The McGraw-Hill Companies

Annual Shareholders Meeting
April 27, 2011


This presentation contains forward-looking statements, including without limitation statements relating to our businesses and our prospects, new products, sales, expenses, tax rates, cash flows, prepublication investments and operating and capital requirements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are intended to provide management’s current expectations or plans for our future operating and financial performance and are based on assumptions management believes are reasonable at the time they are made. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “plan,” “estimate,” “project,” “target,” “anticipate,” “intend,” “may,” “will,” “continue” and other words of similar meaning in connection with a discussion of future operating or financial performance. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict; therefore, actual outcomes and results could differ materially from what is expected or forecasted. These risks and uncertainties include, among others: worldwide economic, financial, political and regulatory conditions; currency and foreign exchange volatility; the effect of competitive products and pricing; the level of success of new product development and global expansion; the level of future cash flows; the levels of capital and prepublication investments; income tax rates; restructuring charges; the health of debt and equity markets, including credit quality and spreads, the level of liquidity and future debt issuances; the level of interest rates and the strength of the capital markets in the U.S. and abroad; the demand and market for debt ratings, including collateralized debt obligations (CDOs), residential and commercial mortgage and asset-backed securities and related asset classes; the state of the credit markets and their impact on S&P and the economy in general; the regulatory environment affecting S&P; the level of merger and acquisition activity in the U.S. and abroad; the level of funding in the education market; School Education Group’s level of success in adoptions and open territories; enrollment and demographic trends; the strength of School Education Group’s testing market, Higher Education, Professional and International Group’s publishing markets and the impact of technology on them; continued investment by the construction, automotive, computer and aviation industries; the strength of the domestic and international advertising markets; the level of political advertising; the strength and performance of the domestic and international automotive markets; the volatility of the energy marketplace; and the contract value of public works, manufacturing and single-family unit construction. We caution readers not to place undue reliance on forward-looking statements.
Harold McGraw III
Chairman, President and Chief Executive Officer
The McGraw-Hill Companies

The global economy is expected to expand 3.7%
Our vision

Inspiring academic growth for students
Robust job growth for professionals
Sustainable financial growth for markets
Enduring economic growth for countries

A smarter, better world, where everyone can succeed in the knowledge economy

More insights than ever before

From the credit ratings of Standard & Poor’s
To the investment services of the new McGraw-Hill Financial
To the digital learning technologies of MHE
To the business intelligence of I&M brands
Financial results: Double-digit growth in 2010

- 2010 EPS Growth: +13.7% to $2.65
- Projected 2011 EPS: $2.79 to $2.89

Revenue (in millions)

2006 2007 2008 2009 2010

Jack F. Callahan Jr.
Executive Vice President & Chief Financial Officer
2010 adjusted EPS:
2nd best year ever and return to growth

Adjusted Earnings Per Share

NOTE: Results throughout this presentation are adjusted to exclude non-recurring items. Adjusted earnings per share and adjusted segment operating profit are non-GAAP financial measures. Reconciliations are provided on our 2/1/2011 and 4/26/11 press releases and are available on our website.

2010 FY consolidated performance:
Strong margin expansion

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>FY 2010</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$6,168</td>
<td>+3.6%</td>
</tr>
<tr>
<td>Segment Expenses</td>
<td>4,568</td>
<td>+0.4%</td>
</tr>
<tr>
<td>Adjusted Segment Operating Profit</td>
<td>$1,601</td>
<td>+14.2%</td>
</tr>
<tr>
<td>Segment Profit Margin</td>
<td>25.9%</td>
<td>+240 BPS</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>$2.69</td>
<td>+13.5%</td>
</tr>
<tr>
<td>Organic Revenue Growth</td>
<td></td>
<td>+5.3%</td>
</tr>
</tbody>
</table>

* Excluding the impact of acquisitions/divestitures
2010 segment results: Robust profit growth

**Revenue:**
$6,168 mm  +5.3% *

**Adjusted Segment Operating Profit:**
$1,601 mm  +14.2%

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>MHF</td>
<td>$1,189</td>
<td>$2,433</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>$1,695</td>
<td>$171</td>
</tr>
<tr>
<td>I&amp;M</td>
<td>$907</td>
<td>$315</td>
</tr>
<tr>
<td>MHE</td>
<td>$2,433</td>
<td>$360</td>
</tr>
</tbody>
</table>

* Excluding the impact of acquisitions/divestitures

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Robust free cash flow

($ in millions)

- Cash from Operations: $1,458
- Capital Investments: (266)
- Cash Flow before Dividends: $1,192
- Dividends*: (311)
- Free Cash Flow: $881

Acquisitions: $364
Share Repurchases: $256

* Includes dividends paid to noncontrolling interests
Strong balance sheet

Cash/Debt Balances

12/31/09: $1.2 billion in cash/debt balances
12/31/10: $1.5 billion in cash/debt balances

1Q 2011 financial results:
6th consecutive quarter of growth

Revenue (% yoy growth)

Adjusted EPS (% yoy growth)
2011 full year: Continued growth

- Revenue Guidance: Mid Single-Digit Growth
- EPS Guidance: 4% to 7% Growth
- Free Cash Flow (after dividends) Guidance: > $700 million

Harold McGraw III
Chairman, President and Chief Executive Officer
The McGraw-Hill Companies
We are becoming more digital

By 2012, the universe of digital data and information will grow exponentially.

We are becoming more global

95%
• Consumers living outside the U.S.

75%
• Economic growth from emerging markets in the next 5 years

• Sales in emerging markets grew 20% in Q1
• International sources accounted for:
  • More than 50% revenue at Platts
  • Nearly 50% of S&P’s revenue
Standard & Poor’s

• The global economy is growing

• Result:
  – A record year for global high-yield new issuance
  – Greater demand for our ratings

McGraw-Hill Financial

• $1.2 billion segment
• Vision for a business that serves investors at all stages of life...
We see a growing gap between the skills that students are learning in school and the skills that they need to succeed in the knowledge economy.

60

- Percent of jobs requiring post-secondary education

Digital learning: New frontier of education

We have the opportunity to make education more affordable, more accessible and more adaptive than ever before.
Companies are turning to our brands for real-time information in the fields that will shape the future…

– from automobiles and aviation
– to energy and construction…