Moody's outlook for 2020 and other statements contained in this release are forward-looking statements and are based on future expectations, plans and prospects for the Company's business and operations that involve a number of risks and uncertainties. Such statements may include, among other words, "believe", "expect", "anticipate", "intend", "plan", "will", "predict", "potential", "continue", "strategy", "aspire", "target", "forecast", "project", "estimate", "should", "could", "may" and similar expressions or words and variations thereof that convey the prospective nature of events or outcomes generally indicative of forward-looking statements. The forward-looking statements and other information in this release are made as of the date hereof and the Company undertakes no obligation (nor does it intend) to publicly supplement, update or revise such statements on a going-forward basis, whether as a result of subsequent developments, changed expectations or otherwise, except as required by applicable law or regulation. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company is identifying examples of factors, risks and uncertainties 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 impact of the coronavirus on volatility in the U.S. and world financial markets, on general economic conditions and GDP growth in the U.S. and worldwide, and on the company's own operations and personnel. Many other factors could cause actual results to differ from Moody's outlook, including credit market disruptions or economic slowdowns, which could 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 regulation, credit quality concerns, changes in interest rates and other volatility in the financial markets such as that due to uncertainty as companies transition away from LIBOR and Brexit; 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 actions affecting credit markets, international trade and economic policy, including those related to tariffs and trade barriers; concerns in the marketplace affecting our credibility or otherwise affecting market perceptions of the integrity or utility of independent credit 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 ("Dodd-Frank") and regulations resulting from Dodd-Frank; 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, government and regulatory proceedings, investigations and inquiries to which the Company may be subject from time to time; provisions in the Dodd-Frank 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 and the expansion of supervisory remit to include non-EU ratings used for regulatory purposes; 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 or examinations by controlling tax authorities of the Company's global tax planning initiatives; exposure to potential criminal sanctions or civil remedies if the Company fails to comply with foreign and U.S. laws and regulations that are applicable in the jurisdictions in which the Company operates, including data protection and privacy laws, sanctions laws, anti-corruption laws, and local laws prohibiting corrupt payments to government officials; the impact of mergers, acquisitions or other business combinations and the ability of the Company to successfully integrate such acquired businesses; currency and foreign exchange volatility; the level of future cash flows; the levels of capital investments; and a decline in the demand for credit risk management tools by financial institutions. These factors, risks and uncertainties as well as other risks and uncertainties that could cause Moody's actual results to differ materially from those contemplated, expressed, projected, anticipated or implied in the forward-looking statements are described in greater detail under "Risk Factors" in Part I, Item 1A of the Company's annual report on Form 10-K for the year ended December 31, 2019, and in other filings made by the Company from time to time with the SEC or in materials incorporated herein or therein. Stockholders and investors are cautioned that the occurrence of any of these factors, risks and uncertainties may cause the Company's actual results to differ materially from those contemplated, expressed, projected, anticipated or implied in the forward-looking statements, which could have a material and adverse effect on the Company's business, results of operations and financial condition. New factors may emerge from time to time, and it is not possible for the Company to predict new factors, nor can the Company assess the potential effect of any new factors on it.
Fireside Chat Participants

- Ray McDaniel
  President and CEO
- Rob Fauber
  Chief Operating Officer
- Mark Kaye
  Chief Financial Officer
- Shivani Kak
  Head of Investor Relations
- Stephen Tulenko
  President
  Moody's Analytics
- Michael West
  President
  Moody's Investors Service
- Anne Van Praagh
  MD - Global Credit Strategy & Research
  Moody's Investors Service
QUESTION 1

Ray and Rob

What is the impact of coronavirus on Moody’s business?
Coronavirus preparedness and impact

» Primary focus: health and safety of our employees, investors, customers and the overall community

» Economic impacts from coronavirus include:
  – GDP decline
  – Short-term disruption to issuance
  – Transitory productivity declines

» Execution of contingency plans to mitigate impact

» Reaffirming FY 2020\(^1\) guidance, including adjusted diluted EPS\(^2\), with the exception of MIS revenue

  - Year-over-year adjusted diluted EPS growth to $9.10 - $9.30\(^{1,2}\)
  - Adjusted operating margin expansion to 48% - 49\(^1\)

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1. Refer to Table 1 – “2020 Outlook” in the press release dated March 11, 2020 for a complete list of guidance and a reconciliation between adjusted measures to GAAP.
2. Current guidance is now expected to be toward the lower end of the range.
Moody’s provides valuable market insights in uncertain times
QUESTION 2

Anne, Mike and Steve

Can you provide more detail on Moody’s expectations for the impact of coronavirus?
Coronavirus adversely impacts economic growth

Real GDP growth forecast (%) for G-20 Economies (2020-21)

Channels of coronavirus economic impact

Impact on global economy from the coronavirus

**Economic effects**

**DEMAND SHOCK**
Falling consumer demand from spread of the coronavirus

**SUPPLY SHOCK**
Production disruption from restricted movement

**FINANCIAL MARKET SHOCK**
Volatility in financial markets

**Channel of impact**

<table>
<thead>
<tr>
<th>Travel/tourism slowdown</th>
<th>Consumption slowdown</th>
<th>Supply chain disruptions</th>
<th>Stress on healthcare systems</th>
<th>Fall in oil/commodity prices</th>
<th>Financial market volatility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flight and cruise restrictions to affected areas, cancellation of business and vacation travel, cancellation of large events</td>
<td>Quarantine restrictions, school.factory/business closures, fear and aversion to public gatherings</td>
<td>Factory closures in affected regions lead to delays and shortages down supply chains globally; uncertainty and low sentiment affect investment</td>
<td>Higher demand for healthcare services and products</td>
<td>Lower demand keeps commodity prices low and volatile</td>
<td>Declines in equity prices, a rise in risk aversion and spreads, a rise in delinquencies, lower interest rates</td>
</tr>
</tbody>
</table>

**Sectors affected**

<table>
<thead>
<tr>
<th>Negative</th>
<th>Negative</th>
<th>Negative</th>
<th>Negative</th>
<th>Negative</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airlines, cruise lines, hotels, travel/leisure</td>
<td>Local services, wholesale/retail trade, transportation, education</td>
<td>Technology, autos, telecom, shipping, pharma</td>
<td>Healthcare system</td>
<td>Commodity exporters</td>
<td>Financial institutions</td>
</tr>
<tr>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
<td>Positive</td>
</tr>
<tr>
<td>Remote communications</td>
<td>Online media, online retail</td>
<td>Sectors that benefit from supply chain relocation</td>
<td>Vaccine developers</td>
<td>Households</td>
<td>Consumer finance, housing, reserve-currency countries</td>
</tr>
</tbody>
</table>

Global speculative-grade default rate expected to rise

Global debt issuance tends to rebound after a shock

Moody’s total rated debt

Source: Moody’s Investors Service.
Note: Includes both domestic and cross-border rated issuance, excluding Sovereign.
Revised Moody’s Investors Service 2020 outlook

2020 revenue expectation revised down to low-single-digits

Key drivers include

- GDP
- Issuance volumes and mix
- Commodity prices stabilize
- Benchmark rates remain low
- M&A activity
- Spreads

Moody’s Analytics has a resilient recurring revenue base

Coronavirus concerns could affect business development in the short-term

For 2020, we expect:

- **~50%** Revenue from sales closed prior to 1/1/2020
  - High retention rates
  - Risk and uncertainty in the market reinforces demand

- **~40%** Revenue from scheduled renewals

- **~10%** Revenue from new sales in 2020
  - Delay of existing sales cycles
  - Slow down of meeting activity affects pipeline creation

---

1. Full Year 2019, excluding MAKS.
Looking beyond current events, what are the underlying drivers of MIS and MA?

Mike and Steve
Moody’s Investors Service: Agency of choice

Rating Quality
Proven rating accuracy and deeply experienced analysts

Research and Insight
Focus on research leadership

Award-winning
Globally and locally acknowledged for award winning expertise in credit ratings, research and risk analysis.

#1 Global Credit Rating Agency: 2019
#1 US Credit Rating Agency: 2012-2018

Multi-award winner including best rating agency categories: 2015-2019

Multi-award winner: 2015-2018

Multi-award winner including best rating agency categories: 2015-2019

Multi-award winner: 2015-2018

Engagement and Service
Analytical and commercial outreach

Value Proposition
Expanded sales and marketing activities in Commercial Group
Moody’s Investors Service: New ratings mandates and refunding support revenue growth

4k+ new rating mandates over the last 5 years

First time mandates

$3T+ of corporate refunding needs over the next 4 years

North America / EMEA refunding needs, 2020-2023

2. Source: Moody’s Investors Service.
Moody’s Analytics: Diverse customer base provides a stable foundation for growth

Revenue more than tripled since inception

- **CAGR ~12%** since inception of Moody’s Analytics
- **44 quarters of growth in a row**

**1300+** Asset Managers

**3000+** Corporations

**500+** Insurance Companies

**2800+** Commercial Banks

**280+** Securities Dealers and Investment Banks

**3000+** Governments & Other Entities

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Note: Individual line of business revenues may not add up to totals due to rounding. All results exclude MAKS.
Mark

What are the puts and takes in re-affirming Moody’s full year adjusted diluted EPS guidance?
**Updated FY 2020 Guidance\(^1,2\)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Increase in the mid-single-digit % range</td>
</tr>
<tr>
<td>MIS Revenue</td>
<td>Increase in the low-single-digit % range</td>
</tr>
<tr>
<td>MA Revenue</td>
<td>Increase in the high-single-digit % range</td>
</tr>
<tr>
<td>Total Expenses(^3)</td>
<td>Increase in the low-single-digit % range</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>Approximately 44%</td>
</tr>
<tr>
<td>Adjusted Operating Margin</td>
<td>48% - 49%</td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td>20.0% - 22.0%</td>
</tr>
<tr>
<td>Diluted EPS(^4)</td>
<td>$8.60 - $8.80</td>
</tr>
<tr>
<td>Adjusted Diluted EPS(^4)</td>
<td>$9.10 - $9.30</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$1.7 - $1.8 billion</td>
</tr>
<tr>
<td>Share Repurchases(^5)</td>
<td>Approximately $1.3 billion</td>
</tr>
</tbody>
</table>

---

1. Items in blue text have been revised from those relayed on Moody’s February 12, 2020 earnings call. Refer to Table 1 – “2020 Outlook” in the press release dated March 11, 2020 for a complete list of guidance and a reconciliation between adjusted measures to GAAP.
2. Moody’s outlook assumes foreign currency translation at end-of-quarter exchange rates. Specifically, our forecast reflects exchange rates for the British pound (£) of $1.31 to £1 and for the euro (€) of $1.11 to €1. Coronavirus or other incidents or developments could affect many other factors that also could cause actual results to differ from Moody’s outlook.
3. Includes depreciation and amortization and certain one time costs in 2019 including restructuring charges, captive insurance company settlement, MAKS Impairment Charge and Acquisition-Related Expenses.
4. Current guidance is now expected to be toward the lower end of the range.
5. Subject to available cash, market conditions and other ongoing capital allocation decisions.
Moody’s 2020 margin drivers

Disciplined expense management drives both margin expansion and opportunity for investment

2019 Adjusted Operating Margin

- Operating Leverage: 75-175 bps
- Efficiencies: 100-110 bps
- Organic Investments: 50 bps
- Acquisitions and Divestitures: 15-25 bps
- Business Mix Impact: 50 bps

2020 Adjusted Operating Margin Guidance

- 48%-49%
- +60 bps to +160 bps

Note: Assumes 2020 mid-single-digit percent revenue growth for Moody’s. Adjusted operating margin is an adjusted financial measure; see Appendix for reconciliations from adjusted financial measures to U.S. GAAP. All margin driver numbers and ranges are approximate.

QUESTION 5

Rob and Ray

Can you tell us about the growth opportunities Moody’s is pursuing?
## Bureau van Dijk: accelerating growth with Moody’s

### Pre-Acquisition | Post-Acquisition | Exceeding Investment Criteria
---|---|---
### Financial
Revenue CAGR\(^1\) | Revenue growth\(^3\) | ✔ IRR at / above Moody’s cost of capital
~9% | ~16% | ✔ >10% annual cash return yield within 3-5 years
Adjusted Operating Margin\(^2\) | Adjusted Operating Margin\(^4\) | ✔ Cash payback within 7-9 years
~44% | ~52% | ✔ EPS accretive by year 3

### Operational
220 million companies in database\(^1\) | 365+ million companies in database | ✔ On track for ~$80M of synergies by end of 2021\(^5\)

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1. Per May 15, 2017 Bureau van Dijk acquisition presentation.
2. GAAP estimate per 3Q 2017 earnings conference.
3. 2019 revenue growth. 2018 revenue includes the impact of $17M of revenue reductions relating to previous adjustments to deferred revenue recorded as part of acquisition accounting.
4. Direct adjusted operating margin for Bureau van Dijk for full year 2019. Excludes the allocation of corporate overhead expenses.
5. As of March 11, 2020.
Compliance leading the way

Percent of Total Sales

- Bank credit risk
- Corporate finance and M&A
- Trade Credit
- Data management
- Tax/Transfer pricing
- Sales and marketing
- Research (Economic/Library)

Source: Moody’s Analytics.

YoY Growth (2019 vs. 2018)

Growth of Compliance Use Case: 38%
Avg Growth of Other Use Cases: 12%

Investor Update, March 11, 2020
BvD + RDC makes Moody’s Analytics a leading global player in KYC\(^1\)

Improved accuracy and streamlined decisions

- BvD + RDC creates a leading provider of data for compliance-related use cases
- Complementary assets:
  - RDC’s Global Risk Information Database: over 11 million profiles of risk-related organizations and individuals
  - Worldwide entity and ultimate ownership data from BvD’s Orbis database and Compliance Catalyst tool

**BvD**
- 365M PUBLIC & PRIVATE ENTITIES
- 184M ACTIVE OWNERSHIP LINKS
- 176M SHAREHOLDERS

**RDC**
- 11M RISK PROFILES
- 800+ MONITORED LISTS
- 1.7M POLITICALLY EXPOSED PEOPLE

---

1. KYC = Know-Your-Customer.
U.S. - China trade deal implications

» U.S. – China Phase 1 trade deal signed January 15, 2020
» Specific reference to international credit rating agencies
» Enhances Moody’s optionality in China
What are the key takeaways for investors?
Core strengths underpin our business amidst near term volatility and medium term uncertainty

Volatility / uncertainty drivers
- Depth & length of coronavirus issue
- Macro – recessionary risks
- Credit stress – defaults, spreads and volatility
- Ultralow rates – extent of pull forward
- MA sales cycles

Moody’s Core Strengths

**Trusted brand**
Globally recognized and respected with over a century of experience in financial markets and risk

**Proprietary data and integrated analytics**
Comprehensive, curated and difficult-to-replicated

**Extensive global customer base**
Global corporations, financial institutions, structured finance issuers and governments

**Business-critical products**
Proven, best-in-class customer solutions and applications embedded into customer workflows drive high retention rates
Questions and Answers
Replay details

Available from 3:30pm (Eastern Time) March 11, 2020 until 3:30pm (Eastern Time) April 9, 2020

TELEPHONE DETAILS

U.S. +1-888-203-1112
Non-U.S. +1-719-457-0820
Passcode 7889155

WEBCAST DETAILS

Go to ir.moodys.com
Click on “Events & Presentations”
Click on the link for “Moody’s Investor Update”
### Reconciliation of adjusted financial measures to GAAP

#### Moody’s Corporation Operating Margin Guidance Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>2020F¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Operating Margin - GAAP</td>
<td>Approximately 44%</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>Approximately 4.5%</td>
</tr>
<tr>
<td><strong>Projected Adjusted Operating Margin</strong></td>
<td><strong>48% - 49%</strong></td>
</tr>
</tbody>
</table>

#### Moody’s Corporation Diluted EPS Reconciliation

<table>
<thead>
<tr>
<th></th>
<th>2020F¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diluted EPS - GAAP</td>
<td>$8.60 - $8.80</td>
</tr>
<tr>
<td>Acquisition-Related Intangible Amortization Expenses</td>
<td>~ $0.50</td>
</tr>
<tr>
<td><strong>Adjusted Diluted EPS</strong></td>
<td><strong>$9.10 – $9.30</strong></td>
</tr>
</tbody>
</table>

#### Free Cash Flow Guidance Reconciliation

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>2020F¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash flows from operating activities</td>
<td>$1,800 - $1,900</td>
</tr>
<tr>
<td>Less: Capital expenditures</td>
<td>~ $100</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>$1,700 – $1,800</strong></td>
</tr>
</tbody>
</table>

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1. **Guidance as of March 11, 2020.**