

Moody's Corporation

13:15 07 Feb 2014

Moody's surges to lifetime high as Q4 net tops estimates

Moody's Corp. (NYSE:MCO), owner of the second-largest credit-ratings company, jumped to an all-time high after reporting better-than-expected profit in the fourth quarter on higher revenue.

Moody's advanced to \$85.70 before paring gains to \$80.92, up 5.4 percent, at 1:58 p.m. in New York.

Net income increased to \$206.7 million in the three months ended Dec. 31, or 94 cents a share, from \$160.1 million, or 70 cents a share, in the year-earlier period, the New York-based company said in a statement today. Profit stripping out one-time items rose 21 percent to 85 cents a share, above the 76-cents average estimate of analysts.

Sales grew 3.3 percent to \$779.2 million in the October-to-December period, from \$754.2 million a year earlier. Analysts tracked by Thomson Reuters expected the company to report revenues of \$743.87 million.

Ratings revenue from company bond sales slid 1 percent to \$242.6 million from \$244.9 million, while sales from structured products increased 6 percent to \$108.8 million from \$102.9 million.

Gains from structured securities were boosted by a rise in issuance of commercial mortgage-backed debt and real-estate investment trusts, the company said. Sales from Moody's Investors Service represent 70 percent of the firm's revenue.

The company's U.S. revenue in the quarter increased 3 percent from the year-earlier period to \$417.2 million, while revenue generated outside the U.S. picked 3 percent to \$362 million. Revenue generated outside the U.S. represented 46 percent of Moody's total revenue for the quarter, down from 47 percent in the year-earlier period.

Looking forward, Moody's forecasts per-share earnings of \$3.90 to \$4.00 this year on revenue growth in the high single-digit percent range, although the company anticipates "variable market conditions in 2014." Analysts expect the company to earn \$3.91 a share for the year on revenue growth of 6.70 percent to \$3.14 billion.

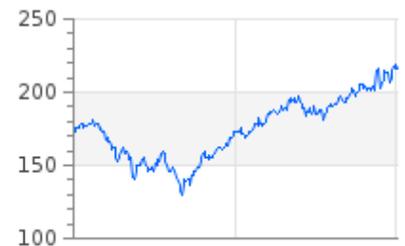
The company expects share repurchases for the year to be about \$1 billion.

Moody's shares rallied 55.9 percent last year.

Price: US\$216.77

Market Cap: US\$40220100000M

1 Year Share Price Graph



August 2013 February 2014 August 2014

Share Information

Code: MCO

Listing: NYSE

52 week **High** **Low**
\$220.46 **\$129.27**

Sector: Support Services [T3]

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.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.