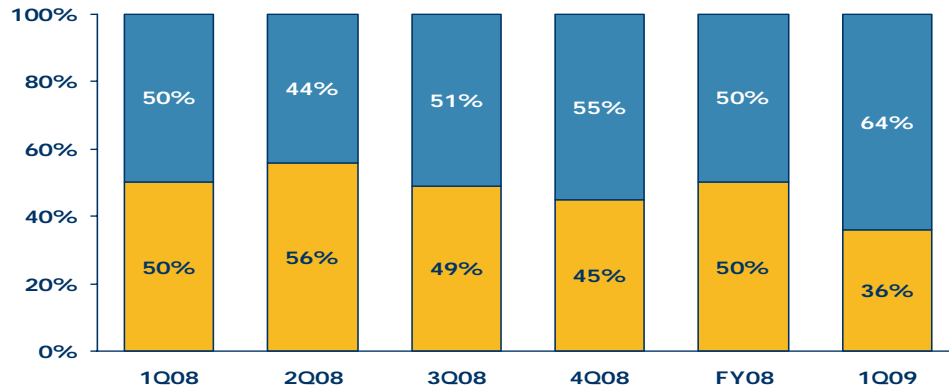
**Recurring revenue** predominantly represents the subscription fees associated with Moody's Analytics services.

**Transaction revenue** predominantly represents the consulting services provided by Moody's Analytics and software license fees.

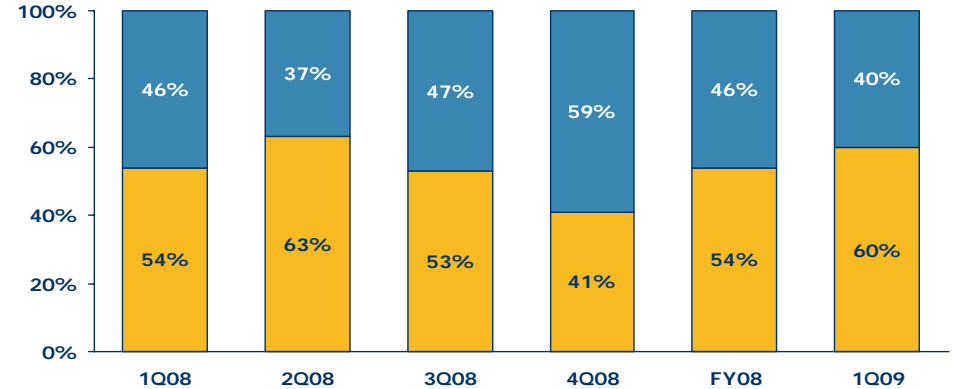
# Revenue Mix by Business Line: Transaction vs. Recurring\*

■ Recurring ■ Transaction

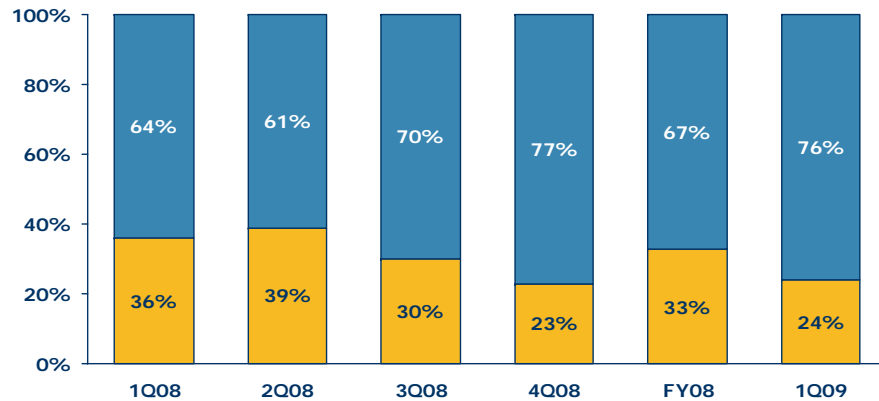
## Structured Finance



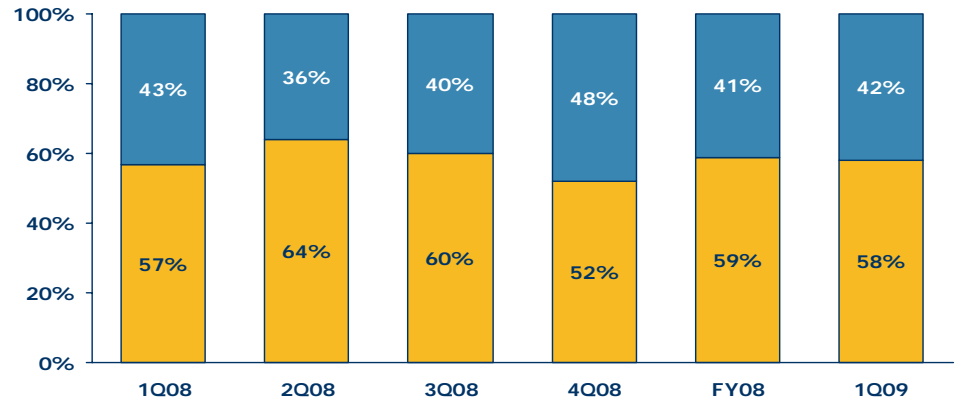
## Corporate Finance



## Financial Institutions



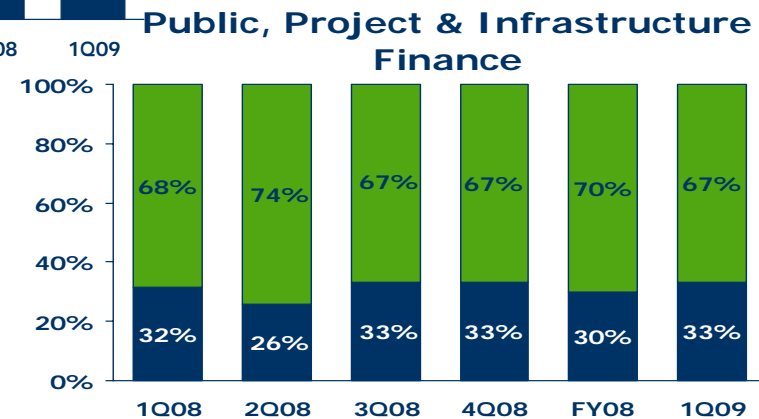
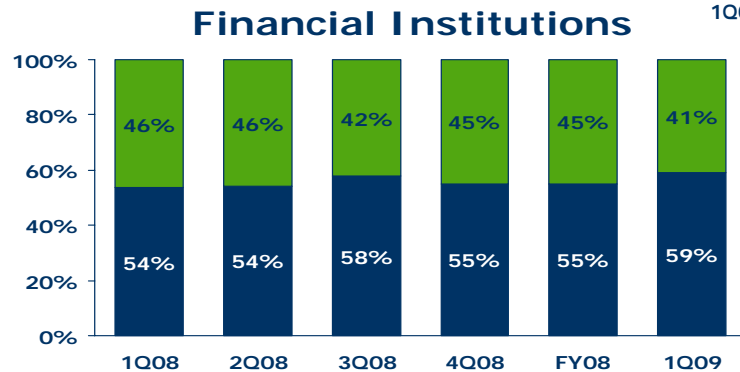
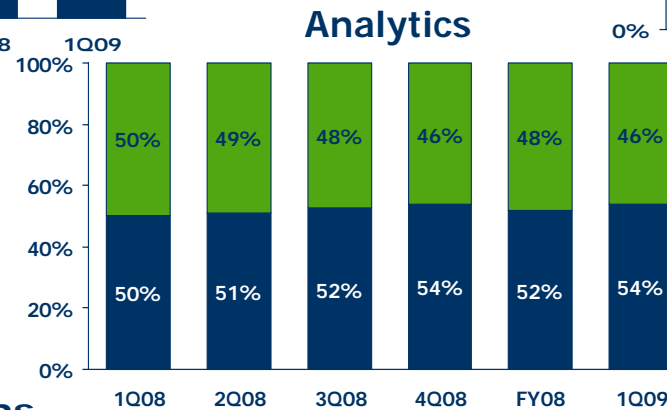
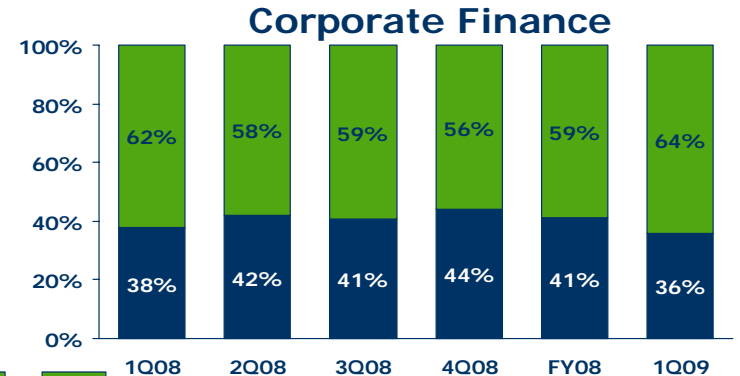
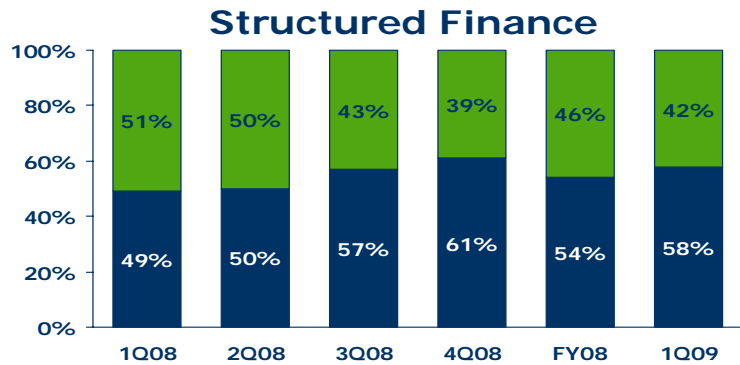
## Public, Project & Infrastructure Finance



\* Historical data has been adjusted to conform with current information

# Geographic Revenue Distribution

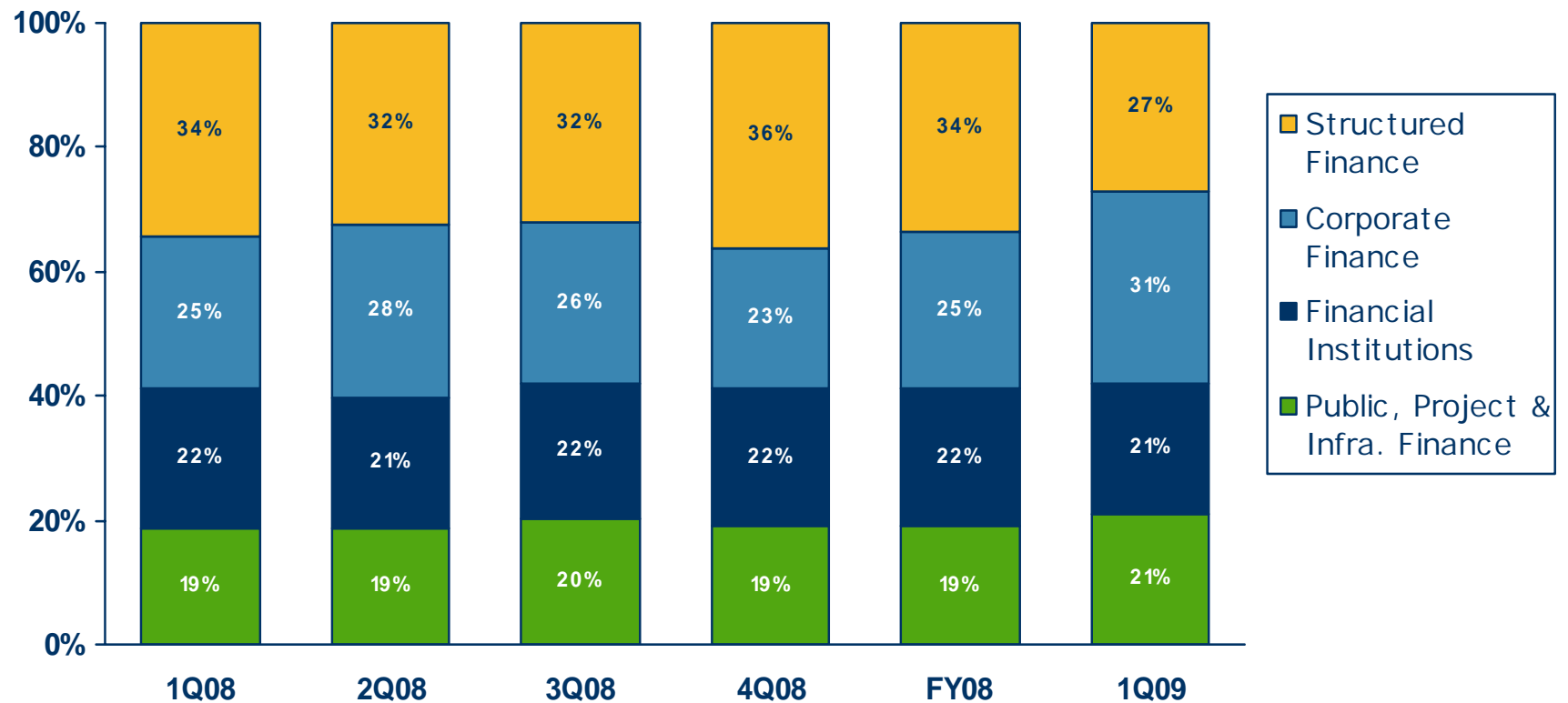
■ U.S. ■ Non – U.S.



Historical data has been adjusted to conform with current information

# Moody's Investors Service Revenue Distribution by Line of Business

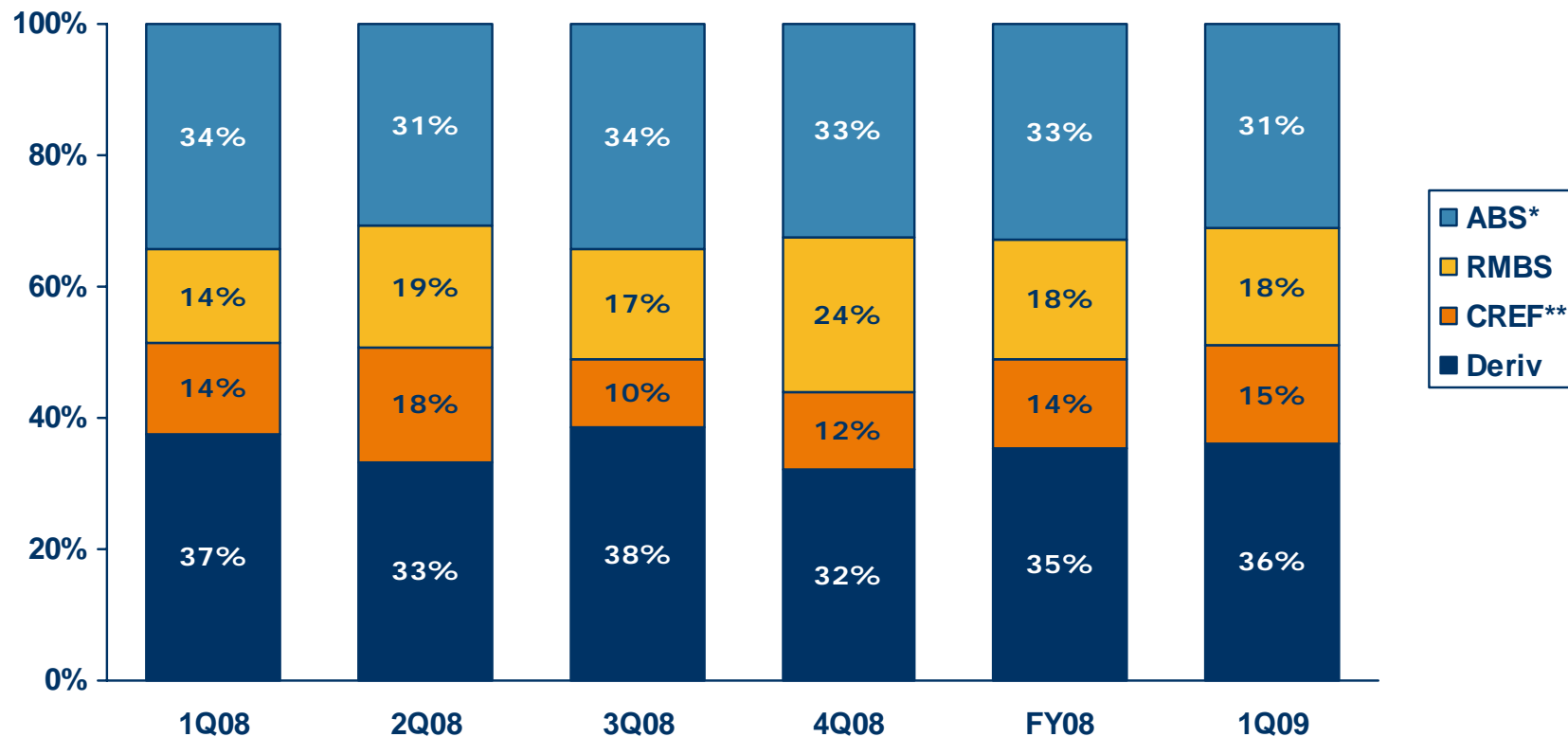
## MIS\* Revenue Mix % Total MIS Revenue



*Historical data has been adjusted to conform with current information*  
 \* Represents revenue for MIS excluding intersegment royalty

# Structured Finance Revenue Distribution by Asset Class

## Structured Finance Revenue Mix % Total Structured Finance Revenue



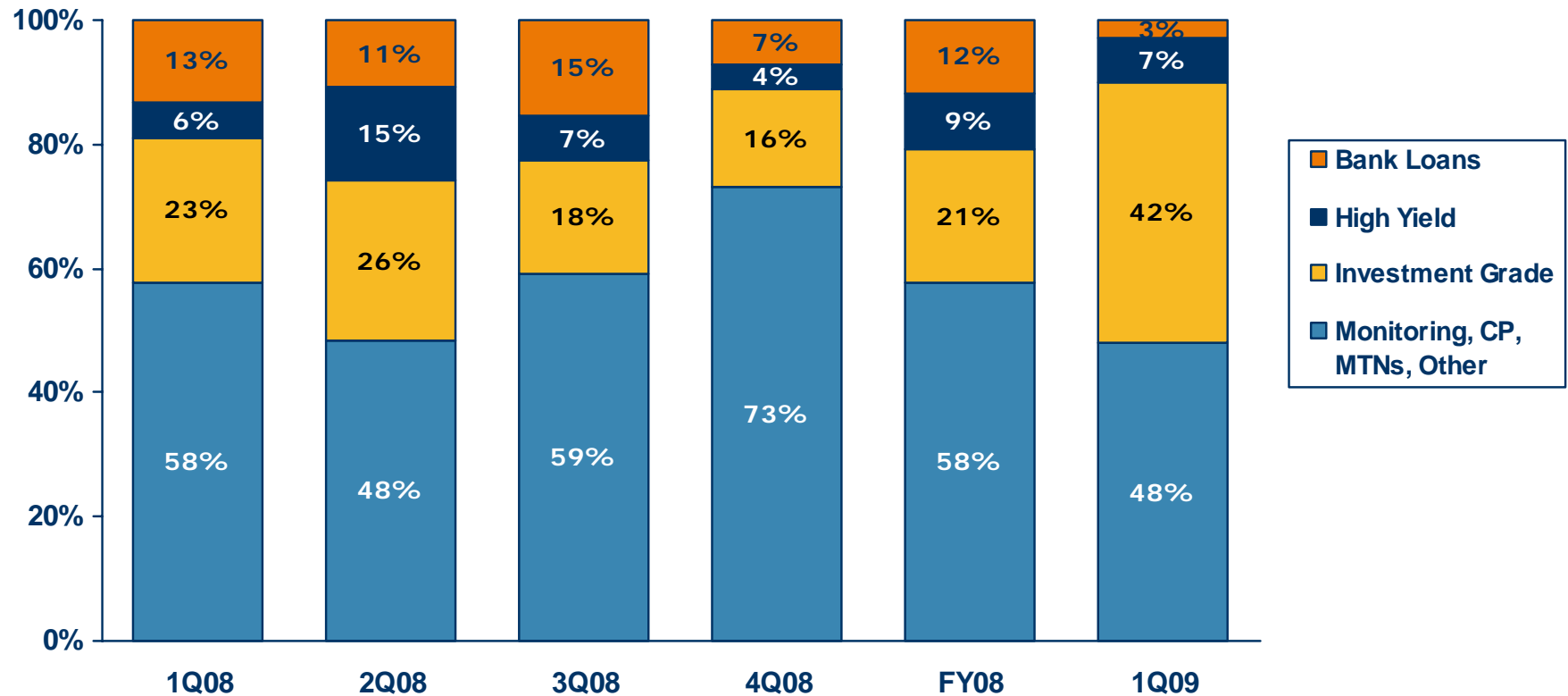
*Historical data has been adjusted to conform with current information*

\* ABS includes asset-backed commercial paper and long-term asset-backed securities

\*\* CREF includes commercial mortgage-backed securities, real estate finance, and commercial real estate CDOs

# Corporate Finance Revenue Distribution by Product

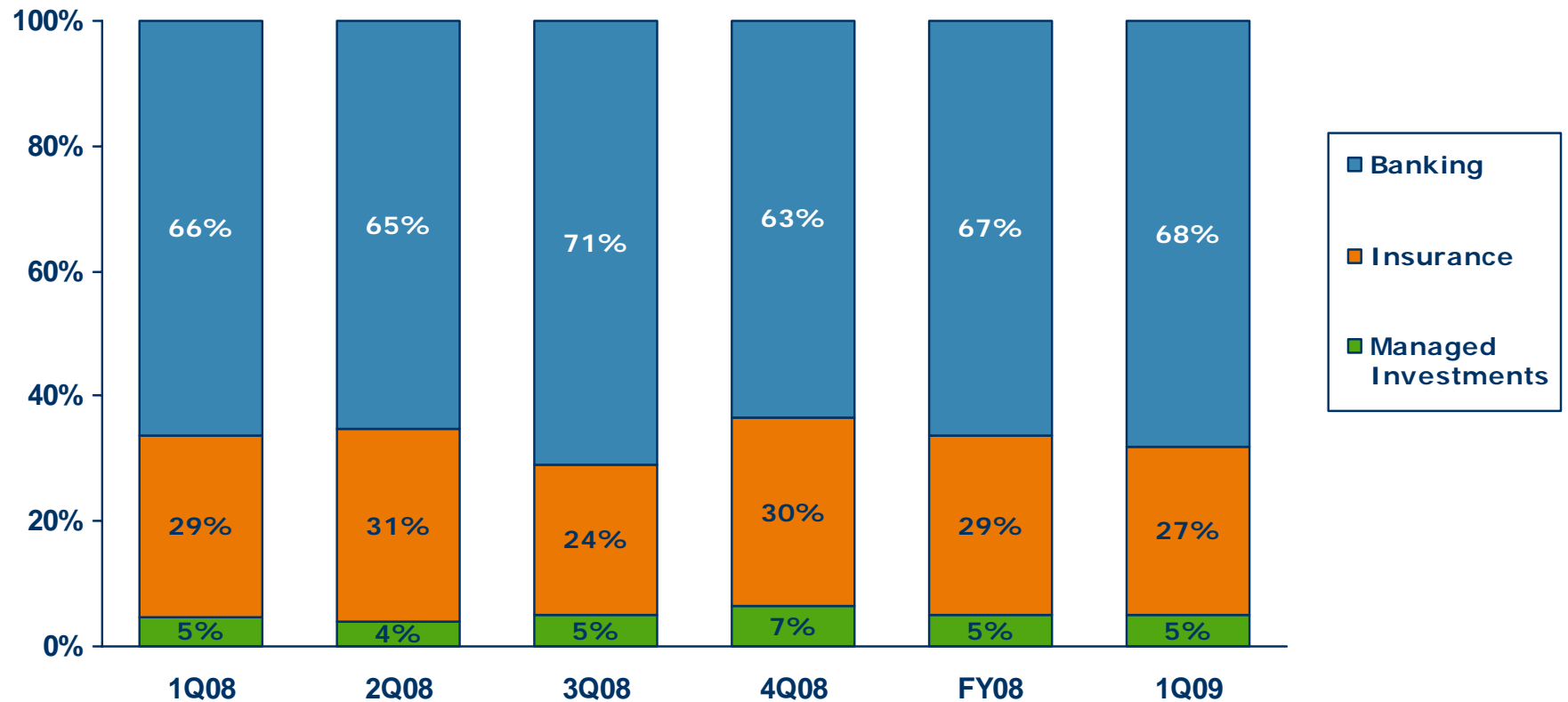
## Corporate Finance Revenue Mix % Total Corporate Finance Revenue



*Historical data has been adjusted to conform with current information*

# Financial Institutions Revenue Distribution by Product

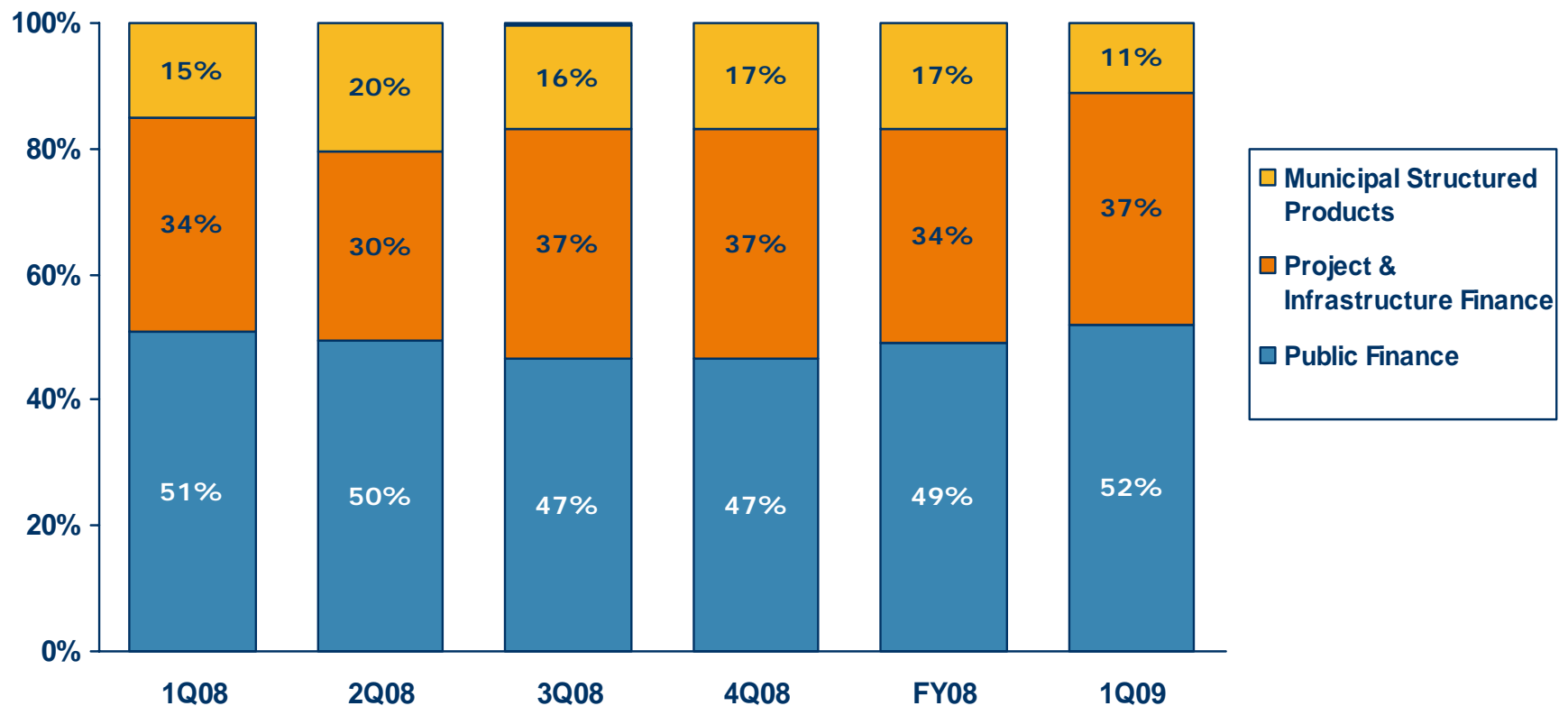
## Financial Institutions Revenue Mix % Total Financial Institutions Revenue



*Historical data has been adjusted to conform with current information*

# Public, Project & Infrastructure Revenue Distribution by Product

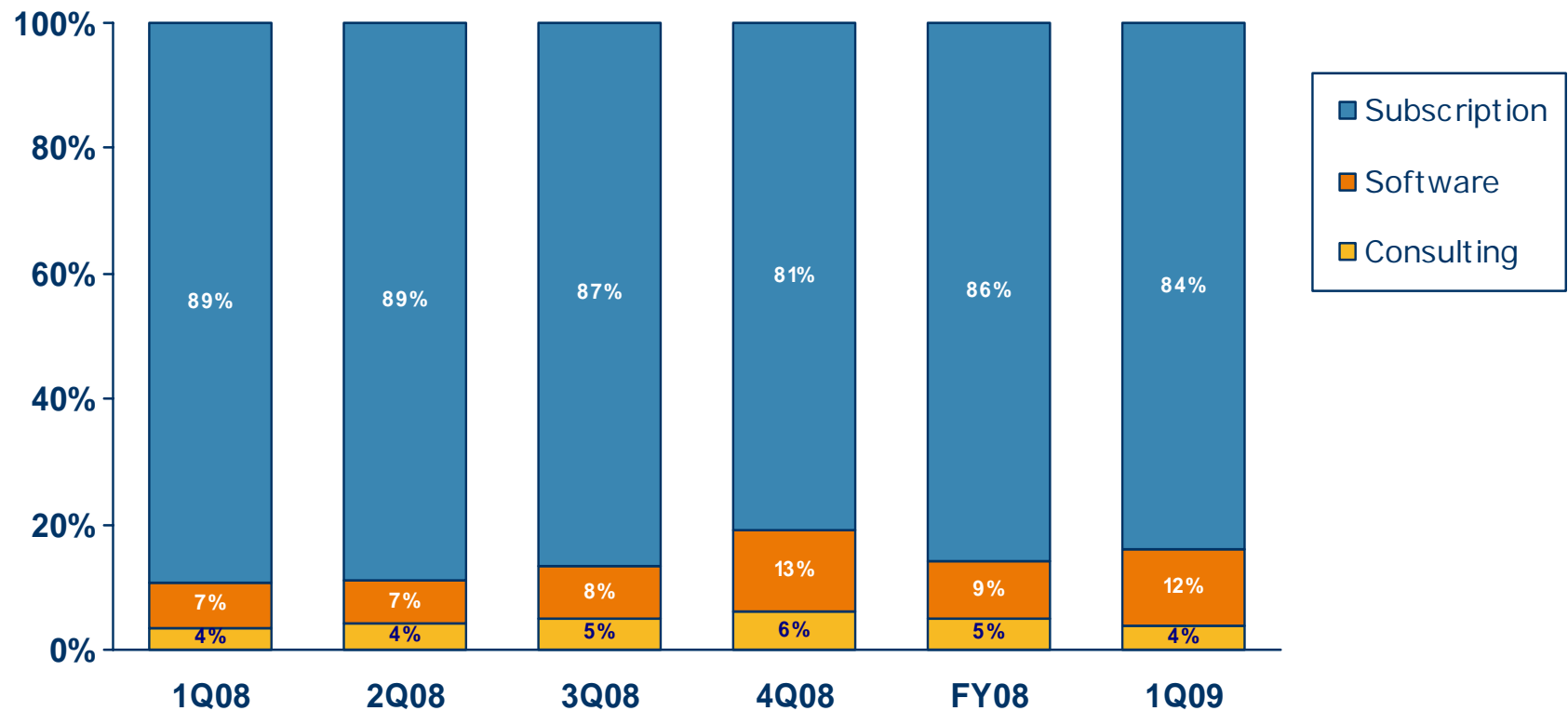
## Public, Project & Infrastructure Revenue Mix % Total Public, Project & Infrastructure Finance Revenue



*Historical data has been adjusted to conform with current information*

# Moody's Analytics Revenue Distribution by Line Segment

## Analytics Revenue Mix % Total Analytics Revenue



*Historical data has been adjusted to conform with current information*

# Reconciliation of Non-GAAP Financial Measures to GAAP

## Earnings Per Share (a)

	2005	2006	2007	2008	1Q09
GAAP diluted EPS as reported	\$1.84	\$2.58	\$2.58	\$1.87	\$0.38
Non-GAAP adjustments (b):					
Impact of expensing stock-based compensation (c)	(0.02)	-	-	-	-
Impact of restructuring	-	-	0.11	(0.01)	0.03
Impact of legacy tax items	(0.03)	(0.01)	(0.19)	(0.04)	-
Impact of gain on sale of building	-	(0.32)	-	-	-
Pro forma diluted EPS	\$1.79	\$2.25	\$2.50	\$1.82	\$0.41
Shares used in diluted EPS calculation (millions)	305.6	291.9	272.2	245.3	236.5

(a) Adjusted for May 2005 2-for-1 stock split

(b) Non-GAAP EPS adjustments may differ from figures disclosed in earnings releases due to rounding

(c) Represents the EPS impact of expensing stock-based compensation determined as if FAS123 was adopted on its effective date

# Reconciliation of Non GAAP Financial Measures to GAAP

Non-GAAP Reconciliation

*\$ in millions*

	2005	2006	2007	2008	1Q09
GAAP net cash provided by operating activities	\$707.9	\$752.5	\$984.0	\$534.7	\$192.1
GAAP net cash (used in) provided by investing activities	(150.4)	116.1	(124.7)	(319.3)	(13.6)
Subtotal	557.5	868.6	859.3	215.4	178.5
Non operating items excluded:					
Interest expense (income), net	(5.0)	(3.0)	24.3	52.2	3.3
Other non-operating (income) expense, net	9.9	2.0	(10.0)	(29.8)	4.0
Income taxes paid	355.6	408.8	408.7	319.9	17.8
Excess tax benefits from exercise of stock options (a)	(70.2)	-	-	-	-
Pre-tax cash flow	847.8	1,276.4	1,282.3	557.7	203.6
Restructuring	-	-	50.0	(2.5)	11.8
Net proceeds from sale of building	-	(163.9)	-	-	-
Legacy Tax	-	-	52.3	7.8	-
<b>Non-GAAP pre-tax cash flow</b>	<b>\$847.8</b>	<b>\$1,112.5</b>	<b>\$1,384.6</b>	<b>\$563.0</b>	<b>\$215.4</b>
Operating Income	\$939.6	\$1,259.5	\$1,131.0	\$748.2	\$148.9
Gain on sale of building	-	(160.6)	-	-	-
Restructuring	-	-	50.0	(2.5)	11.8
<b>Non-GAAP operating income</b>	<b>\$939.6</b>	<b>\$1,098.9</b>	<b>\$1,181.0</b>	<b>\$745.7</b>	<b>\$160.7</b>
<b>Pre-tax cash flow % of adjusted operating income</b>	<b>90%</b>	<b>101%</b>	<b>117%</b>	<b>75%</b>	<b>134%</b>

*(a) Pre-tax cash flow is adjusted for SFAS No. 123R by excluding excess tax benefits from exercise of stock options, which has historically been classified in cash flows from operations, but is included in cash flows from financing activities beginning in 2006*

## 2006 Revenue Reclassification for Segment Changes

in \$millions

<u>Reporting as per 2006 filings</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY06</u>
Structured Finance	\$ 175.5	\$ 217.8	\$ 217.7	\$ 275.7	\$ 886.7
Corporate Finance	86.1	107.8	91.2	111.1	396.2
Financial Institutions and sovereign risk	65.9	66.9	64.1	69.9	266.8
Public Finance	19.6	21.1	21.0	24.2	85.9
<b>Total Ratings Revenue</b>	<b>347.1</b>	<b>413.6</b>	<b>394.0</b>	<b>480.9</b>	<b>1,635.6</b>
Research Revenue	60.8	62.9	65.6	69.4	258.7
<b>Total Moody's Investors Service</b>	<b>407.9</b>	<b>476.5</b>	<b>459.6</b>	<b>550.3</b>	<b>1,894.3</b>
MKMV	32.3	34.9	35.9	39.7	142.8
<b>Total Moody's Corporation</b>	<b>\$ 440.2</b>	<b>\$ 511.4</b>	<b>\$ 495.5</b>	<b>\$ 590.0</b>	<b>\$ 2,037.1</b>

### Reclass for 2006, 2007 & 2008 Segment Changes: Including REITs, Sovereign, Subsovereign, Project Finance, Utilities & Managed Investments

Structured Finance	\$ (3.1)	\$ (3.7)	\$ (3.8)	\$ (3.5)	\$ (14.1)
Corporate Finance	(14.9)	(15.7)	(11.0)	(18.7)	(60.3)
Financial Institutions	(9.3)	(8.0)	(8.0)	(8.4)	(33.7)
Public, Project & Infrastructure Finance	27.9	28.4	23.7	32.3	112.3
<b>Total Ratings Revenue</b>	<b>0.6</b>	<b>1.0</b>	<b>0.9</b>	<b>1.7</b>	<b>4.2</b>
Research Revenue	(60.8)	(62.9)	(65.6)	(69.4)	(258.7)
<b>Total Moody's Investors Service</b>	<b>0.6</b>	<b>1.0</b>	<b>0.9</b>	<b>1.7</b>	<b>4.2</b>
MKMV	(32.3)	(34.9)	(35.9)	(39.7)	(142.8)
Moody's Analytics	92.5	96.8	100.6	107.4	397.3
<b>Total Moody's Analytics</b>	<b>(0.6)</b>	<b>(1.0)</b>	<b>(0.9)</b>	<b>(1.7)</b>	<b>(4.2)</b>
<b>Total Moody's Corporation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<u>2008 (Current) Segment Reporting</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY06</u>
Structured Finance	\$ 172.4	\$ 214.1	\$ 213.9	\$ 272.2	\$ 872.6
Corporate Finance	71.2	92.1	80.2	92.4	335.9
Financial Institutions	56.6	58.9	56.1	61.5	233.1
Public, Project & Infrastructure Finance	47.5	49.5	44.7	56.5	198.2
<b>Total Moody's Investors Service*</b>	<b>347.7</b>	<b>414.6</b>	<b>394.9</b>	<b>482.6</b>	<b>1,639.8</b>
<b>Total Moody's Analytics</b>	<b>92.5</b>	<b>96.8</b>	<b>100.6</b>	<b>107.4</b>	<b>397.3</b>
<b>Total Moody's Corporation</b>	<b>\$ 440.2</b>	<b>\$ 511.4</b>	<b>\$ 495.5</b>	<b>\$ 590.0</b>	<b>\$ 2,037.1</b>

\* Excludes intersegment royalty

2006 revenue has been reclassified to reflect the following segment changes in 2008: 1) Project Finance, Sovereign and Subsovereign revenue were moved under Public, Project and Infrastructure Finance, 2) Real Estate Finance was moved to Commercial Mortgage Backed Securities within Structured Finance and 3) Research and MKMV were moved to Moody's Analytics. Furthermore, in August 2008, the global managed investments ratings group which was previously part of structured finance, was moved to the financial institutions business.

## 2007 Revenue Reclassification for Segment Changes

in \$millions

<u>Reporting as per 2007 filings</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY07</u>
Structured Finance	\$ 251.5	\$ 273.4	\$ 200.8	\$ 164.9	\$ 890.6
Corporate Finance	114.8	141.0	105.1	104.5	465.4
Financial Institutions and sovereign risk	76.7	83.8	68.8	73.8	303.1
Public Finance	29.4	32.0	30.0	29.4	120.8
<b>Total Ratings Revenue</b>	<b>472.4</b>	<b>530.2</b>	<b>404.7</b>	<b>372.6</b>	<b>1,779.9</b>
Research Revenue	75.0	78.0	83.2	88.1	324.3
<b>Total Moody's Investors Service</b>	<b>547.4</b>	<b>608.2</b>	<b>487.9</b>	<b>460.7</b>	<b>2,104.2</b>
MKMV	35.6	37.9	37.1	44.2	154.8
<b>Total Moody's Corporation</b>	<b>\$ 583.0</b>	<b>\$ 646.1</b>	<b>\$ 525.0</b>	<b>\$ 504.9</b>	<b>\$ 2,259.0</b>

### Reclass '07, '08 and '09 Segment Changes: Including REITs, Sovereign, Subsovereign, Project Finance, Utilities & Managed Investments, Credit Estimates

Structured Finance	\$ (3.1)	\$ (2.4)	\$ (6.7)	\$ (10.1)	\$ (22.3)
Corporate Finance	(11.5)	(15.1)	(11.7)	(10.7)	(49.0)
Financial Institutions	(7.1)	(8.9)	(5.5)	(7.3)	(28.8)
Public, Project & Infrastructure Finance	21.7	26.4	23.9	28.0	100.0
Total Ratings Revenue	-	-	0.0	-	(0.1)
Research Revenue	(75.0)	(78.0)	(83.2)	(88.1)	(324.3)
<b>Total Moody's Investors Service</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>(0.1)</b>
MKMV	(35.6)	(37.9)	(37.1)	(44.2)	(154.8)
Moody's Analytics	110.6	115.9	120.3	132.3	479.1
<b>Total Moody's Analytics</b>	<b>-</b>	<b>-</b>	<b>(0.0)</b>	<b>-</b>	<b>(0.0)</b>
<b>Total Moody's Corporation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<u>2008 (Current) Segment Reporting</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY07</u>
Structured Finance	\$ 248.4	\$ 271.0	\$ 194.1	\$ 154.8	\$ 868.3
Corporate Finance	103.3	125.9	93.4	93.8	416.4
Financial Institutions	69.6	74.9	63.3	66.5	274.3
Public, Project & Infrastructure Finance	51.1	58.4	53.9	57.4	220.8
<b>Total Moody's Investors Service*</b>	<b>472.4</b>	<b>530.2</b>	<b>404.7</b>	<b>372.5</b>	<b>1,779.8</b>
<b>Total Moody's Analytics</b>	<b>110.6</b>	<b>115.9</b>	<b>120.3</b>	<b>132.3</b>	<b>479.1</b>
<b>Total Moody's Corporation</b>	<b>\$ 583.0</b>	<b>\$ 646.1</b>	<b>\$ 525.0</b>	<b>\$ 504.8</b>	<b>\$ 2,258.9</b>

\* Excludes intersegment royalty

2007 revenue has been reclassified to reflect the following segment changes in 2008: 1) Project Finance, Sovereign and Subsovereign revenue were moved under Public, Project and Infrastructure Finance, 2) Real Estate Finance was moved to Commercial Mortgage Backed Securities within Structured Finance and 3) Research and MKMV were moved to Moody's Analytics. Furthermore, 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.

## 2008 Revenue Reclassification for Segment Changes

in \$millions

<u>Reporting as per 2008 filings</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY08**</u>
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
<b>Total Moody's Investors Service*</b>	<b>298.2</b>	<b>355.8</b>	<b>296.8</b>	<b>253.9</b>	<b>1,204.7</b>
<b>Total Moody's Analytics</b>	<b>132.5</b>	<b>131.8</b>	<b>136.6</b>	<b>149.8</b>	<b>550.7</b>
<b>Total Moody's Corporation</b>	<b>\$ 430.7</b>	<b>\$ 487.6</b>	<b>\$ 433.4</b>	<b>\$ 403.7</b>	<b>1,755.4</b>

### Reclass for 2008 and 2009 Segment 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	-	-	-	-	-
<b>Total Moody's Investors Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Moody's Analytics</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Moody's Corporation</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

<u>2008 (Current) Segment Reporting</u>	<u>1Q</u>	<u>2Q</u>	<u>3Q</u>	<u>4Q</u>	<u>FY08</u>
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
<b>Total Moody's Investors Service*</b>	<b>298.2</b>	<b>355.9</b>	<b>296.8</b>	<b>253.8</b>	<b>1,204.7</b>
<b>Total Moody's Analytics</b>	<b>132.5</b>	<b>131.8</b>	<b>136.6</b>	<b>149.8</b>	<b>550.7</b>
<b>Total Moody's Corporation</b>	<b>\$ 430.7</b>	<b>\$ 487.7</b>	<b>\$ 433.4</b>	<b>\$ 403.6</b>	<b>1,755.4</b>

\* 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.

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