

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

This document includes certain forward-looking statements about the Company’s businesses, new products, sales, expenses, cash flows, and operating and capital requirements. Such forward-looking statements include, but are not limited to, the strength and sustainability of the U.S. and global economy; Educational Publishing’s level of success in 2006 adoptions and enrollment and demographic trends; the level of educational funding; 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 interest rates and the strength of the economy, profit levels, and the capital markets in the U.S. and abroad; the level of success of new product development and global expansion and strength of U.S. and international markets; the demand and market for debt ratings, including mortgage and asset-backed securities; the regulatory environment affecting Standard & Poor’s; the strength of the U.S. and international advertising markets; the volatility of the energy marketplace; the contract value of public works, manufacturing, and single-family unit construction; the level of political advertising; and the level of future cash flow, debt levels, product-related manufacturing expenses, pension income/(expense), distribution expenses, postal rates, amortization and depreciation expense, income tax rates, capital, technology and other expenditures, and prepublication cost investment.

Actual results may differ materially from those in any forward-looking statements because any such statements involve risks and uncertainties and are subject to change based upon various important factors, including, but not limited to, worldwide economic, financial, political, and regulatory conditions; currency and foreign exchange volatility; the health of capital and equity markets, including future interest rate changes; the implementation of an expanded regulatory scheme affecting Standard & Poor’s ratings and services; the level of funding in the education market (both in the U.S. and internationally); the strength of the economy; the strength of the advertising markets; continued investment by the construction, computer, and aviation industries; the successful marketing of new products; and the effect of competitive products and pricing.