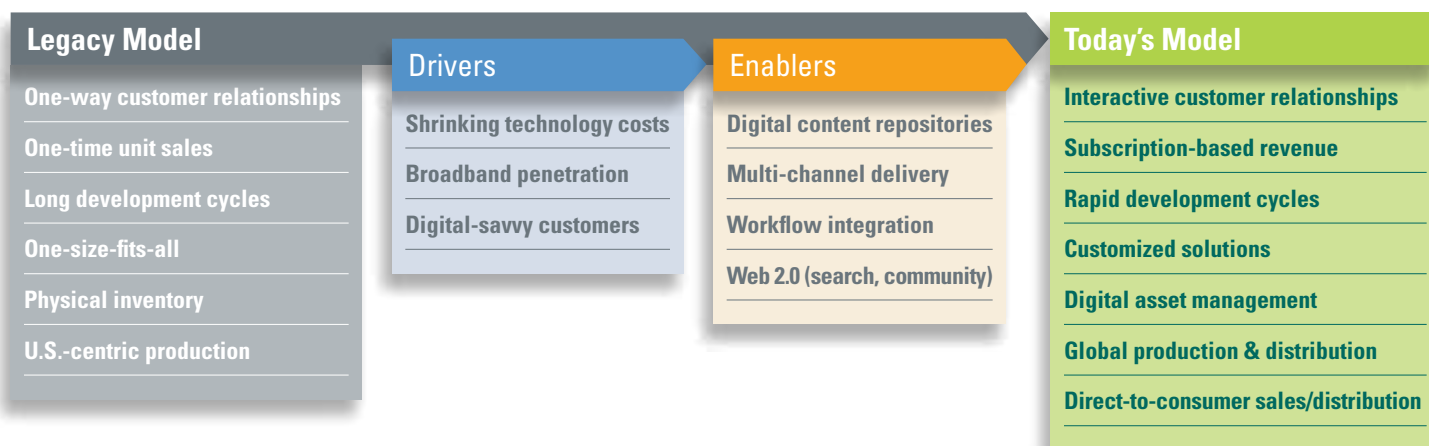


How the Business Model Is Changing Market Opportunities and Driving Long-Term Growth

Connecting content and managing digital assets globally across all of The McGraw-Hill Companies is essential to growing revenue, improving workflow and productivity, and reducing costs. Ongoing investments in technology support MHP's ability to provide its customers with products and services that represent the shift to today's more interactive and digital business model. For MHP, technology represents a tremendous opportunity to enhance its offerings, embed its solutions into customers' workflows and infrastructure, and build stronger, broader relationships.



McGraw-Hill Education

McGraw-Hill Education is embracing digital to create new and expanded revenue opportunities. McGraw-Hill Connect™ —MHE's innovative higher education platform—and other digital study/homework management products now have more than 1.8 million registered users. A new partnership with Blackboard will significantly expand access to McGraw-Hill Connect by making McGraw-Hill's content and digital tools available to institutions already using Blackboard Learn™. MHE is also partnering with Apple, Amazon, and Sony to broaden its digital distribution.

Financial Services

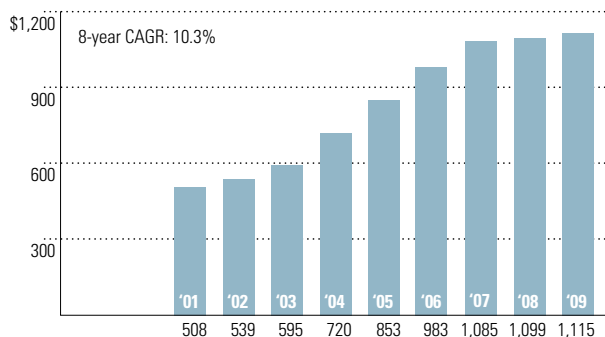
S&P's Credit Market Services continues to facilitate worldwide access to capital by providing a common and transparent benchmark for evaluating and comparing creditworthiness across multiple sectors and geographies. S&P expects its Investment Services business to grow. S&P's Capital IQ platform of powerful, easy-to-use tools is attracting more clients and helping them reduce risk, work more efficiently, and make better decisions. S&P Indices, the world's leading index provider, is continuing to expand in global markets.

Information & Media

MHP's leading business information brands are taking the creation, analysis, and delivery of business information to new levels. J.D. Power and Associates is providing real-time data and volume metrics to the automotive, hospitality, and retail industries. Platts is expanding as the demand for natural resources grows globally and the need for information about these volatile markets increases.

Unearned Revenue

(dollars in millions)



Growth in Unearned Revenue

As subscriptions to digital products and services continue to grow, so does the Corporation's unearned revenue. Approximately 75% of unearned revenue comes from Financial Services and includes annual contracts, surveillance fees, and subscription products.