

S&P Global

Overview

Rich Heritage. Powerful Brands. Essential Intelligence.

On April 27, 2016, McGraw Hill Financial changed its name to S&P Global to better reflect the Company's core businesses and capitalize on one of the most recognizable brands in the world. Our name may be different, but our commitment to the core principles of fairness, integrity, and transparency has never wavered. Empowering confident decision making with conviction has been our mission for 156 years. It was in 1860 that Standard & Poor's founder, Henry Varnum Poor, published his *History of Railroads and Canals of the United States* to make public previously undisclosed U.S. railroad financial and operational statistics. This new source of corporate intelligence was why investors originally turned to S&P, and why investors today continue to turn to S&P Global for essential intelligence.

A hallmark of our Company is its ability to adapt to the changing needs of key decision makers. In the 19th and 20th centuries, Standard & Poor's addressed and solved the problem of too little information. In the 21st century, S&P Global is solving the "problem" of too much information. This innate ability to adapt enabled the Company to once again create growth, drive performance and increase shareholder return in 2015.

With a firm foothold in the past and a renewed optimism about the future, S&P Global anticipates more profitable growth and higher levels of performance in 2016. We are a Company on the move. And we know something about setting and keeping things in motion. It was our founders who helped set the investing world in motion, and it's our essential data, analytics, and benchmarks that keep it going.

spglobal.com

S&P Global
Market
Intelligence

**S&P Dow Jones
Indices**

An **S&P Global** Division

S&P Global
Ratings

S&P Global
Platts

CRISIL

An **S&P Global** Company

S&P Global's portfolio of brands are scalable, global, and have market-leading positions serving growth markets around the world

S&P Global is a leading provider of transparent and independent ratings, benchmarks, analytics, and data to capital and commodity markets worldwide.

Major Changes Have Reshaped S&P Global

Growth and Value Plan

2013

March 22 McGraw-Hill Education divested	May 1 Company name changed to McGraw Hill Financial to reflect streamlined portfolio	August 1 Aviation Week divested	August 18 Increased stake in CRISIL to 67.8%	November 1 Douglas L. Peterson begins tenure as President & CEO
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NYSE Opening Bell® Ceremony on April 28, 2016

Growth & Performance

2014

July 17
Platts acquires
Eclipse Energy
Group

November 3
McGraw Hill
Construction
divested

2015

July 16
Platts acquires
Petromedia

September 1
Company
acquires
SNL Financial

2016

March 15
Platts acquires
Commodity Flow

April 27
Company
becomes
S&P Global Inc.

June 2
Platts acquires
RigData

September 7
J.D. Power
divested

October 1
S&P Dow Jones
Indices acquires
Trucost Plc.

October 1
Equity and Fund
Research business
divested

October 3
Standard & Poor's
Securities Evaluations
and Credit Market
Analysis divested

Creating Growth & Driving Performance

It was during Investor Day in March 2014 that the Company unveiled its vision for creating growth and driving performance. The Company launched its Growth & Performance goals for 2014–2016 after the successful completion of its Growth and Value Plan which formed McGraw Hill Financial. Here are the goals, along with the results achieved to date.

Growth & Performance Goals: 2014–16

Annual Goals

Mid-to-high single-digit revenue growth

Sustained margin expansion aided by productivity initiatives

Mid-teens adjusted diluted EPS growth

\$1.0 billion+ in annual free cash flow to provide significant financial flexibility

Multi-Year Goals

Maintain disciplined capital allocation approach:

–Continue to pursue attractive acquisitions

–Sustain dividend growth and share repurchases (trade basis)

Complete portfolio rationalization with evaluation of strategic alternatives for McGraw Hill Construction

Target at least \$100 million in productivity savings for 2014–2016

2014 Results	2015 Results	Results as of 6/30/2016
7% revenue increase	5% revenue increase	10% revenue increase
270 basis-point increase in adjusted operating profit margin	300 basis-point increase in adjusted operating profit margin	210 basis-point increase in adjusted operating profit margin
19% increase in adjusted diluted EPS	18% increase in adjusted diluted EPS	17% increase in adjusted diluted EPS
More than \$1.0 billion of free cash flow*	More than \$1.2 billion of free cash flow*	\$513 million of free cash flow* On track for ~\$1.3 billion for the full year
Acquired Eclipse Energy Group Increased dividend by 7% Repurchased 4.4 million shares	Acquired SNL Financial and Petromedia Increased dividend by 10% Repurchased 10.1 million shares	As of 10/3/2016 Acquired Commodity Flow, RigData, PIRA Energy Group, and Trucost Increased dividend by 9% Repurchased 3.5 million shares (as of 6/30/2016) Announced \$750 million ASR
Completed sale of McGraw Hill Construction	Announced strategic alternatives for J.D. Power under consideration	Completed sale of J.D. Power, Standard & Poor's Securities Evaluations, Credit Market Analysis, and Equity and Fund Research
Increased cost savings target to \$140 million	Approximately 80% of the productivity target was realized by the end of 2015	Expect to deliver on the full \$140 million target by the end of 2016

*Excluding legal and regulatory settlements and insurance recoveries

See Reconciliation of Adjusted Information to U.S. GAAP on pages 68 and 69

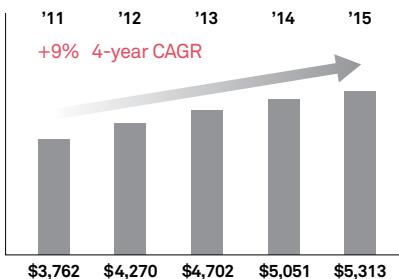
Beginning in 2016, the Company began excluding deal-related amortization from its non-GAAP results. The 2016 *Investor Fact Book* presents recast non-GAAP results for 2011–2015

Delivering Financial Performance

9% Top-Line Growth Over the Last Five Years

Revenue

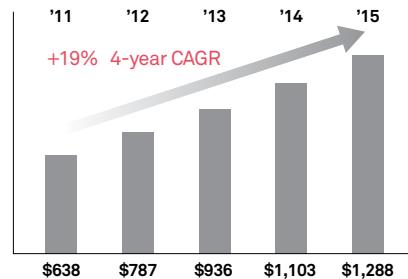
(dollars in millions)



19% Growth From Continuing Operations

Adjusted Net Income Attributable to SPGI from Continuing Operations

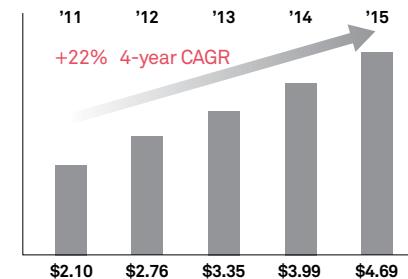
(dollars in millions) (excludes deal-related amortization)



Double-Digit Earnings Growth

Adjusted Diluted EPS

(in dollars) (excludes deal-related amortization)



Adjusted Financial Performance Measures*

The 2016 *Investor Fact Book* presents S&P Global's financial results on an adjusted, non-GAAP basis for 2011–2015. Financials are also presented on a U.S. GAAP basis in the Financial Review section on pages 50 to 66. The accompanying notes and reconciliation of non-GAAP measures to U.S. GAAP measures are on pages 67 to 69.

The non-GAAP financial measures are derived from the Company's continuing operations. This information is provided in order to allow investors to make meaningful comparisons of

the Company's operating performance between periods and to view the Company's business from the same perspective as Company management. These non-GAAP measures may be different from similar measures used by other companies. The non-GAAP measures included herein exclude certain items and should be read in conjunction with audited financial statements, including related notes and other financial information contained in the Company's most recent filings with the U.S. Securities and Exchange Commission.

Beginning in 2016, the Company began excluding deal-related amortization from its non-GAAP results. The 2016 *Investor Fact Book* presents recast non-GAAP results for 2011–2015

See Reconciliation of Adjusted Information to U.S. GAAP on pages 68 and 69

See footnotes on page 8

*SPGI: S&P Global's results reflect the following discontinued operations for years noted: McGraw-Hill Education (2008–2013), McGraw Hill Construction (2010–2014), and Broadcasting (2009–2011). S&P Global's operations consist of four reportable segments: S&P Global Ratings, S&P Global Market Intelligence, S&P Dow Jones Indices, and S&P Global Platts (includes J.D. Power). These reportable segments are referred to as divisions in the Company's 2016 *Investor Fact Book*. Refer to the complete SPGI footnote on page 8 for further details on the Company's divisions

S&P Global: Strong Track Record of Creating Shareholder Value

Disciplined Approach to Capital Allocation

S&P Global has a strong heritage of delivering shareholder value while maintaining a disciplined approach to capital allocation.

Capital Allocation Decisions

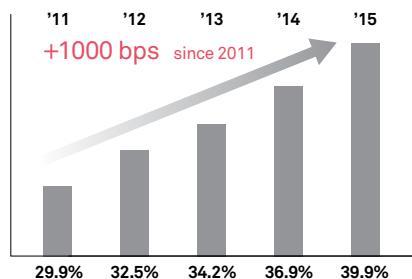
Capital Use	Principles
Organic Growth	Fund high-return initiatives
Value-Creating Acquisitions	Pursue businesses aligned with strategic and financial criteria
Dividends	Maintain track record of annual dividend increases
Share Repurchases	Repurchase shares based on market conditions
Increase/Decrease Leverage	Maintain investment-grade rating

Track Record of Delivering Margin Improvement...

In 2015, total adjusted expenses for the full year increased less than 1%, contributing to a year-over-year 300 basis-point improvement in adjusted operating profit margin and a 14% increase in adjusted operating profit. The combination of increased revenue and improved profitability contributed to more than \$1.2 billion in free cash flow for the year, an increase of \$157 million compared to 2014.

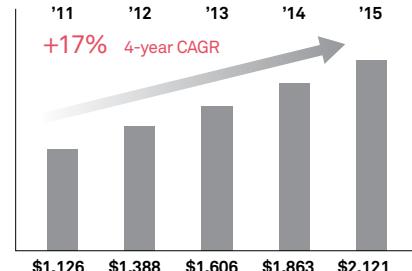
Adjusted Operating Profit Margin

(excludes deal-related amortization)



Adjusted Total Operating Profit

(dollars in millions) (excludes deal-related amortization)

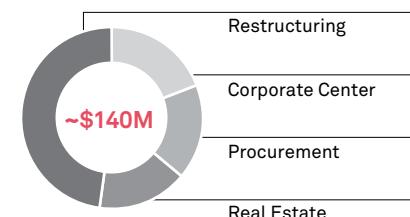


See Reconciliation of Adjusted Information to U.S. GAAP on pages 68 and 69

...Aided by Productivity Initiatives

S&P Global has initiatives in place to deliver approximately \$140 million in productivity savings by the end of 2016—a \$40 million increase from the Company's original goal of \$100 million, set in 2014.

Expect to Deliver \$140 million in Cost Savings by 2016

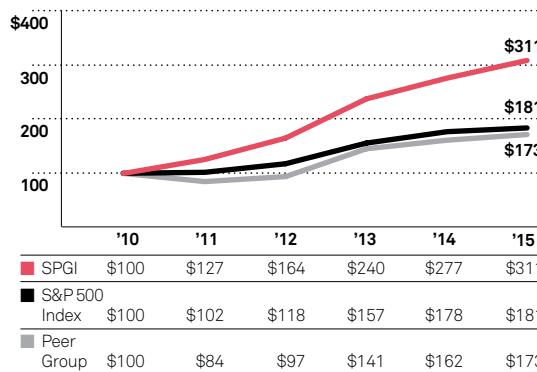


Approximately 80% of the \$140 million productivity initiatives were completed by year-end 2015.

Returning Capital and Delivering Exceptional Returns to Shareholders

Total Shareholder Return^(1,2)

Years ended December 31



(1) Calculated using dividend-adjusted closing share price

(2) The current peer group consists of the following companies: Thomson Reuters Corporation, Moody's Corporation, CME Group Inc., MSCI Inc., FactSet Research Systems Inc. and IHS Inc. Beginning in fiscal 2014, the Company selected a new peer group to more accurately reflect the Company's peers in terms of industry after the portfolio rationalization of certain businesses. The previous peer group consisted of the following companies: Thomson Reuters Corporation, Thomson Reuters PLC (through September of 2009), Reed Elsevier NV, Reed Elsevier PLC, Pearson PLC, Moody's Corporation and Wolters Kluwer

Note: Total Shareholder Return represents stock price appreciation plus reinvestment of dividends

Source: S&P Global Market Intelligence

The Company's total shareholder return of 12.3% in 2015 outperformed the 1.4% return for the S&P 500

SPGI's total shareholder return has exceeded the S&P 500 over the last five- and three-year periods, as of year-end 2015

Substantial Free Cash Flow Provides Financial Flexibility

Free Cash Flow Reconciliation of Non-GAAP Financial Information

Years ended December 31
(dollars in millions)

	2011	2012	2013	2014	2015
Cash provided by operating activities	\$ 924	\$ 730	\$ 782	\$ 1,209	\$ 195
Capital expenditures	(92)	(96)	(117)	(92)	(139)
Dividends and other payments paid to noncontrolling interests	(23)	(24)	(75)	(84)	(104)
Free cash flow	\$ 809	\$ 610	\$ 590	\$ 1,033	\$ (48)
Payment of legal and regulatory settlements	–	–	–	35	1,624
Legal settlement insurance recoveries	–	–	–	–	(101)
Tax benefit from legal settlements	–	–	–	–	(250)
Free cash flow excluding above items	\$ 809	\$ 610	\$ 590	\$ 1,068	\$ 1,225

Net (Cash) Debt to EBITDA

Years ended December 31
(dollars in millions)

	2011	2012	2013	2014	2015
Cash and cash equivalents & short-term investments	\$ 864	\$ 761	\$ 1,560	\$ 2,500	\$ 1,487
Total debt	1,193	1,251	794	795	3,611
Net (cash) debt	\$ 329	\$ 490	\$ (766)	\$ (1,705)	\$ 2,124
EBITDA	\$1,178	\$1,311	\$1,495	\$ 247	\$ 2,074
Net (cash) debt to EBITDA	0.3x	0.4x	(0.5x)	(6.9x)	1.0x

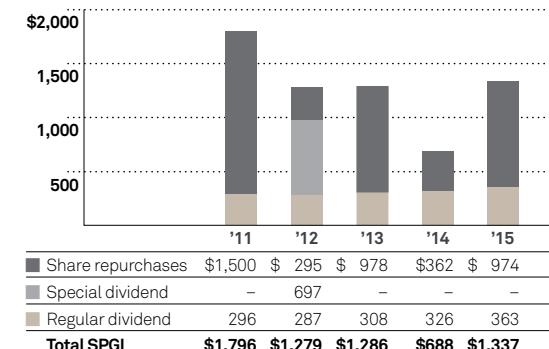
See pages 60 and 61 for 11-Year Net (Cash) Debt to EBITDA and Free Cash Flow tables and footnotes

See page 65 for current Summary of Debt Outstanding

\$1.3 Billion in Dividends and Share Repurchases Returned to Shareholders in 2015

Cash Returned to Shareholders

(dollars in millions)



S&P Global is one of fewer than 25 companies in the S&P 500 that have increased their dividend annually for at least 43 years

In 2013, the Board authorized the purchase of up to 50 million shares, which represented approximately 18% of the Company's outstanding shares at the time. In 2015, the Company repurchased 10 million shares from its current authorization. In the first half of 2016, the Company used cash to repurchase 3.8 million shares. Approximately 31.9 million shares remained under the current authorization as of June 30, 2016

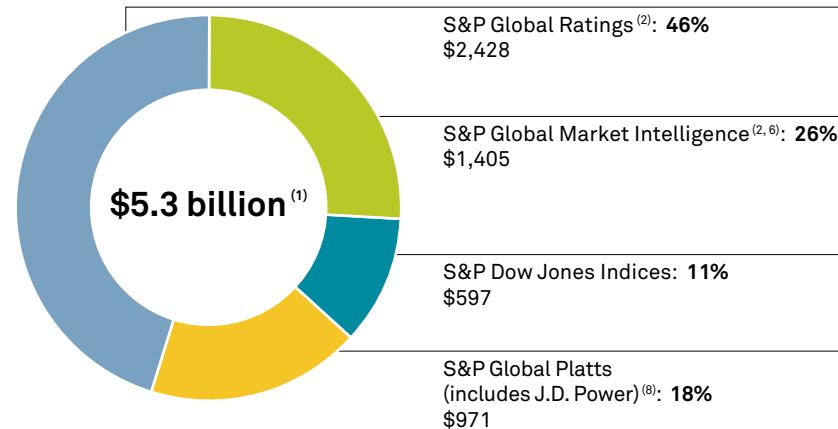
In September 2016, using a portion of the proceeds from the sale of J.D. Power, the Company entered into an accelerated share repurchase agreement to repurchase \$750 million of its outstanding common stock. The final settlement is expected to be completed no later than the first quarter of 2017

See page 64 for 11-Year Cash Returned to Shareholders table and footnotes

Adjusted Operating Results by Division*

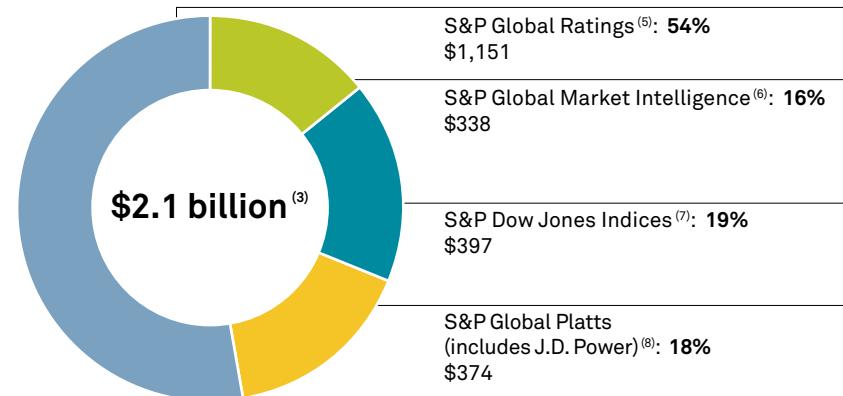
2015 Operating Revenue

(dollars in millions)



2015 Adjusted Total Operating Profit

(dollars in millions)



Beginning in 2016, the Company began excluding deal-related amortization from its non-GAAP results. The 2016 *Investor Fact Book* presents recast non-GAAP results for 2011–2015

* **SPGI:** S&P Global's operations consist of four reportable segments: S&P Global Ratings, S&P Global Market Intelligence, S&P Dow Jones Indices, and S&P Global Platts (includes J.D. Power). Reportable segments are referred to as divisions in the Company's 2016 *Investor Fact Book*

The S&P Global Ratings division includes S&P Global Ratings, which is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization ("NRSRO"); CRISIL, a global analytical company incorporated in India; and certain other ratings-related businesses. Unless otherwise noted, the presentations are for S&P Global Ratings as a division

The S&P Global Platts division includes J.D. Power. In April 2016, the Company entered into a definitive agreement to sell J.D. Power. The transaction closed on September 7, 2016

S&P Global's results reflect the following discontinued operations for years noted: McGraw-Hill Education (2008–2013), McGraw Hill Construction (2010–2014), and Broadcasting (2009–2011)

See Reconciliation of Adjusted Information to U.S. GAAP on pages 68 and 69
Notes for pages 8 and 9:

- (1) Total operating revenue includes interdivision revenue elimination of \$63 million in 2011, \$69 million in 2012, \$76 million in 2013, \$86 million in 2014, and \$88 million in 2015
- (2) Division revenues do not include interdivision revenue elimination of \$63 million in 2011, \$69 million in 2012, \$76 million in 2013, \$86 million in 2014, and \$88 million in 2015. Percentages may sum to greater than 100%
- (3) Adjusted total operating profit includes unallocated expense of \$198 million in 2011, \$139 million in 2012, \$142 million in 2013, \$152 million in 2014, and \$139 million in 2015

(4) Beginning on January 1, 2014, following the implementation of the Growth and Value Plan, and to the extent they can be attributed to continuing operations, all shared operating services are fully allocated to the divisions utilizing a methodology that more closely aligns with each division's usage of these services. The Company recast 2012 and 2013 information to reflect \$63 million and \$60 million, respectively, of costs that were reallocated to the divisions. Prior years were not recast

- (5) Excludes the impact of \$54 million of legal settlement charges partially offset by a benefit related to insurance recoveries in 2015, \$1.6 billion of legal and regulatory settlements in 2014, and \$77 million of legal settlements in 2013
- (6) 2015 results reflect the acquisition of SNL Financial LC. 2013 results reflect the divestiture of Financial Communications and the shutdown of several small products within this division

(7) Includes adjusted operating profit attributable to noncontrolling interests (\$36 million in 2012; \$73 million in 2013; \$92 million in 2014; \$101 million in 2015) as part of S&P Dow Jones Indices joint venture launched in June 2012

(8) 2015 results reflect the acquisitions of Petromedia Ltd. by S&P Global Platts and National Automobile Dealers Association's Used Car Guide by J.D. Power; 2014 results reflect the acquisition of Eclipse Energy Group

(9) McGraw Hill Construction was sold in 2014 and was reclassified as a discontinued operation. It is excluded from results for 2012–2014

(10) Aviation Week was sold on August 1, 2013. Its results are included through that date

(11) The Broadcasting Group was sold in 2011 and was reclassified as a discontinued operation. It is excluded from results for 2009–2011

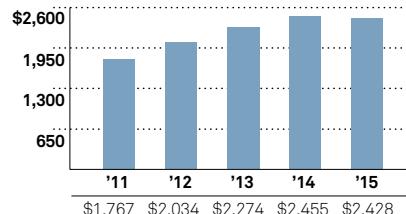
(12) Diluted weighted-average shares outstanding of 276.2 million were used to calculate adjusted diluted EPS for 2014. This amount includes securities that had an antililutive effect to reported diluted EPS due to a loss from continuing operations

Adjusted Operating Division Trends*

S&P Global Ratings^(2, 4, 5)

Revenue

(dollars in millions)

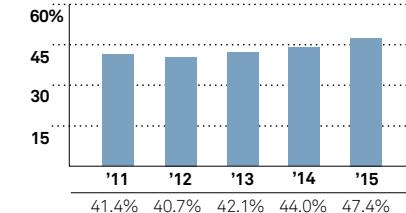


Adjusted Division Operating Profit

(dollars in millions)



Adjusted Division Operating Profit Margin



Note for S&P Global Ratings:

Excludes the impact of \$54 million of legal settlement charges partially offset by a benefit related to insurance recoveries in 2015, \$1.6 billion of legal and regulatory settlements in 2014, and \$77 million of legal settlements in 2013

See footnotes on page 8

See Reconciliation of Adjusted Information to U.S. GAAP on pages 68 and 69

S&P Global Market Intelligence^(2, 4, 6)

Revenue

(dollars in millions)

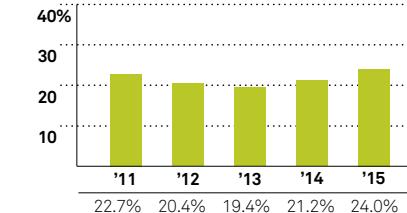


Adjusted Division Operating Profit

(dollars in millions)



Adjusted Division Operating Profit Margin



Notes for S&P Global Market Intelligence:

2015 results reflect the acquisition of SNL Financial LC
2013 results reflect the divestiture of Financial Communications and the shutdown of several small products within this division

S&P Dow Jones Indices^(4, 7)

Revenue

(dollars in millions)



Adjusted Division Operating Profit

(dollars in millions)



Adjusted Division Operating Profit Margin



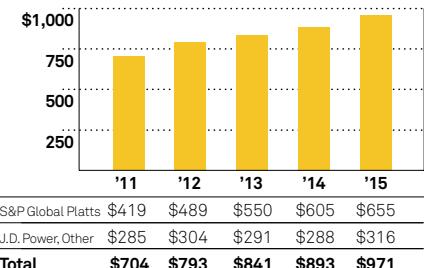
Note for S&P Dow Jones Indices:

Includes adjusted operating profit attributable to noncontrolling interests as part of the S&P Dow Jones Indices joint venture launched in June 2012

S&P Global Platts (includes J.D. Power)^(4, 8, 9, 10, 11)

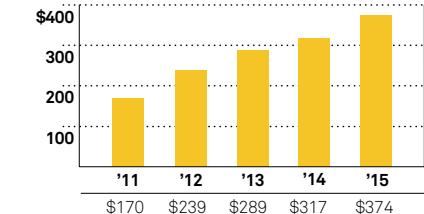
Revenue

(dollars in millions)

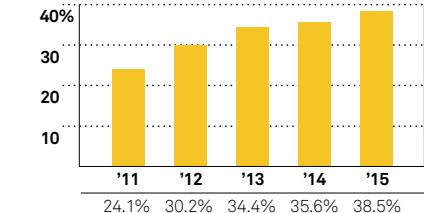


Adjusted Division Operating Profit

(dollars in millions)



Adjusted Division Operating Profit Margin



Notes for S&P Global Platts (includes J.D. Power):

2015 results reflect the acquisitions of Petromedia Ltd. by S&P Global Platts and National Automobile Dealers Association's Used Car Guide by J.D. Power
2014 results reflect the acquisition of Eclipse Energy Group
2013 results include Aviation Week up until its sale in August 2013
2010–2014 results reflect McGraw Hill Construction as a discontinued operation
2009–2011 results reflect Broadcasting as a discontinued operation