

RAYMOND JAMES 35TH ANNUAL INSTITUTIONAL INVESTORS CONFERENCE



Doug Peterson, President and CEO

March 3, 2014

McGraw Hill Financial | Presentation



Comparison of Adjusted Information to U.S. GAAP Information

This presentation includes adjusted financial measures that are derived from the Company's continuing operations. This non-GAAP 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.

The Company's earnings release dated February 4, 2014 contains exhibits that reconcile the differences between the non-GAAP measures and comparable financial measures calculated in accordance with U.S. GAAP.

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“Safe Harbor” Statement Under the Private Securities Litigation Reform Act of 1995



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, 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 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, residential and commercial mortgage and asset-backed securities and related asset classes;
- the state of the credit markets and their impact on Standard & Poor’s Ratings and the economy in general;
- the regulatory environment affecting Standard & Poor’s Ratings and our other businesses;
- the likely outcome and impact of litigation and investigations on our operations and financial condition;
- the level of merger and acquisition activity in the U.S. and abroad;
- continued investment by the construction, automotive, and computer industries;
- 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



Portfolio Focused on Deep Analytics



Leading rating agency, with ownership in  **CRISIL**
A STANDARD & POOR'S COMPANY



Foremost index provider



High quality data, analytic tools and monetization of ratings information



Principal provider of commodity price assessments and information



Primary quality benchmark provider with deep auto expertise



Prominent data and analytics provider to North American commercial real estate market



...With Truly Global Businesses



MHFI Presence

~17,000 Employees

97 Global Offices

North America

Headcount	5,900
Revenue (\$M)	\$ 3,063

EMEA

Headcount	1,800
Revenue (\$M)	\$ 1,227

APAC

Headcount	8,800
Revenue (\$M)	\$ 483

Latin America

Headcount	500
Revenue (\$M)	\$ 102



Growth and Value Plan Delivered Great Returns

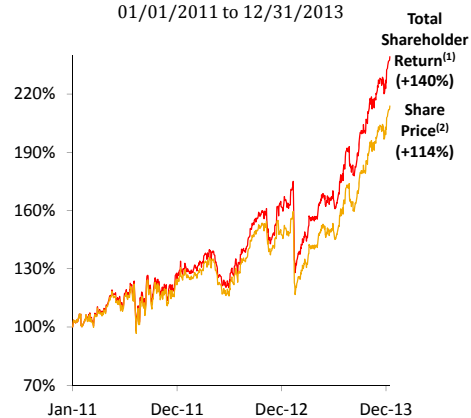
	2011*	2013	Change
Revenue (\$M)	\$6,246	\$4,875	-22%
Adjusted Operating Profit (\$M)	\$1,498	\$1,602	+7%
Adjusted Operating Margin	24%	33%	+9 pts
Adjusted Diluted EPS	\$2.91	\$3.33	+14%
Capex (\$M)	\$277**	\$117	-58%

* Includes McGraw-Hill Education

** Includes investment in prepublication costs

MHFI Share Price and Total Shareholder Return

01/01/2011 to 12/31/2013



(1) Calculated using dividend adjusted closing share price

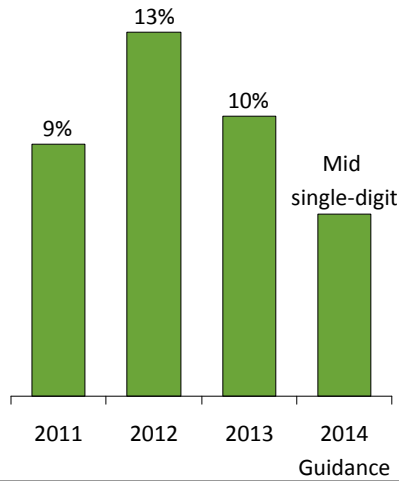
(2) Calculated using non-adjusted closing share price

Source: S&P Capital IQ

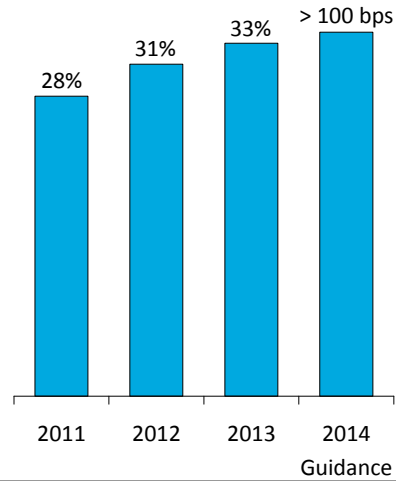


MHFI: A Proven Track Record of Growth

Annual Revenue Growth Rates



Adjusted Operating Margin



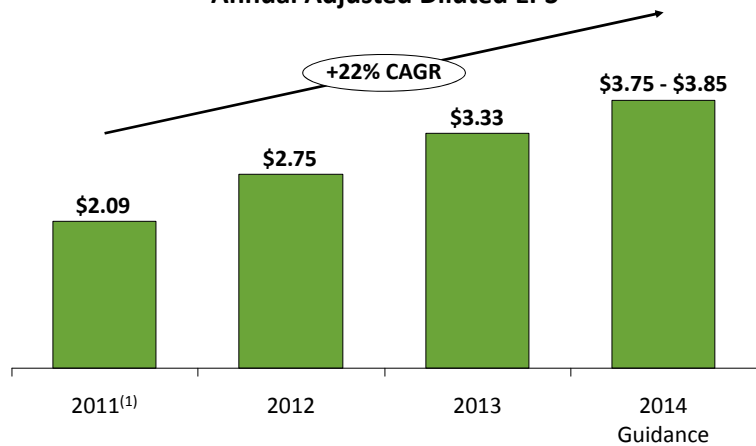
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MHFI: Double-Digit Earnings Growth

Annual Adjusted Diluted EPS



Anticipate free cash flow of approximately \$1 billion in 2014

(1) 2011 adjusted EPS excludes gain on divestiture of Broadcasting

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Investing to Expand Portfolio:

2011-2013 MHI Transactions

S&P Dow Jones Indices

S&P DOW JONES INDICES (2012)

S&P Capital IQ

cma (2012)

QUANTHOUSE (2012)

R FINANCIAL (2012)

Commodities (Platts)

BENTEK Energy (2011)

KINGSMAN (2012)

Steel Business Briefing (2011)

Standard & Poor's Ratings Services

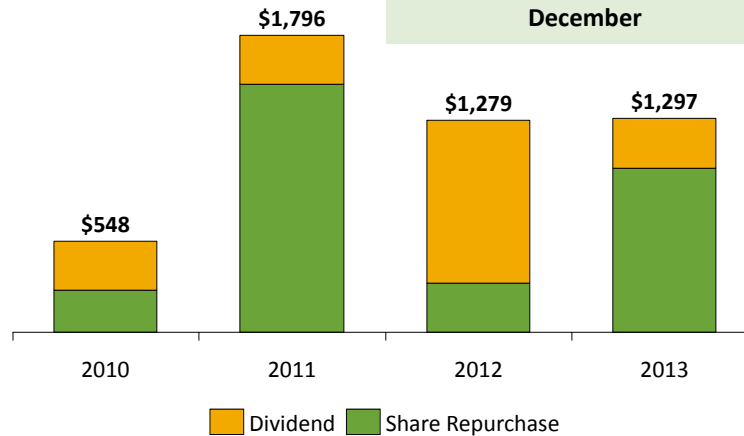
COALITION (2012)

CRISIL (2013)
A Standard & Poor's Company

Returning Substantial Cash to Shareowners

(\$ in millions)

Announced new 50 million share repurchase authorization in December





MHFI: Well Positioned for Sustained Growth

- Demonstrating growth potential of a **focused, inter-related portfolio**
- Leveraging **exceptional brands and benchmarks** with **leading global positions**
- Benefiting from key secular trends supporting **continued growth**
- Shifting productivity focus to **enterprise-wide capabilities**
- Investing to **expand the portfolio**
- **Returning cash** to shareowners



MHFI: Strong 2013 Results

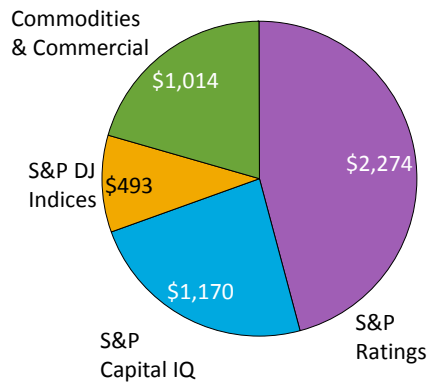
(\$ in millions)

	2013	2012	Change
Revenue	\$4,875	\$4,450	+10%
Adj. Operating Profit	\$1,602	\$1,385	+16%
Adj. Operating Margin	32.9%	31.1%	+180 bps
Adj. Diluted EPS	\$3.33	\$2.75	+21%

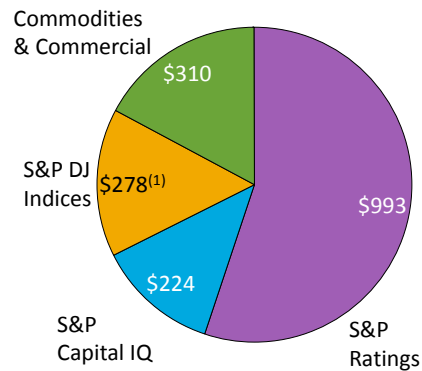


2013 Results by Line of Business

Revenue: \$4,875M
(\$ in millions)



Adj. Segment Op. Profit: \$1,805M
(\$ in millions)



1) Operating profit attributable to the noncontrolling interest of the S&P Dow Jones Indices joint venture was \$73 million
Note: Revenue chart excludes consolidating adjustments

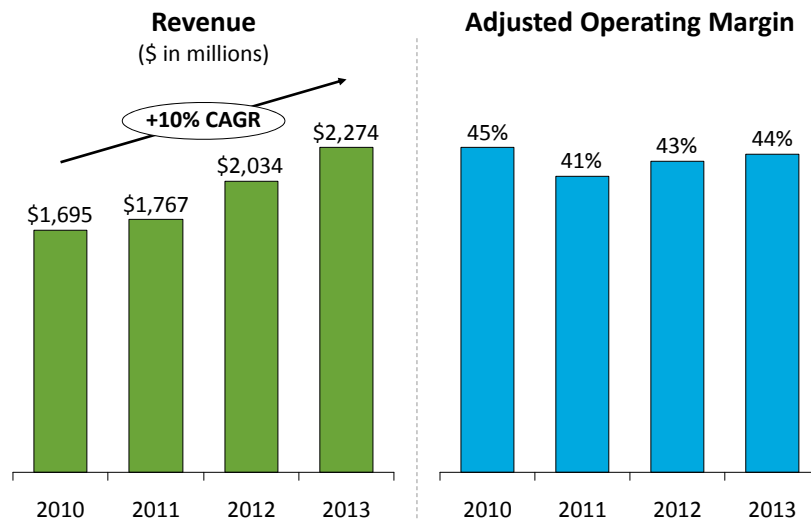


Significant Secular Drivers of Growth

- Funding **significant maturities and financing requirements** as banks deleverage
- Growing **gap between global infrastructure investment needs and available public sector funds**
- **Developing capital markets** in emerging countries
- **Increased sophistication** requires real-time data and analytics
- Continuing **shift to index-related investing**
- **Growing demand across commodities for daily price assessments**
- Continuing **strength across global automotive market**
- Recovery in North American commercial real estate market



- **Well positioned to capitalize on opportunities provided by structural changes in capital markets:**
 - Developing capital markets
 - Bank deleveraging in developed markets
 - Recovery in structured finance
- **Strong 2013 results driven primarily by strength in:**
 - Corporates, particularly high yield
 - Bank loan ratings
 - Commercial Mortgage-Backed Securities (CMBS) and Collateralized Loan Obligation (CLO)





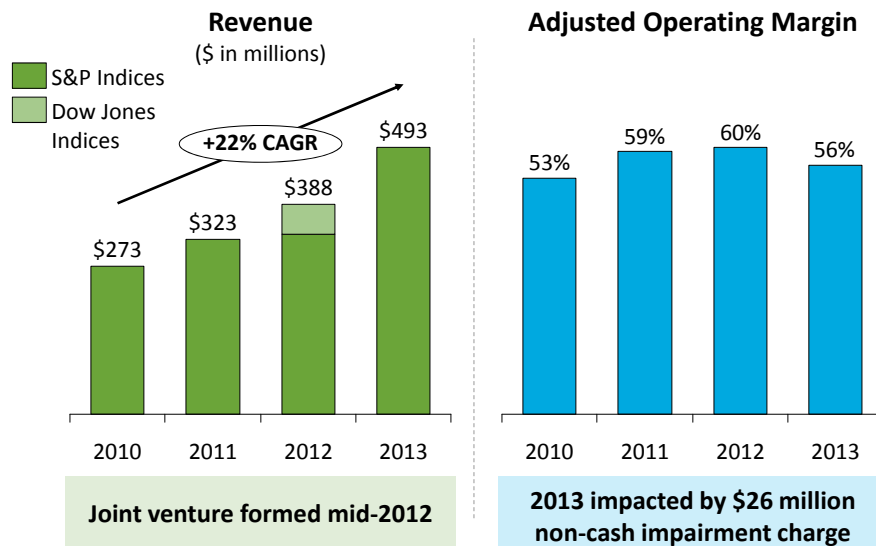
S&P Dow Jones Indices



- **First year of joint venture now complete**
- **Revenue generated from:**
 - ETF and mutual fund contracts
 - Licensing of indices for derivative trading
 - Profit share with exchange partner
 - Data subscriptions
- **2013 results driven by assets under management in ETFs which increased 43% to \$668B at end of 2013**
- **Margins benefiting from merger synergies**



S&P DJ Indices – Financial Snapshot

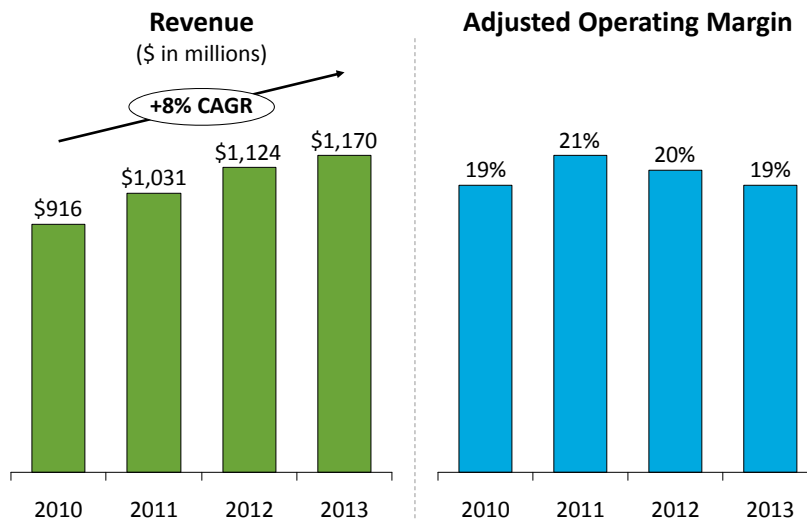




- **Leading provider of data and tools for company, security and portfolio valuation and risk analysis**
- **Revenue generated from a broad portfolio of capabilities:**

Desktop Solutions	Enterprise Solutions
Credit Solutions	Proprietary Research

- **Recent investments enabled Portfolio Management & Risk suite of analytics and enhanced real-time market monitoring and analytics**



Commodities & Commercial (C&C) Markets

Premier source of benchmarks, high-value information, data, and analytic services

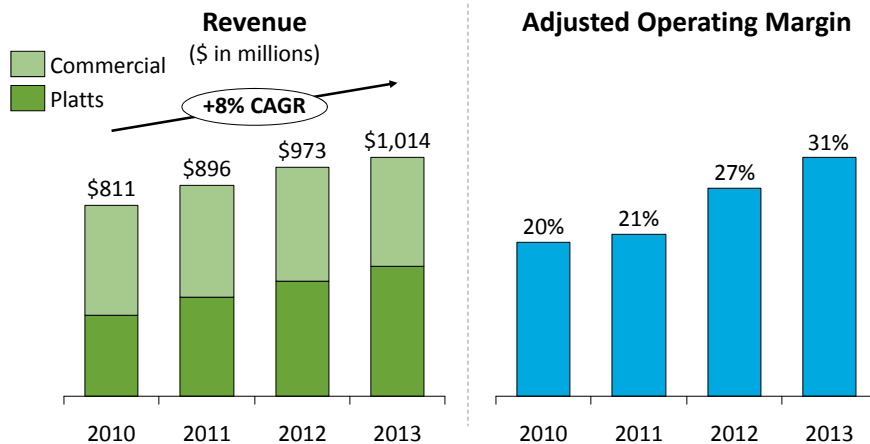


- 12,000+ price assessments daily
- Oil, gas, petrochemicals, steel, etc.
- Revenue generated from subscriptions and licensing for derivative trading
- Deepening customer penetration, strengthening analytics capabilities, and adding new benchmarks



- Revenue generated from subscriptions, proprietary research, and brand licensing
- J.D. Power expanding rapidly in Asia-Pacific

C&C Markets – Financial Snapshot



Comparisons impacted by the sale of Aviation Week in August 2013



McGraw Hill Financial

- A **new company** with a 125-year heritage
- **Excellent 2013 results**
- Realizing growth potential with a **focused, inter-related portfolio**
- **2014 guidance indicates strong performance:**
 - Mid single-digit, top-line growth
 - Adjusted diluted EPS guidance of \$3.75 – \$3.85
- **Strong balance sheet and cash flow** enables continued investment while returning cash to shareowners
- **Well positioned to sustain growth**



Hosting Investor Day March 18

McGraw Hill Financial Investor Day



Douglas Peterson, President and Chief Executive Officer of McGraw Hill Financial, Inc. invites you to MHFI's first Investor Day which will be held on March 18, 2014. He and other members of senior management will provide greater insight into the new McGraw Hill Financial.

Tuesday, March 18, 2014

New York Hilton Midtown
1335 Avenue of the Americas (54th Street)
New York, NY 10019

Escalators to Coat Check, Second Floor
Meeting: Trionon & Mercury Ballrooms, Third Floor

12pm-1pm
Registration, Lunch & Product Demonstrations

1pm-4:30pm
Presentations and Q&A Sessions
[Available via live video webcast]

4:30pm-5:30pm
Cocktails, Hors d'oeuvres & Product Demonstrations

RSVP IS REQUIRED TO ATTEND
Register by March 3, 2014

Register via email:
investor.relations@mhfi.com

For more information or if you have any questions regarding Investor Day, please contact Jane Haranymiak at (212) 512-6093, or email investor.relations@mhfi.com

