

Commodities & Commercial Markets

Data, Analytics & Industry Insights

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

McGraw Hill Financial's Commodities & Commercial Markets consists of two business-to-business companies—Platts and J.D. Power—that provide customers across a variety of industries and markets with access to high-value information, data, analytic services and pricing, and quality benchmarks. The Commodities & Commercial Markets business delivers premier content consisting of timely, comprehensive, and reliable business information that is deeply embedded in customer workflows and decision-making processes.

Creating Growth:

Strengthening core products and services

Extending capabilities to existing customers

Meeting new customer needs through innovative solutions

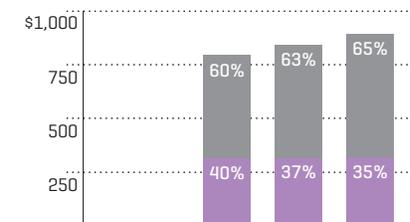
How Commodities & Commercial Markets Generates Revenue

Real-time news, market data and price assessments, along with other print and digital information products, primarily serving the energy market and the automotive industry (subscription revenue)

Syndicated and proprietary research studies, advertising, consulting engagements, and events (non-subscription revenue)

Revenue: Subscription/Non-Subscription

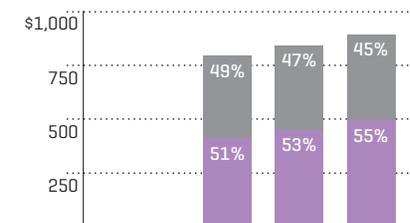
(dollars in millions)



	'12	'13	'14
Subscription	\$477	\$527	\$576
Non-Subscription	316	314	317
Total Revenue	\$793	\$841	\$893

Revenue: Domestic/International

(dollars in millions)



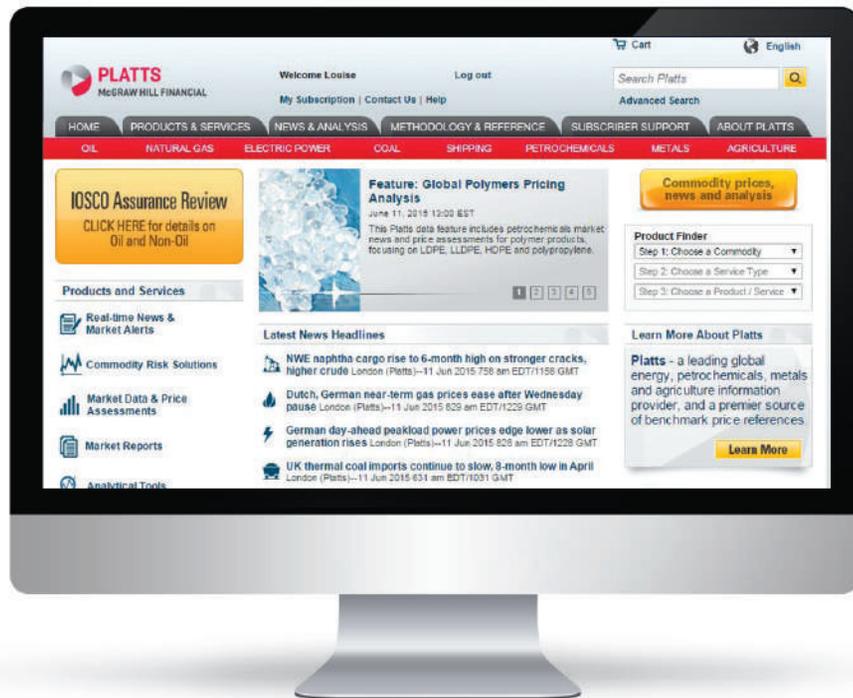
	'12	'13	'14
Domestic	\$387	\$394	\$401
International	406	447	492
Total Revenue	\$793	\$841	\$893

Notes: Aviation Week was sold in 2013. Segment results include Aviation Week through August 1, 2013. Platts' 2014 results reflect the acquisition of Eclipse Energy Group. McGraw Hill Construction was sold in 2014 and was reclassified as a discontinued operation. It is excluded from results for 2010-2014.

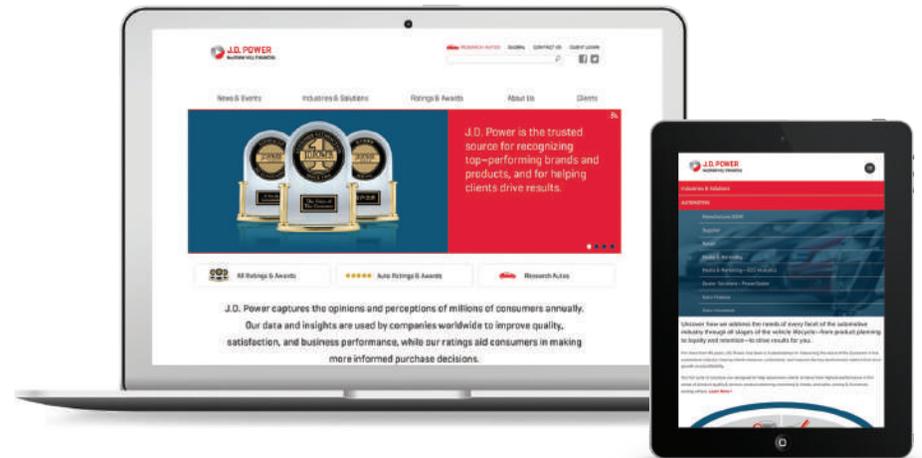
In 2014, subscription revenue for Commodities & Commercial Markets increased 9% and international revenue grew 10% compared to 2013

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. This group 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



Platts and J.D. Power provide essential data and benchmark information to the energy 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 premier source of benchmark price assessments for those commodity markets. With more than a century of business experience, Platts provides market reports and analysis, analytical tools, real-time news and price information, and end-of-day market data to almost 10,000 private- and public-sector customers across more than 180 countries.

Platts has benefited from strong fundamental growth and globalization of commodity markets. Physical commodity market drivers include:

Price volatility: Reinforces the need for price discovery

A growing futures market: Platts benefits as more futures contracts are written that use its pricing information

Increasing global energy market: Long-term growth trends as energy consumption increases the overall market

Trading in physical commodities: As trade flows grow, so does the need for more transparency and pricing information

How Platts Generates Revenue

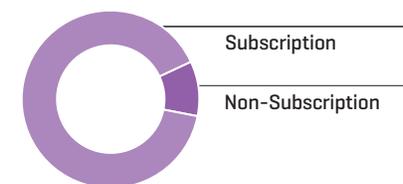
Subscriptions for proprietary market information, market reports, real-time services, and analytics [subscription revenue]

Licensing fees from exchanges and clearing houses for the utilization of Platts' data and brand name in trading operations for derivative contracts [subscription and non-subscription revenue]

Conferences and events across all commodity markets served by Platts [non-subscription revenue]

www.platts.com

Platts: Revenue Mix
[percentage of revenue]



Platts' subscription products have a renewal rate of more than 90%

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

Recent Acquisitions Advance Platts' Position in Established and Emerging Commodity Markets

From its beginnings in petroleum, Platts has successively expanded its coverage to include petrochemicals, metals, shipping, and other commodity markets.

North American Natural Gas Markets

Bentek [2011]

Bentek Energy offers fundamental data and proprietary analytical products to North America's natural gas, liquefied natural gas (LNG), oil, and natural gas liquid (NGL) sectors. This acquisition expanded Platts' expertise in fundamental market analysis.

Steel, Iron Ore & Metals

Steel Business Briefing Group [2011]

The acquisition of the Steel Business Briefing Group and its pricing unit, The Steel Index, established Platts' leadership in metals. Platts now publishes more than 850 price points for steel and related raw materials.

Minerals Value Service [2015]

Minerals Value Service provides "Value-in-Use" analytics for specific iron ore buying and selling scenarios.

Sugar & Biofuels Markets

Kingsman [2012]

Kingsman is a global brand for sugar market data and analytics. The acquisition deepened Platts' capabilities in biofuels and provided a foothold for additional growth opportunities in the global agricultural markets.

European Natural Gas Markets

Eclipse Energy Group [2014]

To advance its strategy of linking price information and market fundamentals, Platts acquired the Eclipse Energy Group, a London-based provider of data and analysis on the European gas, power, and global LNG markets.

Platts: Comprehensive Coverage Across Commodity Markets

How Markets Use Platts' Price Assessments

Platts' price assessments are the basis for billions of dollars of transactions annually in the physical and futures markets:

Buyers, sellers, and traders use price assessments 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

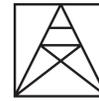
Exchanges and investors use them to price derivatives contracts



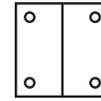
Agriculture



Coal



Electric Power



Metals



Natural Gas



Oil



Petrochemicals



Shipping

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

New areas of focus

Agriculture (sugar/ethanol/biofuel)
Liquefied Natural Gas
Metals/Steel/Iron Ore
Dry Bulk Freight

Customers: Who Uses Platts

Customers who have high exposure to commodities prices or need to procure and/or sell physical commodities

Trading Companies
Producers (energy, miners, farmers)
Processors (refineries, mills, utilities)
Storage & Transportation Companies
Distributors (industrial suppliers, steel fabricators, food wholesalers)
End users (manufacturers, airlines)
Financial Institutions
Exchanges
Brokers
Governments
Law and Consulting Firms

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

The strength of Platts' market information enables customers to identify opportunities, capitalize from market movements, and better manage risk

Platts: Expanding Coverage & Offerings for Commodity Markets

Linking Price, Fundamentals & Analytics for Deeper Insights

Platts provides comprehensive coverage across a growing range of commodity markets. Platts market analysis, forecasting, and analytical tools help market participants understand the impact of events and the drivers of price, make more informed business decisions, and better manage risk.

Real-Time News & Market Alerts

News, market commentary, and price assessments offer up-to-the-minute market insight

Analytical Tools

A range of analytical tools and comprehensive market analysis helps put data in context and identify trends

Price Assessments & Indices

Platts' market data packages include thousands of daily prices, forward curves, and third-party data

Market Reports

More than 50 publications cover the energy, petrochemicals, metals, and agriculture markets

Maps & Geospatial

Proprietary global energy infrastructure maps help customers visualize and evaluate capital investment opportunities

Global Conferences

More than 50 conferences help industry executives connect and discuss market trends and industry issues

Price Assessments & Indices



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

 [View Platts MOC Process](#)

investor.mhfi.com



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 both buying and selling

Distribution Partners

Thomson Reuters

SunGard

GlobalView

Bloomberg

Morningstar

and others

New Analytical Tools



Platts cFlow: Intelligence Tool for the Freight Markets

Providing current and historical information on approximately 60,000 vessels in more than 800 ports worldwide, Platts cFlow is a critical tool for delivering key data, reports, price assessments, vessel details, and real-time position information to global freight market traders, analysts, charterers, schedulers, and risk professionals. Platts cFlow helps connect trading and operational functions within organizations and enables trading teams to react faster and make more informed and insightful business decisions.

Platts cFlow enables greater insight by visualizing and analyzing past trends, real-time diversions, and future flows

Covers crude, LNG, LPG, chemicals, products, and dry bulk tanks and integrates Platts' industry-standard bunker pricing, freight rates, and fixture reports

www.platts.com/products/cflow

Platts' Price Assessments

Growing Market Use of Reference & Benchmark Prices and Cash-Settled Futures

Essential Intelligence: From Price Reference to Price "Benchmark" Status

Platts publishes thousands of daily price assessments and is a key source of pricing intelligence. As the world's diverse energy markets continue to evolve, Platts' innovations in price discovery and information delivery have provided solutions to pricing challenges and helped build Platts' reputation as a leading provider of energy price information. Market participants generally utilize one or two benchmarks, with futures settled against one. Platts places an emphasis on supporting its "benchmarks."

Reference prices: Market participants use Platts' price assessments to negotiate contracts and analyze price trends

Benchmark prices: Today, many of Platts' price assessments are considered "benchmarks" and are used to settle contracts. Market participants use Platts' price assessments in bilateral contracts that use floating prices linked to a benchmark index. This enables buyers and sellers to manage risk of temporary price movements

Cash-settled futures: Exchanges use Platts' prices to settle futures contracts in lieu of physical deliveries. Cash settlement reduces transaction costs incurred in the physical delivery of a commodity

Exchange Partners

Platts' data has been licensed to exchanges and other entities for listing, trading, and clearing purposes, including:

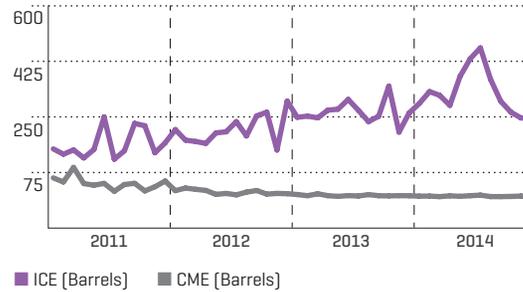
CME Group	Singapore Exchange
IntercontinentalExchange	Tokyo Commodity Exchange
LCH.Clearnet	
NASDAQ OMX	

Oil Benchmarks: Platts Dubai and Platts Dated Brent

Platts Dubai price assessment is a leading benchmark for Middle Eastern crude sold in Asia. Platts Dated Brent price assessment is estimated to be used as a benchmark to price more than 60% of the world's total crude oil.

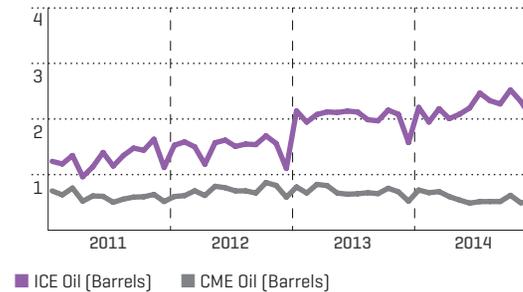
Dubai Crude Oil Trading Volumes

Platts Dubai-related trading volumes cleared by ICE and CME (in millions)



Oil Trading Volumes Based on Platts' Price Assessments

Platts-based trading volumes cleared by ICE and CME (in billions)



Sources: IntercontinentalExchange, CME Group

*CME Group and IntercontinentalExchange (ICE) list more than 700 Platts-based oil, gas, coal, metals, and freight contracts**

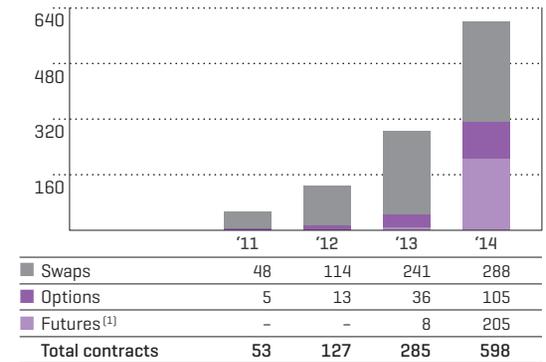
* Data as of 5/31/2015

Growing Adoption of Price Assessments in the Iron Ore Market

99% of the world's cash-settled iron ore derivatives use The Steel Index (TSI) benchmark price.

Iron Ore Trading Volumes based on Platts' The Steel Index 62% Fe Iron Ore Fines

(Cleared volume in metric tons; in millions)



Note: Trading volumes cleared on SGX, CME, LCH.Clearnet, and NASDAQ OMX

(1) Futures began trading in April 2013

Sources: Singapore Exchange, CME Group, LCH.Clearnet, NASDAQ OMX

New Assessments and Benchmarks in Freight and Agriculture

Freight: Platts recently launched more than 65 daily dry freight price assessments for metals, agricultural, and other commodities

Agriculture: Kingsman sugar indices are the de facto benchmark of the world's sugar spot market

J.D. Power

Trusted Source for Recognizing Top-Performing Brands and Products

Recognizing Excellence. Driving Results.

J.D. Power captures the opinions and perceptions of millions of consumers annually. Its industry benchmarks, data, and insights are used by companies worldwide to improve quality, satisfaction, and business performance, while its ratings aid consumers in making more informed purchase decisions. 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 markets such as China, Brazil, and India, J.D. Power's product and service offerings support the growth of both global and regional 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 and 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's clients and J.D. Power by creating new business opportunities.

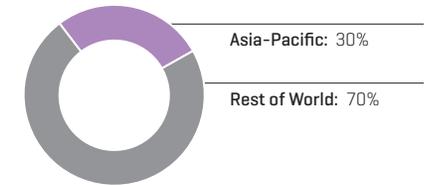
www.jdpower.com

How J.D. Power Generates Revenue

Subscriptions for data-driven solutions

Contracts for research studies, brand licensing, consulting, and training

J.D. Power's Revenue: Approximately 30% is from Asia-Pacific



J.D. Power's Industry Solutions

Syndicated Studies and Brand Licensing

Independent quality and satisfaction studies

Industry benchmarking

Digital experience evaluations

Brand licensing for award recipients

Proprietary Studies

Customized, company-specific research

Mystery shopping

Tracking programs

Social media insights and text analytics

Business Data and Analysis Tools

Subscriptions for data-driven solutions based on point-of-sale transactions from the Power Information Network (PIN)

See page 47 ►

Consulting and Training

Cross-industry, best-practices research

Retail performance improvement

Customer service and support certification programs

Contact center solutions

J.D. Power's industry benchmarks, data, and insights are embedded in the operational fabric of companies worldwide to improve quality, satisfaction, and business performance

Business Data and Analysis Tool

PIN Navigator: Changing the Way Automotive Finance Companies Approach Managing Their Portfolio and Monitoring the Competition

PIN Navigator® is a customized, Web-based tool built specifically for the automotive finance industry by the Power Information Network® (PIN) from J.D. Power. This tool is designed to support the needs of the sales, marketing, pricing, risk and insurance departments of automotive finance lenders. PIN Navigator provides lenders with 24/7 access to the most timely data available in the market and includes more than 70 contract, dealer, and lender variables that are updated weekly. There is no other source of such detailed transaction-level real-time data available today.

The Power Information Network's approach:

Collection and analysis of daily new- and used-vehicle transaction data from thousands of automotive franchises

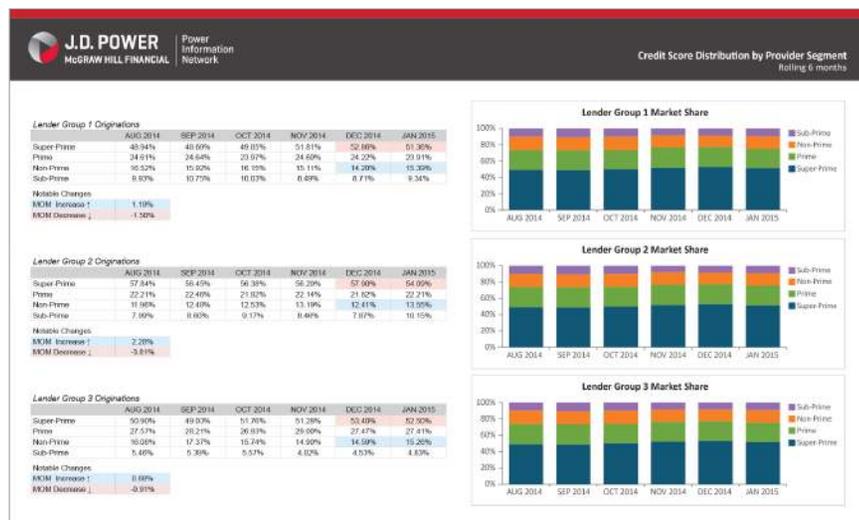
Provides real-time automotive information and decision support systems that focus on what products are selling, at what price, who is buying, and how they are paying

Helps customers understand:

- Market share and competitive analysis
- Incentive spending and planning
- Automotive finance lending
- Vehicle aging
- Buyer conquest and loyalty
- Performance improvement measures

Industry Research Practice Areas

- Automotive
- Energy
- Financial Services
- Government
- Healthcare
- Home Improvement
- Insurance
- Telecommunications
- Travel and Leisure



In addition to full access to PIN Navigator, J.D. Power now offers a monthly subscription file that reveals valuable, high-level automotive finance trends

J.D. Power's acquisition of NADA Used Car Guide will complement PIN's expertise in new- and used-vehicle retail and pricing services

[Transaction closed on 7/1/2015]

1.7 billion ad impressions* in 2014



* Print ads in consumer magazines, trade magazines, and newspapers