

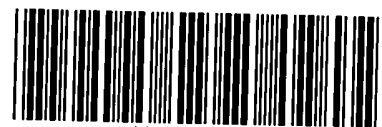
Registered number: 4006718

**MOODY'S HOLDINGS LIMITED**

**Annual Report**

**for the year ended 31 December 2016**

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## **MOODY'S HOLDINGS LIMITED**

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**MOODY'S HOLDINGS LIMITED****COMPANY INFORMATION**

<b>Director:</b>	Timothy Herring
<b>Registered office:</b>	One Canada Square Canary Wharf London E14 5FA
<b>Independent auditor:</b>	KPMG LLP 15 Canada Square London E14 5GL
<b>Principal banker:</b>	Bank of America N.A. 5 Canada Square London E14 5AQ

## MOODY'S HOLDINGS LIMITED

### STRATEGIC REPORT for the year ended 31 December 2016

The ultimate parent of Moody's Holdings Limited ("the Company") is Moody's Corporation ("Moody's"). Moody's is an essential component of the global capital markets, providing credit ratings, research, tools and analysis that contribute to transparent and integrated financial markets.

#### Principal activity

The principal activity of the Company is to act as a holding company.

During the year, there was no change in the principal activity of the Company.

#### Strategy

Moody's reports two business segments, Moody's Investors Service ("MIS") and Moody's Analytics ("MA") and the Company is a holding company for entities within both these segments. The long-term strategy of Moody's is to be the world's most respected authority servicing financial risk-sensitive markets. The key areas of focus necessary to implement this strategy are to:

- defend and enhance the core ratings and research business;
- build MA's position as a leading provider of risk management solutions to financial institutions; and
- invest in strategic growth opportunities.

Moody's invests in initiatives to implement the business's strategy, including internally-led organic development and targeted acquisitions. Initiatives of this type include:

- enhancements to ratings quality and product extensions;
- investments that extend ownership and participation in joint ventures and strategic alliances;
- headcount growth to meet customer demand for new products and services;
- expansion in growth markets in developing countries; and
- selective, bolt-on acquisitions that accelerate the ability to grow.

#### Financial results and key performance indicators

The Company made a profit for the year of £1,192.4m (2015: £92.5m) relating to dividends received and profit on sale of investments.

The net assets of the Company increased to £1,616.5m (2015: £27.3m) as at the reporting date. This increase was driven by the Company's new investments (see significant events during the year).

#### Significant events during the year

On 23 June 2016, the United Kingdom ("UK") held a referendum that resulted in a vote to leave the European Union ("EU") ("Brexit vote"). The Prime Minister of the UK officially notified the EU on 29 March 2017 of its intention to leave. The terms of any future arrangements between the UK and the EU are currently uncertain. Management are following developments and considering the implications for the Company.

On 28 June 2016, Moody's Group UK Limited, the immediate parent, contributed all of its shares in Moody's Italia S.r.l., Moody's Group Deutschland GmbH and Moody's Shared Services UK Limited to the Company, for the aggregate consideration of 471,828,900 ordinary shares of £1 each in the Company.

On the same day, the Company contributed all of its shares in Moody's Italia S.r.l., Moody's Group Deutschland GmbH, Moody's EMEA Holdings Limited and Moody's Investors Service UK Limited to Moody's Shared Services UK Limited, for the aggregate consideration of 1,586,439,200 ordinary shares of £1 each in Moody's Shared Services UK Limited.

#### Subsequent events

On 21 July 2017, the Company received a dividend of £60.0m from Moody's Analytics UK Limited.

On the same day, an interim dividend of £61.9m was paid to Moody's Group UK Limited, the Company's immediate parent.

#### Future outlook

The director remain confident that the Company will maintain a good level of performance in the future.

#### Going concern

The director is satisfied at the time of submitting the financial statements that the Company has adequate resources to continue to operate for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

#### Principal risks and uncertainties

The Company's principal risk and uncertainty is the impact of current market conditions on the value of its investments. The Company's subsidiaries continue to look at new products and markets in order to maintain its revenue base and market share.

**MOODY'S HOLDINGS LIMITED****STRATEGIC REPORT****for the year ended 31 December 2016****Principal risks and uncertainties (continued)**

Principal risks and uncertainties relating to Moody's business are as follows:

- financial reforms affecting the credit rating industry may negatively impact the nature and economics of Moody's business;
- exposure to litigation, government regulatory proceedings, investigations and inquiries related to Moody's rating opinions and other business practices;
- Moody's operations and infrastructure may malfunction or fail;
- risks related to cyber security and protection of confidential information;
- changes in the volume of debt securities issued in domestic and/or global capital markets and changes in interest rates and other volatility in the financial markets may negatively impact the nature and economics of Moody's business;
- increased pricing pressure from competitors and/or customers;
- exposure to reputational and credibility concerns;
- introduction of competing products or technologies by other companies;
- changes in tax rates or tax rules could affect future results;
- possible loss of key employees and related compensation cost pressures;
- Moody's compliance and risk management programs might not be effective and may result in outcomes that could adversely affect Moody's reputation, financial condition and operating results; and
- dependency on the use of third-party software, data, hosted solutions, data centres and network infrastructure, and any reduction in third-party product quality or service offerings could have a material adverse effect on the Company's business, financial condition or results of operations.

**By order of the director on 29 August 2017**



**Timothy Herring**  
Director

**MOODY'S HOLDINGS LIMITED****DIRECTOR'S REPORT****for the year ended 31 December 2016**

The director of Moody's Holdings Limited ("the Company") presents the annual report, which includes the audited financial statements of the Company for the year ended 31 December 2016.

**Dividends**

On 24 May 2016 and 21 July 2017, interim dividends of £75.0m (2015: £92.5m) and £61.9m were respectively paid to Moody's Group UK Limited, the Company's immediate parent.

**Board of directors**

The directors who held office during the year and up to the date of signing the financial statements are given below:

Ian Glover (resigned: 29 June 2016)  
Timothy Herring (appointed: 29 June 2016)  
Milan Makwana (resigned: 4 October 2016)

The director does not have an interest in the shares of the Company or its immediate holding company and fellow subsidiaries.

**Indemnity**

The Company's Articles of Association provide for the indemnification of the director to the extent permitted by the Companies Act 2006.

**Disclosure of information to auditor**

The director confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware and he has taken all steps that ought to have been taken to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of such information.

**Independent auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**By order of the director on 29 August 2017**



Timothy Herring  
Director

**MOODY'S HOLDINGS LIMITED****STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE  
DIRECTOR'S REPORT AND THE FINANCIAL STATEMENTS  
for the year ended 31 December 2016**

- The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulation.


Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice, including Financial Reporting Standards 101 ("FRS 101") Reduced Disclosure Framework).

Under company law, the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and the requirements of the Companies Act 2006; and
- prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The financial statements were approved by the director and are signed by:



**Timothy Herring**  
Director

**Date: 29 August 2017**



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOODY'S HOLDINGS LIMITED  
for the year ended 31 December 2016**

We have audited the financial statements of Moody's Holdings Limited ("the Company") for the year ended 31 December 2016 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the director and auditor**

As explained more fully in the Statement of director's responsibilities in respect of the Strategic report, Director's report and the financial statements set out on page 5, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of the profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic report and the Director's report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Director's report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mike Barradell, Senior Statutory Auditor  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

2017



## MOODY'S HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Revenue	5	75,000	92,500
Operating expenses		(6)	(7)
Profit on sale of investments	12	1,117,422	-
<b>Operating profit</b>	6	<b>1,192,416</b>	<b>92,493</b>
Interest receivable and similar income	7	2	6
<b>Profit before taxation</b>		<b>1,192,418</b>	<b>92,499</b>
Taxation on profit	10	-	-
<b>Profit and total comprehensive income for the year</b>		<b>1,192,418</b>	<b>92,499</b>

The Company's profit and total comprehensive income for the year is derived from continuing operations.

The Company has no component of other comprehensive income.

The accompanying notes on pages 10 to 14 form an integral part of these financial statements.

## MOODY'S HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION  
as at 31 December 2016

	Note	2016 £'000	2015 £'000
<b>Non-current assets</b>			
Investments in subsidiaries	12	1,613,982	24,731
<b>Current assets</b>			
Cash and cash equivalents		2,554	2,558
<b>Current liabilities</b>			
Trade and other payables	13	(5)	(5)
<b>Total assets less current liabilities</b>		<b>1,616,531</b>	<b>27,284</b>
<b>Net assets</b>		<b>1,616,531</b>	<b>27,284</b>
<b>Equity</b>			
Share capital	14	475,601	3,772
Retained earnings		1,140,930	23,512
<b>Shareholders' funds</b>		<b>1,616,531</b>	<b>27,284</b>

The financial statements on pages 7 to 14 were approved by the director on 29 August 2017 and were signed on its behalf by:



Timothy Herring  
Director

Company registered no: 4006718

The accompanying notes on pages 10 to 14 form an integral part of these financial statements.

## MOODY'S HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 December 2016

	Note	Share capital £'000	Retained earnings £'000	Total equity £'000
<b>Balance as at 1 January 2016</b>		<b>3,772</b>	<b>23,512</b>	<b>27,284</b>
Profit and total comprehensive income for the year		-	1,192,418	1,192,418
<b>Transactions with owners in their capacity as owners</b>				
Issue of shares		471,829	-	471,829
Dividends paid	11	-	(75,000)	(75,000)
<b>Balance as at 31 December 2016</b>		<b>475,601</b>	<b>1,140,930</b>	<b>1,616,531</b>
<b>Balance as at 1 January 2015</b>		<b>3,772</b>	<b>23,513</b>	<b>27,285</b>
Profit and total comprehensive income for the year		-	92,499	92,499
<b>Transactions with owners in their capacity as owners</b>				
Dividends paid	11	-	(92,500)	(92,500)
<b>Balance as at 31 December 2015</b>		<b>3,772</b>	<b>23,512</b>	<b>27,284</b>

The accompanying notes on pages 10 to 14 form an integral part of these financial statements.

## MOODY'S HOLDINGS LIMITED

### NOTES

for the year ended 31 December 2016

#### 1 THE COMPANY AND ITS OPERATIONS

Moody's Holdings Limited ("the Company") was incorporated and is domiciled in the United Kingdom as a private limited company. The principal activity of the Company is to act as a holding company. The Company is a wholly-owned subsidiary of Moody's Group UK Limited, a company incorporated in the United Kingdom.

#### 2 BASIS OF PREPARATION

##### 2.1 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 101 ("FRS101") "Reduced Disclosure Framework" that was issued in September 2015.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where FRS 101 disclosure exemptions have been applied.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of cash flows and related notes;
- Disclosures in respect of related party transactions with wholly-owned subsidiaries within the Moody's group;
- Disclosures in respect of capital management; and
- The effects of new but not yet effective IFRSs.

The Company's ultimate parent undertaking and controlling party, Moody's Corporation, includes the Company in its consolidated financial statements. The consolidated financial statements of Moody's Corporation are prepared in accordance with US GAAP. Copies of the Moody's Corporation consolidated financial statements can be obtained from the Secretary, Moody's Corporation, 7 World Trade Center, 250 Greenwich Street, New York, NY 10007, USA.

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions available under FRS 101 in respect of the following disclosures:

- Certain disclosures required by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instruments: Disclosures".

Further, the Company has used the following exemptions available under the Companies Act 2006:

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare group accounts as the Company's subsidiary undertakings are included in the consolidated financial statements of Moody's Corporation.

##### 2.2 Basis of measurement

These financial statements have been prepared on the going concern and historical cost basis.

##### 2.3 Functional and presentation currency

The Company's financial statements are presented in sterling (£), which is also the Company's functional currency.

#### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### 3.1 Business combinations

The Company applies the acquisition method of accounting for common control and third party business transfer agreements. The acquired business is initially measured at fair value.

##### 3.2 Investments in subsidiaries

###### Initial and subsequent recognition

Investments in subsidiaries are initially recognised at cost (being the fair value of the consideration given) on the date when the Company acquires control of the subsidiary. Control exists when the Company is exposed, or has the rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsequent to initial recognition, the investments in entities continue to be recognised at cost less impairment, if any.

###### Derecognition

If part or all of the holdings in investments are disposed then the difference between the carrying amount and proceeds received are recognised in the Statement of comprehensive income.

**MOODY'S HOLDINGS LIMITED**
**NOTES**
**for the year ended 31 December 2016**
**3 SIGNIFICANT ACCOUNTING POLICIES (Continued)**
**3.3 Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with the bank with an original maturity of 90 days or less.

**3.4 Revenue**

Dividend income is recognised when the right to receive the payment has been established. This is disclosed as revenue on the Statement of comprehensive income.

**3.5 Foreign exchange transactions**

Transactions in foreign currencies are initially recorded by the Company at the functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. All foreign exchange differences are recognised in the Statement of comprehensive income.

**3.6 Taxation**
**Current income tax**

Current income tax for the current and prior periods is provided at the amount expected to be paid (or recovered) using the tax rates or laws that have been enacted or substantively enacted by the reporting date.

**Deferred tax**

Deferred tax is recognised using the Statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are only offset when there is both a legal right to offset and an intention to settle on a net basis.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosures of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability recorded in future periods.

The Company reviews the estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

**4.1 Impairment**

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's investments. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. An impairment loss is recognised if the carrying amount of an investment exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of comprehensive income.

**5 REVENUE**

	2016 £'000	2015 £'000
Dividends received	<u>75,000</u>	<u>92,500</u>

On 24 May 2016, the Company received a dividend of £37.0m (2015: £65.0m) from Moody's Investors Service Limited.

On 24 May 2016, the Company received a dividend of £38.0m (2015: 27.5m) from Moody's Analytics UK Limited.

## MOODY'S HOLDINGS LIMITED

## NOTES

for the year ended 31 December 2016

## 6 OPERATING PROFIT

	2016 £'000	2015 £'000
Operating profit is stated after charging:		
<b>Auditor's remuneration</b>		
Audit of these financial statements	4	4

## 7 INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £'000	2015 £'000
Bank interest received	2	6

## 8 DIRECTORS' EMOLUMENTS

The directors' duties of the Company are incidental to their employment within the Moody's Group. As such, the directors did not receive remuneration in respect of their role as directors of the Company (2015: £nil).

## 9 EMPLOYEE INFORMATION

There were no employees during the year (2015: nil).

## 10 TAXATION ON PROFIT

	2016 £'000	2015 £'000
<b>UK corporation tax at 20% (2015: 20.25%)</b>		
UK corporation tax on profits of the year	-	-
<b>Deferred tax at 17% (2015: 19%)</b>		
Originating and reversal of temporary differences	-	-
<b>Taxation</b>	-	-

## Factors affecting current taxation:

The taxation assessed on the profit for the year is lower (2014: lower) than the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are reconciled below:

	2016 £'000	2015 £'000
Profit before taxation	1,192,418	92,499
Profit multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	238,484	18,731
Effect of:		
Non-taxable income	(238,484)	(18,731)
<b>Total tax expense</b>	-	-

## 11 DIVIDENDS PAID

	2016 £'000	2015 £'000
Dividends paid	75,000	92,500

On 25 May 2016, an interim dividend of £75.0m (2015: £92.5m) was paid to Moody's Group UK Limited.

## MOODY'S HOLDINGS LIMITED

## NOTES

for the year ended 31 December 2016

## 12 INVESTMENTS IN SUBSIDIARIES

	2016 £'000
<b>Cost</b>	
Balance at 1 January 2016	24,731
Additions	471,829
Transfers	1,117,422
<b>Balance at 31 December 2016</b>	<b>1,613,982</b>

Details of the Company's direct investments are as follows:

Company	Registered address	Activity	Shareholding	Number of shares	Value
Moody's Analytics UK Limited	One Canada Square, Canary Wharf, London, E14 5FA, UK	Research and analytical services	100%	189,553	£1
Moody's Shared Services UK Limited	One Canada Square, Canary Wharf, London, E14 5FA, UK	Support services	100%	1,586,439,300	£1

On 28 June 2016, Moody's Group UK Limited, the immediate parent, contributed all of its shares in Moody's Italia S.r.l., Moody's Group Deutschland GmbH and Moody's Shared Services UK Limited to the Company, for the aggregate consideration of 471,828,900 ordinary shares of £1 each in the Company.

On the same day, the Company contributed all of its shares in Moody's Italia S.r.l., Moody's Group Deutschland GmbH, Moody's EMEA Holdings Limited and Moody's Investors Service UK Limited to Moody's Shared Services UK Limited, for the aggregate consideration of 1,586,439,200 ordinary shares of £1 each in Moody's Shared Services UK Limited. This resulted in a profit on sale of investments of £1,117.4m.

Details of the Company's additions and transfers of investments are as follows:

	2015 Total £'000	2016 Additions £'000	2016 Transfers £'000	2016 Total £'000
<b>Subsidiaries</b>				
Moody's Analytics UK Limited	190	-	-	190
Moody's Investors Service Limited	3,607	-	(3,607)	-
Moody's EMEA Holdings Limited	20,934	-	(20,934)	-
Moody's Italia S.r.l.	-	6,838	(6,838)	-
Moody's Group Deutschland GmbH	-	437,638	(437,638)	-
Moody's Shared Services UK Limited	-	27,353	1,586,439	1,613,792
	<b>24,731</b>	<b>471,829</b>	<b>1,117,422</b>	<b>1,613,982</b>

Details of the Company's indirect investments are as follows:

Company	Registered address	Shareholding	Class of shares held
Moody's Investors Service Limited	One Canada Square, Canary Wharf, London, E14 5FA, UK	100%	Ordinary
Moody's EMEA Holdings Limited	One Canada Square, Canary Wharf, London, E14 5FA, UK	100%	Ordinary
Moody's Investors Service EMEA Limited	One Canada Square, Canary Wharf, London, E14 5FA, UK	100%	Ordinary
Moody's Investors Service Middle East Limited	Office 3 & 4, Level 3, Gate Precinct Building 3, DIFC P.O. Box 506845, Dubai	100%	Ordinary
Moody's Italia S.r.l.	Corso Di Porta Romana 68, Milan, Italy	100%	Ordinary
Moody's Group Deutschland GmbH	An der Welle 5, 60322 Frankfurt am Main, Germany	100%	Ordinary
Moody's Deutschland GmbH	An der Welle 5, 60322 Frankfurt am Main, Germany	98.83%	Ordinary
Moody's Analytics Deutschland GmbH	An der Welle 5, 60322 Frankfurt am Main, Germany	100%	Ordinary

**MOODY'S HOLDINGS LIMITED****NOTES**

for the year ended 31 December 2016

**13 TRADE AND OTHER PAYABLES**

	2016 £'000	2015 £'000
Accruals	<u>5</u>	<u>5</u>

**14 SHARE CAPITAL**

	2016 £'000	2015 £'000
<b>Allotted, called up and fully paid</b>		
475,600,757 ordinary shares of £1 each	<u>475,601</u>	<u>3,772</u>

On 28 June 2016, Moody's Group UK Limited, the immediate parent, contributed all of its shares in Moody's Italia S.r.l., Moody's Group Deutschland GmbH and Moody's Shared Services UK Limited to the Company, for the aggregate consideration of 471,828,900 ordinary shares of £1 each in the Company.

**15 SUBSEQUENT EVENTS**

On 21 July 2017, the Company received a dividend of £60.0m from Moody's Analytics UK Limited.

On the same day, an interim dividend of £61.9m was paid to Moody's Group UK Limited, the Company's immediate parent.

**16 ULTIMATE CONTROLLING PARTY**

The Company's ultimate parent undertaking and controlling party is Moody's Corporation, incorporated in the United States of America. Moody's Corporation is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Moody's Corporation consolidated financial statements can be obtained from the Secretary, Moody's Corporation, 7 World Trade Center, 250 Greenwich Street, New York, NY 10007, USA.