

# S&P Global Platts (excludes J.D. Power)

## Commodity Pricing, Analytics & Industry Insight

### Providing Price Assessments, Market Insights, and Analysis to Global Commodity & Energy Markets

S&P Global Platts is the leading independent provider of information and benchmark prices for the commodity and energy markets. With more than a century of business experience, S&P Global Platts provides the insights that enable its customers to make better informed trading and business decisions. Customers in more than 150 countries look to S&P Global Platts expertise in news, pricing, and analytics to deliver transparency and efficiency to markets. S&P Global Platts coverage includes oil and natural gas, power, petrochemicals, metals, agriculture, and shipping.

[spglobal.com/platts](http://spglobal.com/platts)

### S&P Global Platts Offices Align to Key Trading Hubs



S&P Global Platts is the Company's most global business with approximately 60% of its revenue from outside the U.S.

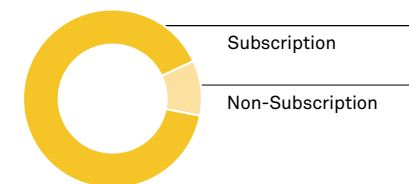
### How S&P Global Platts Generates Revenue

Subscriptions for proprietary market information (price assessments, benchmarks), market reports, real-time services, and analytics (subscription revenue)

Licensing fees from exchanges and clearinghouses for the utilization of S&P Global Platts data (price assessments and benchmarks) and brand in trading operations for derivative contracts (subscription and non-subscription revenue)

Conferences and events across all commodity markets served by S&P Global Platts (non-subscription revenue)

### S&P Global Platts (excludes J.D. Power): Revenue by Type

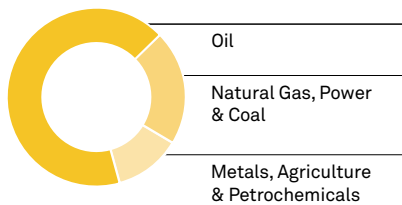


~90% renewal rate for S&P Global Platts subscription products

Note: J.D. Power was divested on September 7, 2016. See page 9 for J.D. Power's historical revenue

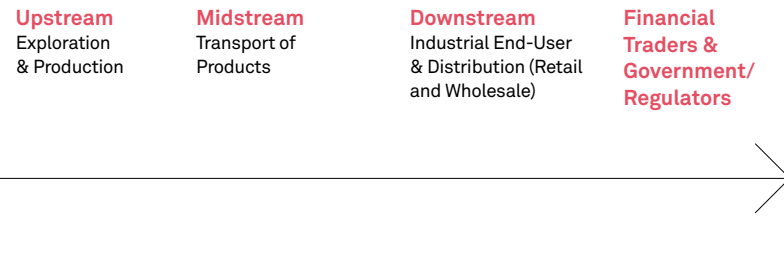
## Revenue by Sector: Broad and Diverse Customer Set

S&P Global Platts (excludes J.D. Power):  
Revenue by Sector



Sector

**Oil**  
**Natural Gas,  
Power & Coal**  
**Metals,  
Agriculture &  
Petrochemicals**



**S&P Global Platts benefits from strong fundamental growth and globalization of commodity markets. Physical commodity market drivers include:**

**Price Volatility:** Reinforces the need for price assessments

**A Growing Futures Market:** S&P Global Platts benefits as futures contracts are written that use its pricing information

**Increasing Global Energy Market:** Long-term growth trends are favorable as energy consumption increases

**Trading in Physical Commodities:** As trade flows grow, so does the need for more transparency and pricing information

S&P Global Platts has demonstrated resiliency in the recent low commodity price environment

# Comprehensive Range of Offerings Across Commodity Markets

Make More Informed Business Decisions. Better Manage Risk.

## S&P Global Platts Serves Industry Segments that have High Exposure to Commodity Prices and Related Supply Chains



The strength of S&P Global Platts market information enables customers to make more informed trading and business decisions

S&P Global Platts market analysis, prices, and analytical tools help market participants across a growing range of commodity markets understand the impact of events, and the drivers of supply and demand. These offerings provide insights that clients can use to make more informed business decisions and better manage risk.



#### Price Assessments & Fundamental Data

Key industry benchmark price assessments and access to years of historical data help industry participants price transactions and conduct trend analyses



#### Platts Analytics

Insights developed from multi-sourced data and powerful tools help inform investment and trading decisions, strengthen negotiations, and model risk



#### Real-Time News & Market Alerts

Global editorial team provides news, market commentary, live global bids, and intra-day spot price assessments to continuously monitor markets and stay ahead



#### Commodity Risk Solutions

Platts forward price assessments, swap assessments, and quantitatively modeled curves help clients make valuations that better align risk with business strategy



#### Maps & Geospatial

Continually updated proprietary global energy infrastructure maps help customers visualize and evaluate capital investment opportunities



#### Market Reports

50+ insightful market reports provide clients with a wealth of information on pricing data, company news, M&A, and regulatory and legislative changes



#### Conferences & Events

70+ conferences, free forums, and webinars help industry executives stay informed, interact with industry leaders, and network with peers

## Price Assessments & Market Activity



**Platts Market on Close (MOC)** is the process S&P Global 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 S&P Global Platts editors and published in real time throughout the day until the market close. Following the close, S&P Global Platts editors examine the data gathered through the day, conduct their analysis, and develop price assessments that reflect an end-of-day market value.

**Platts eWindow** is an online communication tool that allows MOC participants to instantly communicate bids, offers, and other deal information to S&P Global 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 include:

Thomson Reuters

FIS Global

GlobalView

Bloomberg

Morningstar

and others

S&P Global Platts provides news, pricing, and analytics to deliver transparency and efficiency to commodity and energy markets

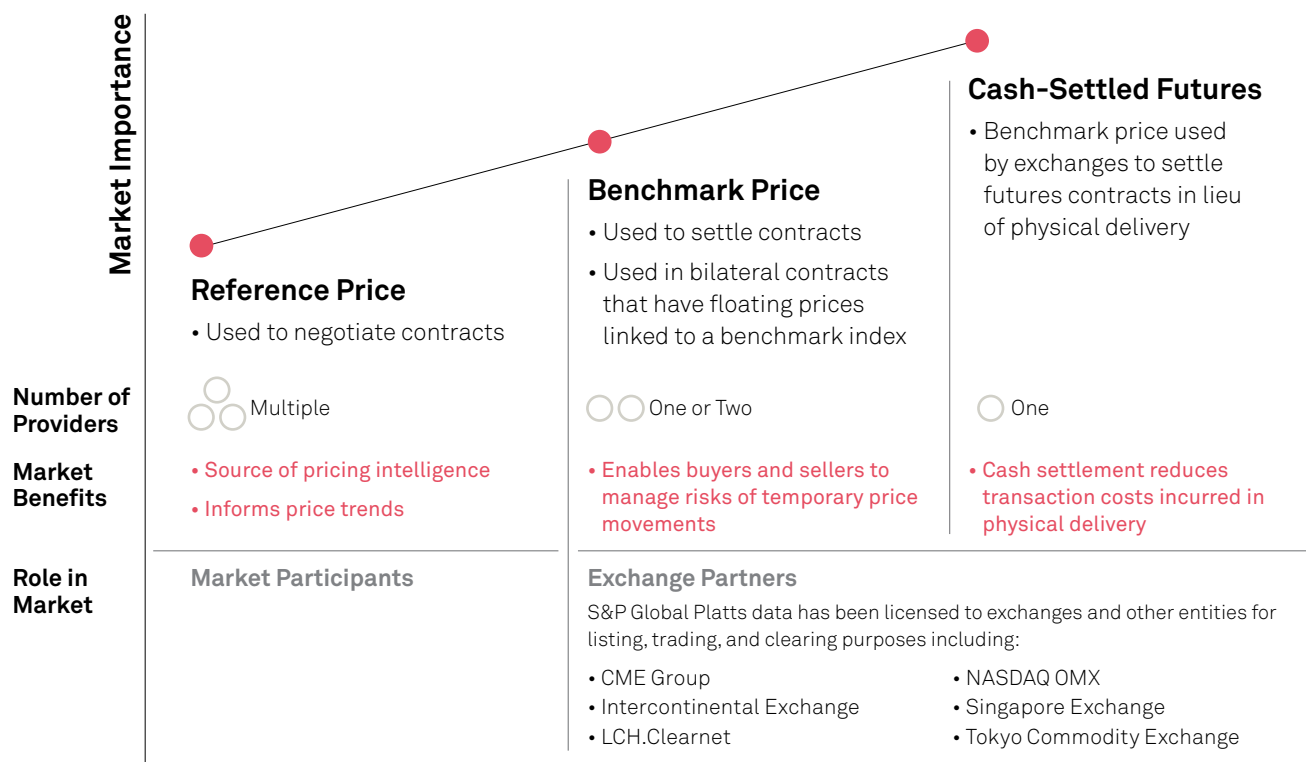
# S&P Global Platts Price Assessments

## Growing Market Importance: From Price Reference to Price “Benchmark” Status

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



### How Market Participants Use Price Assessments



S&P Global 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

S&P Global Platts benchmark price assessments are the basis for 1,300+ exchange-traded, cash-settled futures contracts\*

\*Data as of 9/30/2016

## Benchmark Prices for the Physical and Financial Markets

S&P Global Platts benchmarks are developed through engagement with participants across the global commodity markets. Public consultations, market forums, and thousands of bilateral meetings ensure S&P Global Platts is at the forefront of evolving unique methodologies to underpin its pricing services.

S&P Global Platts constantly updates its assessments to reflect the realities of ever-changing physical markets. Today, Platts is at the center of discussions about the future of oil pricing in the North Sea, refined products in the Middle East, and domestic pricing in major economies like Japan. S&P Global Platts is also evolving its benchmarks for key industrial components like iron ore, and the growing agricultural markets in Eurasia.

Stewardship of benchmarks is the hallmark of S&P Global Platts essential services to help market participants manage risk around supply, demand, and pricing

### Oil

#### Platts Dated Brent

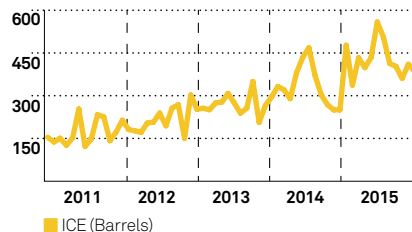
Platts Dated Brent is a key benchmark price assessment for the world's traded crude oil

#### Platts Dubai

Platts Dubai price assessment is a leading benchmark for Middle Eastern crude sold in Asia

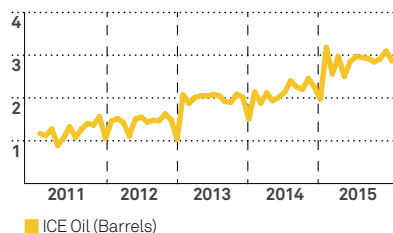
#### Dubai Crude Oil Trading Volumes

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



#### All Oil Trading Volumes, including Dated Brent, Based on S&P Global Platts Price Assessments

Trading volumes cleared by ICE (in billions)



Source: Intercontinental Exchange

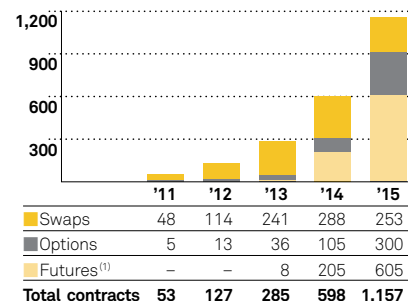
### Iron Ore

#### The Steel Index (TSI)

The Steel Index is a benchmark price assessment for the world's cash-settled iron ore derivatives (TSI is a unit of S&P Global Platts)

#### Iron Ore Trading Volumes Based on S&P Global Platts The Steel Index (TSI) 62% Fe Iron Ore Fines

(Cleared volume in metric tons; in millions)



Note: Trading volumes cleared on SGX, CME, LCH.Clearnet, and NASDAQ OMX; Volume based on one side of the trade

(1) Futures began trading in April 2013

Details may not sum to total due to rounding

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

### Sugar

#### Platts Kingsman

Platts Kingsman sugar prices and analytics are key reference material for the world's sugar market

#### New Assessments and Benchmarks in Freight and Agriculture

Freight: S&P Global Platts publishes more than 65 daily dry freight price assessments for metals, agricultural, and other commodities

Agriculture: S&P Global Platts prices deliver key reference points for physical sugar, wheat, corn and biofuels markets

# Recent Acquisitions Advance S&P Global Platts Position in Established and Emerging Commodity Markets

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

## Petroleum, Gas & Power

### Bentek Energy (2011)

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

### Eclipse Energy Group (2014)

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

### RigData (2016)

RigData offers customers daily information on rig activity for the natural gas and oil markets across North America. The purchase extends S&P Global Platts energy analytical capabilities by strengthening its position in natural gas and enhancing its oil offering

### PIRA Energy Group (2016)

The acquisition of PIRA Energy Group, a leader in global energy market analysis, extends S&P Global Platts energy analytical capabilities by enhancing the division's oil offering and strengthening its position in the natural gas and power markets

## Steel, Iron Ore & Metals

### Steel Business Briefing Group (2011)

The acquisition of the Steel Business Briefing Group and its pricing unit, The Steel Index (TSI), established S&P Global Platts leadership in metals. S&P Global 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

### Kingsman (2012)

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

## Shipping & Bunker Fuel

### Petromedia Ltd. (2015)

The acquisition of Petromedia extends S&P Global Platts coverage beyond traditional marine fuels and market fundamentals. Petromedia provides customers with access to up-to-date news, daily prices, and analysis on the global shipping and oil markets, including services to manage counterparty risk, marine fuel quality monitoring, alternative marine fuel and technology awareness, and a bunker procurement platform

### Commodity Flow (2016)

The acquisition of Commodity Flow extends a technology partnership dating back to 2011. The company is a specialist technology and business intelligence service provider for the global waterborne commodity and energy markets. The purchase helps extend S&P Global Platts trade flow analytical capabilities and complements its existing shipping services, particularly the acquisition of Petromedia

Recent strategic acquisitions create the foundation for Platts Analytics

## Platts Analytics

### Illuminating the Short Term

Platts Analytics combines all of S&P Global Platts analytical capabilities under a common brand. This offering builds on the capability of leading products developed by S&P Global Platts, as well as crucial knowledge and experience gained from recent strategic acquisitions including Bentek Energy, Kingsman, Eclipse Energy, MVS, Petromedia, Commodity Flow, RigData, and PIRA Energy.

S&P Global Platts collects and organizes data from thousands of sources worldwide and leverages a team of analysts and sophisticated models to provide data, trade flow analysis, insight, and forecasts. This unbiased market intelligence is delivered through a range of powerful and flexible analytical tools and services.



#### Platts Analytics focuses on illuminating the short term

How does a change in steel prices in China impact natural gas prices in North America?

Will North American LNG exports be used to meet demand in Asia or Europe?

Where will the next Shale Revolution take place?

Will coal prices rebound as natural gas markets balance?

What will shifting global fuel standards mean for refiners?

How will the credit crunch impact producer behavior?

## Platts Analytics Adds Expertise and Algorithms to Fundamental Data to Support Strategic Decisions

With a large global footprint and multi-commodity and multi-regional coverage, Platts Analytics provides customers with insights to inform investment and trading decisions, strengthen negotiating positions, and effectively model risk.

### PLATTS ANALYTICS



#### Market Fundamentals

Structured database of fundamental commodity market data (supply, trade flow, stocks, value-in-use, and demand)

Analysis around fundamental commodity market data



#### Market Analysis & Forecasting

Focused on short term (next day to five years) but also covers long-term investment horizons

Explains and illustrates changes in the market

Analyzes fundamental commodity market data, events, and price movements

Provides forward-looking opinions and projects future prices and other market factors



#### Analytical Tools

Customers can work with relevant data from S&P Global Platts in analytical tools to draw their own conclusions about future trends



**Platts cFlow: An Intelligence Tool for the Waterborne Commodity Markets**

Platts Analytics provides customers with insights, data, trade flow analysis, and forecasts through a range of flexible and powerful analytical tools