

Moody's Corporation

10:41 25 Oct 2013

Moody's slumps as Q3 disappoints amid volatile markets

Moody's Corp. (NYSE:MCO), the second-largest credit rater, fell to the lowest in more than six weeks after reporting weak earnings and revenue for the third quarter and lowering its full-year guidance amid volatile market conditions.

Moody's dropped 3.6 percent to \$70.54 at 10 a.m. in New York, after touching \$66.91, the lowest price since Sept. 9. The stock rallied 45 percent this year before today, compared with a 23 percent gain for the S&P 500 (INDEXSP:.INX).

Excluding a legacy tax benefit, per-share earnings for the three months ended Sept. 30 was 75 cents, the New York-based firm said in a statement today. That fell short of the 82-cent average estimate of analysts, according to Thomson Reuters.

Net income was \$183.9 million, flat with a year ago, while per-share earnings rose to 83 cents from 81 cents due to fewer shares outstanding in the latest quarter.

Revenue grew 2.5 percent to \$705.5 million, but trailed analysts' estimate of \$718 million.

Looking ahead, the company narrowed its guidance for the year, now predicting \$3.51 to \$3.57 a share in earnings, from its previous view of \$3.49 to \$3.59. Revenue growth is still expected to be in the high-single-digits.

"Moody's achieved year-on-year revenue, operating income and EPS growth in the third quarter, despite challenging comparisons to the prior year as well as volatile market conditions," the company quoted Chief Executive Officer Raymond McDaniel as saying.

Revenue from Moody's Investors Service, the company's ratings business and its biggest contributor to revenue, rose 1 percent to \$478.1 million.

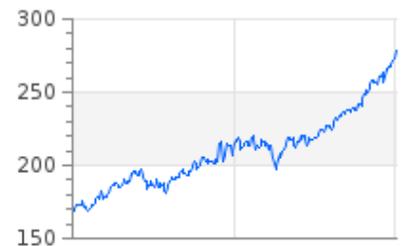
Revenue from Moody's analytics increased 5.8 percent to \$227.4 million.

Moody's also declared a regular quarterly dividend of 25 cents a share, payable on Dec. 10 to stockholders of record at the close of business on Nov. 20.

Price: 277.83

Market Cap: \$51.98 billion

1 Year Share Price Graph



February 2012 August 2012 February 2013

Share Information

Code: MCO

Listing: NYSE

52 week	High	Low
	278	166.01

Sector: Business & education services

Website: v3.moody.com

Company Synopsis:

Moody's Corporation is a provider of credit ratings; credit and economic related research, data and analytical tools; risk management software, and quantitative credit risk measures, credit portfolio management solutions and training services. The Company operates in two segments: MIS and Moody's Analytics.

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