2013 Annual Shareholders Meeting

May 1, 2013
125th Anniversary

McGraw Hill Financial • McGraw-Hill Education

ONE PROUD LEGACY,
TWO POWERFUL COMPANIES

125 YEARS OF ESSENTIAL INTELLIGENCE
Market Innovations

Operator at the console of the Electroeasy hidden from sight in a mass of tubes and wiring that performs hundreds of calculations at lightning speed.
Professor Paul Samuelson
Growth, Purpose and Passion
S&P’s Response To The DOJ’s Meritless Lawsuit

The U.S. Dept. of Justice and some states have filed meritless civil lawsuits against S&P challenging some of our 2007 CDO ratings and the underlying RMBS models. Their allegations are simply untrue. Our ratings were issued in good faith and were consistent with the views expressed in 2007 by the Treasury and the Federal Reserve.

S&P’s HOUSING ASSUMPTIONS WERE CONSISTENT WITH THE VIEWS EXPRESSED BY THE U.S. GOVERNMENT.

S&P’s inability, together with the Federal Reserve, Treasury, and other market participants, to predict the extent of the most catastrophic meltdown since the Great Depression reveals a lack of prescience, but not fraud.

The DOJ’s complaint makes numerous allegations that are entirely without merit. They are internally contradictory – with emails cited that had no effect on the CDOs at issue – and logically flawed (see "The DOJ Complaint Re S&P: The Facts" below).

The "In The Media" section includes third-party video and print media coverage of the case. The section labeled "S&P On Housing ‘06/07" contains S&P reports published during 2006-2007 on the U.S. housing market and on U.S. residential mortgage-backed securities (RMBS), showing the good-faith work of S&P’s professionals. The fact is that S&P’s ratings were based on the same subprime mortgage data available to the rest of the market – including U.S. Government officials who in 2007 publicly stated that problems in the subprime market appeared to be contained.
Volunteerism
Scholarship Award

The
Donald S. Rubin
McGraw-Hill
Memorial Scholarship Fund
Q1 2013 Results

- Revenue grew 14% to $1.2 billion
- Net income from continuing operations increased 29% to $228 million
- Earnings per share from continuing operations increased 29% to 80 cents

Note: Net Income and EPS from continuing operations are adjusted and exclude one-time costs.
2012 Results: Growth & Value

• Revenue +13% to $4.45 billion

• Net income from continuing operations +24% to $783 million

• Earnings per share from continuing operations +32% to $2.75

Note: Net Income and EPS from continuing operations are adjusted and exclude one-time costs.
Common Stock Dividend History, 1937 – 2012
Annualized Total Shareholder Return Including Reinvestment of Dividends

Note: Results as of 12/31/12
Strategic Investments

- QuantHouse
- R² Financial Technologies
- CMA
- Coalition
- Kingsman
Strategic Investments
International Growth

VIDEO GRAPHIC
New Brand Identity

McGRAW HILL FINANCIAL

Essential Intelligence
And here is what employees are saying...
Employee Video

VIDEO GRAPHIC
Empire State Building, May 3rd
We Benefit from Changes in the Global Economy
Hartley House

HARTLEY HOUSE
SERVING AND STRENGTHENING
THE HELL'S KITCHEN COMMUNITY

McGraw Hill Financial
McGraw Hill Financial Board of Directors