Commodities & Commercial Markets’ brands—Platts, J.D. Power, and McGraw Hill Construction—are leading sources of high-value information, data, analytical services, and benchmarks and address customers’ needs in the energy and construction markets and the automotive industry. With its emphasis on providing timely, comprehensive, reliable business information, Commodities & Commercial Markets is strengthening its core products and services, extending capabilities to existing customers, and meeting new customer needs through new, innovative solutions.

High-Value Information that Addresses Key Sectors of the Global Economy

How Commodities & Commercial Markets Generates Revenue

Real-time commodity news, market data and price assessments, along with other print and digital information products, primarily serving the energy and construction markets and the automotive industry [subscription revenue]

Syndicated and proprietary research studies, advertising, consulting engagements, and events [non-subscription revenue]

Revenue: Domestic/International

Revenue: Subscription/Non-Subscription
Commodities & Commercial Markets’ data, analytics, and related research are embedded in the decision making process for customers and companies in key sectors of the global economy. It is expanding its business model to include additional benchmarks and workflow tools that allow its customers to further improve and grow their businesses.

Platts
Platts provides essential price data, analytics, and industry insight that enable commodities markets to perform with greater transparency and efficiency.

J.D. Power
J.D. Power provides essential consumer intelligence to help businesses measure, understand, and improve the key performance metrics that drive growth and profitability.

McGraw Hill Construction
McGraw Hill Construction provides essential data, news, insights, and intelligence to better inform construction professionals’ decisions and strengthen their market position.

Platts, J.D. Power, and McGraw Hill Construction provide essential data and benchmark information to the energy and construction markets and the automotive industry.
Platts
Commodity Pricing, Analytics & Industry Insight

Enabling Commodity Markets to Perform with Greater Transparency and Efficiency

Platts is a leading independent provider of energy, petrochemicals, metals, and agriculture information and a source of benchmark price assessments for those commodity markets. With more than a century of business experience, Platts provides newsletters and reports, real-time news and price information, and end-of-day market data to more than 10,000 private- and public-sector customers across more than 170 countries.

With its beginnings in petroleum, Platts has gradually expanded its coverage to include petrochemicals, metals, shipping, and other energy-related commodities. Platts’ 2012 acquisition of Kingsman, a global brand for sugar market data and analytics, deepened Platts’ capabilities in biofuels and provided a foothold for additional growth opportunities in the global agricultural markets.

www.platts.com

How Platts Generates Revenue

Subscriptions for proprietary market information, newsletters, real-time services, and analytics

Licensing fees for use of Platts’ physical prices in derivative contracts traded on exchanges

Conferences and events across all commodity markets served by Platts

Exchange Partners

Platts’ data have been licensed to exchanges and other entities for trading and clearing purposes, including:

- IntercontinentalExchange
- CME Group
- Singapore Exchange
- Tokyo Commodity Exchange
- Moscow Exchange MICEX-RTS
- NASDAQ OMX

Revenue: Commodities [Platts] (dollars in millions)

Approximately 90% of Platts’ revenue is based on subscription products that have a renewal rate of nearly 95%

Platts is McGraw Hill Financial’s most global business with 60% of its revenue coming from outside the U.S.

Volatility drives incremental demand for Platts’ data and analytics
Platts: Trusted Coverage Across Commodity Markets

Platts’ Products & Services

Platts leverages technology to offer flexible delivery of data and analytics through online platforms, direct data feeds, and through partnerships with real-time vendors.

- **Real-Time News & Market Alerts**: News, market commentary, and price assessments offer up-to-the-minute market insight
- **Price Assessments & Indices**: Platts’ market data packages include thousands of daily prices, forward curves, and third-party data
- **Newsletters & Reports**: An extensive list of more than 50 newsletter titles covers the energy, petrochemicals, metals, and agriculture markets
- **Maps & Geospatial**: Proprietary global energy infrastructure maps help customers visualize and evaluate capital investment opportunities
- **Conferences & Events**: 70+ conferences held around the globe help industry executives connect and discuss market trends and industry issues

Platts Serves Every Link in the Supply and Demand Chain

**Commodity Markets:**
- **Platts’ Expanding Coverage**
  - Large and complex markets
  - Crude Oil / Refined Products
  - Natural Gas
  - Electricity / Power
  - Coal
  - Shipping
  - Petrochemicals
- **Emerging spot markets**
  - Agriculture (sugar / ethanol / biofuel)
  - Liquefied Natural Gas
  - Metals

**Customers:**
- **Who Uses Platts**
  - Customers who have high exposure to commodities prices or need to procure and/or sell physical commodities
  - Trading Companies
  - Industrial Users
  - Transporters
  - Financial Institutions
  - Brokers
  - Exchanges
  - Governments
  - Producers (energy, miners, food processors, refiners, farmers)
  - Processors (utilities, mills, refineries)
  - Distributors (transportation companies, industrial suppliers, steel fabricators, food wholesalers)

**Functions:**
- **Workflows Platts Supports**
  - Trading workflow functions
  - Procurement
  - Supply
  - Trading
  - Risk Management
  - Settlement / Accounting
  - Business decisions
  - Strategic Planning
  - Business Development
  - Exploration & Production Operations
  - Regulatory / Policy
  - Legal
  - Mergers & Acquisitions
  - Consulting

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The strength of Platts’ market information enables customers to identify opportunities to profit from market movements and better manage risk
Platts’ Price Assessments: Transparent and Independent

Two key elements to building confidence in the price assessment process are quality market data and appropriate methodologies to analyze that data to yield a representative market value.

**Platts Market-On-Close (MOC)** is the process Platts’ editors use to assess prices for crude oil, petroleum products, and related swaps. The MOC is a highly transparent process in which bids, offers, and transactions are submitted by participants to Platts’ editors and published in real-time throughout the day until the market close. Following the close, Platts’ editors examine the data gathered through the day, conduct their analysis, and develop price assessments that reflect an end-of-day value.

**Platts eWindow** is an online communication tool that allows MOC participants to instantly communicate bids, offers, and other deal information to Platts’ editors and others in the market. It shows market activity in real time, providing a clear view of buying and selling.

How Markets Use Platts’ Price Assessments

According to industry estimates, Platts’ price assessments are the basis for billions of dollars of transactions annually in the physical and futures markets:

- **Buyers, sellers, and traders** use them as a basis for pricing spot transactions and term contracts
- **Risk managers** use them to settle contracts and to place a market value on the product[s] they hold
- **Analysts** use them to identify trends and patterns in supply and demand
- **Governments** reference them to formulate royalty payments and retail prices
- **Exchanges and investors** use them to price derivatives contracts

Examples of Platts’ Price Assessments

**Steel:** Platts publishes more than 850 price points for steel and related raw materials that serve the information needs of miners, steel producers, and end-users worldwide.

**North Sea Crude Oil:** Platts’ Brent price assessment is estimated to be used as a benchmark to price more than 60% of the world’s total crude oil.

**Middle Eastern Crude Oil:** Platts’ Dubai price assessment is a leading benchmark for Middle Eastern crude sold in Asia.

**U.S. Shale Oil:** Platts launched Light Houston Sweet (LHS) in July 2013, the latest in a series of assessments in response to shale exploration and development in the U.S.

**Derivatives Contracts**

CME Group and IntercontinentalExchange (ICE) list more than 700 Platts-based oil, gas, coal, metals, and freight contracts which have been traded more than 190 million times in the last 12 months (data as of June 2013).

For many commodities, Platts’ price assessments are considered “benchmarks” for establishing prices in contracts and monitoring risk.
Adding Deeper Analytics and Proprietary Data for Established and Emerging Commodity Markets

**Bentek Energy:**

**Natural Gas Markets**

Bentek Energy offers a comprehensive portfolio of fundamental data and proprietary analytical products to the natural gas, liquefied natural gas (LNG), oil, and natural gas liquid (NGL) sectors. Bentek’s proprietary data collection and aggregation technology is supported by robust teams of energy analysts and IT professionals.

Bentek provides:

- A range of analytical reports and data sets on a daily, weekly, and monthly basis for the trading, producing, midstream, end-user, planning, and investing sectors
- **Energy Trend Analyzer:** Provides access to Bentek’s databases, which makes it possible to analyze energy data in a variety of ways. Energy Trend Analyzer enables market analysts and traders to monitor key market developments and identify market changes, risks, or opportunities
- **The Market Call series:** Reports provide analysis and forecasts for the fundamental factors of supply, demand, and prices—for the near and long term—for natural gas, crude oil, and NGL

**Kingsman:**

**Sugar and Biofuels Market**

Kingsman provides key prices and analysis to the sugar market, including daily prices, freight rates, weather updates, and trade flow estimates.

Kingsman’s biofuels offering has been integrated with Platts’ existing biofuels service to offer one single package.

Kingsman provides:

- A range of daily, weekly, and monthly price reports
- Proprietary and third-party prices for a number of key products across the sugar and biofuels supply chain
- The latest and most relevant news stories chosen by Kingsman’s analysts
- **“Ask the Analyst” service:** Custom information is provided to subscribers for use in presentations or projects

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*Platts’ customers include 219 companies on the Fortune 500 list and 263 companies on the FT Global 500 list*
Recognizing Excellence. Driving Results.

Companies around the world rely on J.D. Power’s quality and customer satisfaction data and benchmarks to improve their business operations. J.D. Power’s solutions allow clients to measure, understand, and improve on key performance metrics that drive growth and profitability.

Through an unrivaled 360-degree view of the customer, J.D. Power identifies the key drivers of the customer experience, measures their importance, and prioritizes recommendations that clients integrate into their future product planning processes.

In emerging markets such as China, Brazil, and India, J.D. Power is expanding its product and service offerings to support the growth of both global and indigenous clients. In fact, J.D. Power has emerged as McGraw Hill Financial’s single-largest business operation in China.

J.D. Power has a solid brand reputation. Its research findings generate high visibility in the media. Clients around the world that rank highest in J.D. Power’s independent, industry-wide syndicated studies often leverage the J.D. Power brand in their marketing and advertising programs. This widespread exposure benefits both J.D. Power and its clients by creating new business opportunities.

J.D. Power’s Industry Solutions

**Proprietary Studies**
Customized, company-specific research:
- Mystery shopping
- Tracking programs
- Social media insights and text analytics

**Syndicated Studies and Brand Licensing**
Independent quality and satisfaction studies
Industry benchmarking
Digital experience evaluations
Brand licensing for award recipients

**Business Data and Analysis Tools**
Subscriptions:
Data-driven solutions based on point-of-sale transactions from the Power Information Network® (PIN)

**Consulting and Training**
Cross-industry, best-practices research
Retail performance improvement
Customer service and support certification programs
Contact center solutions

Recent Awards to Companies Ranking Highest in Quality and Customer Satisfaction

**U.S. Awards**
- Traditional Airlines: Alaska Airlines
- Credit Cards: American Express
- Full Service Investor Satisfaction: RBC Wealth Management
- Luxury Customer Satisfaction with Dealer Service: Lexus
- Mobile Tablets: Apple

**International Awards**
- Japan Mobile Phone Service: au
- China Auto Sales Satisfaction: Audi
- India Original Equipment Tires: MRF
- Canada Discount Brokerage: Disnät
- China Retail Banking: Shenzhen Development Bank

J.D. Power has emerged as McGraw Hill Financial’s single-largest business operation in China
J.D. Power’s New Online Platform for Syndicated Benchmark and Proprietary Tracking Information

J.D. Power’s new online client platform is a single source for syndicated benchmark and proprietary tracking information delivery. This analytic workbench provides customers with the ability to perform interactive data analysis in a portable and exportable solution.

Customized information delivery for different stakeholders in the client organization is now possible and facilitates collaboration around key insights and problem-solving efforts. Real-time information is provided with the ability to control information flow.

How J.D. Power Generates Revenue

Subscriptions for data-driven solutions
Contracts for research studies, brand licensing, consulting, and training

Industry Research Practice Areas

Automotive
Consumer Packaged Goods
Electronics
Energy
Financial Services
Government
Healthcare
Home Improvement
Insurance
Real Estate
Telecommunications
Travel and Leisure

www.jdpower.com

Analytic workbench facilitates collaboration and problem solving
The platform delivers a flow of interactive data and analytics

J.D. Power helps clients measure, understand, and improve the key performance metrics that drive growth and profitability
McGraw Hill Construction
Data, Analytics & Insight for the Design and Construction Industry

Essential Intelligence to Build On

Serving more than one million customers across the global design and construction industry, McGraw Hill Construction provides essential data, news, insights, and intelligence to better inform construction professionals' decisions.

Its leading brands—Dodge, Sweets, Architectural Record, and Engineering News-Record—enable customers to size market opportunities, prioritize prospects, target and build relationships, and strengthen their market position.

www.construction.com

How McGraw Hill Construction Generates Revenue

- Global construction data and analytics solutions
- U.S. market trends, research, and forecasts
- Industry-leading vertical news, events, and benchmarks

McGraw Hill Construction’s Revenue Mix

<table>
<thead>
<tr>
<th>Subscription 70%</th>
<th>Non-Subscription 30%</th>
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</table>

Approximately 70% of McGraw Hill Construction’s revenue is based on subscriptions to data and analytical products

Global Construction Project Data Underpins the Dodge Analytics Suite

<table>
<thead>
<tr>
<th>Timely Project Data and Job Leads for Contractors</th>
<th>Forecast Data for Industry Executives</th>
<th>Industry Relationship Data for Driving Business Growth</th>
</tr>
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<tbody>
<tr>
<td>Dodge BidPro™ is a Web-based dashboard that delivers timely project data directly to contractors enabling them to monitor and react to job leads from wherever they are working. The service extracts bidding projects from the proprietary Dodge database and delivers project information that can be screened locally, regionally or nationally, by project type and value, and by contractor's specialty trade. Mobile app is available for Apple and Android customers.</td>
<td>Dodge MarketShare™ is a Web-based product that enables construction industry executives to forecast more accurately. Powered by the data in Dodge Reports, Dodge MarketShare offers a rich, historical database of project starts as well as forecast data based on relevant market insight and viewpoints from Dodge’s team of economists and research analysts.</td>
<td>Dodge BuildShare® is a Web-based diagnostic platform that identifies key relationships between industry firms and connects them to construction projects, delivering competitive market share analysis and enabling customers to build relationships for growth. Dodge BuildShare’s digital dashboards analyze existing relationships among more than 250,000 active owners, contractors, and design and engineering firms.</td>
</tr>
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</table>

McGraw Hill Construction is the sole private source of construction project data for the U.S. Census Bureau’s Value of Construction Put-in-Place, a key measure of construction spending used to calculate the U.S. Gross Domestic Product
McGraw Hill Construction is generating growth opportunities and deepening customer relationships by investing in its business intelligence platform. Customers are integrating these premium subscription services into their daily workflow for timely access to essential news, research, data, and analytical tools.

Global Data
Detailed coverage of local, national, and international construction projects with Dodge reporters in more than 80 major metro areas.
- Dodge U.S.: 500,000 projects with 5,500 daily updates and 65,000 digitized plans and specifications
- Dodge International: More than 12,000 projects with a valuation of more than $4 trillion

Research, Analytics & Benchmarks
Actionable market intelligence and insight from Construction’s team of leading industry economists help customers better understand their markets, the economy, and key industry trends.
- Proprietary, comprehensive research, analysis, and forecasts to assist in business decisions
- Web-based analytics dashboards

Dodge Momentum Index
A first-of-its-kind, 12-month leading indicator of construction spending based on first-issued planning reports for non-residential building. The Index is issued monthly.
- Based on a 91% correlation between construction planning reports, as reported by Dodge, and the U.S. Commerce Department’s Put-in-Place spending over the past 10 years

Vertical News
Award-winning editorial plus a strong media portfolio—online, in print, and through events—enable the design and construction industry to stay informed, share, and connect.
- Architectural Record
- Engineering News-Record (ENR)
- ENR Rankings
- Sweets® & SNAP
- Industry Events

Sweets
Sweets is the design and construction industry’s source for building product information.
- Registered users can view and download catalogs, specifications, BIM (Building Information Modeling) and CAD (Computer-Aided Design) models, and installation instructions for more than 7,000 products
- More than 83,000 registered users