

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

This document includes certain forward-looking statements that are based upon current expectations regarding future events. Such statements may express expectations about the Company’s businesses, products and services, sales, expenses, cash flows, and operating and capital requirements. Actual results may differ materially from those in any forward-looking statements because such statements involve risks and uncertainties and are subject to change based upon various important factors. Such factors include, but are not limited to: the strength of the U.S. and global economy; Educational Publishing’s level of success in 2005 adoptions, academic enrollment and demographic trends; the level of educational funding (both domestically and internationally); the level of education technology investments; the strength of Higher Education, Professional and International publishing markets and the impact of technology on them; the level of educational reforms in the U.S. and abroad; possible amendments to the *No Child Left Behind Act*; the strength of the capital and equity markets (including trading volumes) in the U.S. and abroad; interest rate fluctuations; currency and foreign exchange volatility; the success of new product development and marketing across all of the Company’s businesses; the demand and market for debt securities and ratings, including mortgage- and asset-backed securities; the political and regulatory environment affecting Standard & Poor’s; the level of merger and acquisition activity in the U.S. and abroad; the strength of the domestic and international advertising markets (including political advertising); the volatility of the energy marketplace; the contract value of public works, manufacturing, and single-family unit construction; the level of investment by the construction, finance, automotive, healthcare, telecommunications, energy, and aviation industries; the effect of competitive products, services, and pricing; and the level of future cash flow, debt levels, product-related manufacturing expenses, pension expense, distribution expenses, postal rates, amortization and depreciation expense, income tax rates, capital, technology and other expenditures and prepublication cost investment.