MIR® (Market Implied Ratings)

MIR translate prices from the CDS, bond, loan and equity markets into standard Moody’s ratings language.

Early Warning of Default and Downgrade from Market Information

Market signals can capture a view of credit quality sentiment for a given company, but this view is often blurred with the market’s general appetite for risk. It becomes difficult to gauge the true risk for individual companies in times of market stress. By disentangling isolated changes in risk for individual issuers from the noise of the general markets, MIR can help you to detect credit deterioration early and focus on the riskiest exposures.

Isolate a Company’s Individual Risk from General Market Trends

In 1Q07 Bear Stearns’ CDS spread widened modestly while the rest of the market tightened. Bear Stearns’ widening relative to the general market tightening resulted in a 3-Notch Drop in Bear Stearns’ CDS-Implied Rating, indicating deteriorating credit risk relative to the general market.
Full Integration with Moodys.com

MIR fits seamlessly into your Moodys.com workflow. MIR data is available on Issuer-At-A-Glance pages and Portfolio Views on Moodys.com. Direct data delivery is also available through the MIR Excel Add-in Tool, Bulk Data Downloads and FTP data delivery.

Moodys.com Issuer At-A-Glance View:
Email Alerts to Help You Monitor Your Exposures

Custom email alerts can help you monitor risk by informing you of changes in MIR levels for the issuers in your MDC Portfolios.

Comprehensive Coverage and Advanced Analysis

Comprehensive Coverage of the Rated Universe

All Rating Categories for:
- Corporates
- Banks and non-bank financial institutions
- Sovereigns

Years of Historical Data
- Monthly data since January 1999
- Daily data since August 1, 2003

MIR Ratings Transition Matrices

Anticipate ratings changes by analyzing historical frequencies of Moody’s ratings changes over a specified time period.
About Moody’s Analytics

Moody’s Analytics, a fast-growing subsidiary of Moody’s Corporation, is rapidly expanding its product offerings and global reach. In addition to distributing the credit ratings and proprietary research of Moody’s Investors Service, we offer training and consulting services as well as award-winning software that is tuned to your business challenges and powered by sophisticated models. We reach over 5,000 institutions around the globe, putting the best practices of the entire world of credit, economics and financial risk management at your fingertips, helping you compete in an evolving marketplace.

Direct Access to Moody’s Capital Markets Research Group

MIR clients have direct access to Moody’s Capital Markets Research Group (CMRG) analysts. The Capital Markets Research Group’s research focuses on explaining signals from the credit and equity markets. It addresses whether market signals, in the opinion of the group’s analysts, accurately reflect the risks and investment opportunities associated with issuers and sectors. The Group publishes real-time market research, a weekly summary of market activity, forecasts of economic conditions and spread levels, monthly issuance data and more thorough research on relevant market topics. CMRG analysts are available to discuss their research as well as any questions about Market Implied Rating signals.

Median Credit Spreads

Median CDS, LCDS, bond spreads over US Treasuries and spreads over LIBOR by rating category. Moody’s also produces a separate Emerging Markets Report on median credit spreads by rating category.

Comprehensive Services for Measuring Risk and Credit Transitions

Default Suite – Moody’s Analytics’ Default Suite includes databases of Moody’s comprehensive, proprietary default and recovery information and reporting tools to help you analyze this data. The data includes defaults (including unrated defaults since 1920), recoveries (30 day post default pricing including 3 views into ultimate recovery) and rating migrations. Reporting tools are available for analyzing both historical defaults and rating migrations well as using historical data combined with economic forecasts for a forward looking view.

CreditEdge® and CreditEdge Plus™ – These platform tools deliver Moody’s Analytics EDF™ (Expected Default Frequency)—an objective, forward-looking probability of default measure—by compiling information about a firm’s equity, leverage, industry, volatility, financial statement data, and historical defaults, and by performing an analysis using our advanced financial model. CreditEdge delivers daily EDF credit measures on over 35,000 publicly traded firms globally. Financial analysis data from a variety of forward-looking, timely sources is compiled to support risk management and investment decisions. CreditEdge Plus goes one step beyond assessing credit quality to provide a “fair-valuation” framework for evaluating bond and CDS instruments. It helps you to select attractive assets that offer the best returns given their credit risk.

We encourage you to try Market Implied Ratings for yourself. Please contact Moody’s Analytics to learn more, arrange a trial or schedule a personal demonstration. E-mail us at clientservices@moodys.com or call one of the numbers below:

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