



## Change in Calculation of Segment Operating Income

Beginning Q1 2007, we have changed our methodology for calculating and reporting segment operating income.

Previously, we had allocated a large portion of our corporate costs to our two operating segments-- Energy and Engineering. We continue to consolidate back-office functions and move to a shared services model. As we change the way we manage the business, we reflect that change in the way we report our segment operating income and we will no longer allocate corporate, or Shared Services, costs to the segments. Rather, we now present our Shared Services in a separate category alongside our Energy and Engineering segment disclosures.

This change will have no effect on how we calculate Adjusted EBITDA.

The following schedules are designed to help investors bridge the transition from our historical segment operating income calculation to the new segment operating income calculation.

- Schedule I - This schedule shows segment operating income by quarter for 2005 and 2006 as calculated under the new methodology, the old methodology (i.e., as published) and the difference, which was the Shared Services costs allocation.
- Schedule II - This schedule presents the revised reconciliations of segment operating income per the new methodology to Adjusted EBITDA for 2006 by quarter.
- Schedule III - This schedule presents the revised reconciliations of segment operating income per the new methodology to Adjusted EBITDA for 2005 by quarter.

IHS Inc.

Change in Calculation of Segment Operating Income

By Quarter: 2005 - 2006

(in 000s)

SCHEDULE I

	New Segment Operating Income				Old Segment Operating Income - As Published				Difference			
	Energy	Engineering	Shared Services	Total IHS	Energy	Engineering	Adjustments	Total IHS	Energy	Engineering	Shared Services	Total IHS
Q1 2005	\$ 14,682	\$ 8,601	\$ (4,524)	\$ 18,759	\$ 12,283	\$ 6,202	\$ 274	\$ 18,759	\$ 2,399	\$ 2,399	\$ (4,798)	\$ -
Q2 2005	\$ 14,050	\$ 3,104	\$ (4,116)	\$ 13,038	\$ 11,779	\$ 833	\$ 426	\$ 13,038	\$ 2,271	\$ 2,271	\$ (4,542)	\$ -
Q3 2005	\$ 17,114	\$ 1,731	\$ (12,899)	\$ 5,946	\$ 14,725	\$ (658)	\$ (8,121)	\$ 5,946	\$ 2,389	\$ 2,389	\$ (4,778)	\$ -
Q4 2005	\$ 17,529	\$ 14,930	\$ (8,350)	\$ 24,109	\$ 14,215	\$ 11,617	\$ (1,723)	\$ 24,109	\$ 3,314	\$ 3,313	\$ (6,627)	\$ -
FY 2005	\$ 63,376	\$ 28,365	\$ (29,889)	\$ 61,852	\$ 53,003	\$ 17,993	\$ (9,144)	\$ 61,852	\$ 10,373	\$ 10,372	\$ (20,745)	\$ -
Q1 2006	\$ 19,193	\$ 11,270	\$ (9,050)	\$ 21,413	\$ 16,148	\$ 8,225	\$ (2,960)	\$ 21,413	\$ 3,045	\$ 3,045	\$ (6,090)	\$ -
Q2 2006	\$ 19,934	\$ 8,815	\$ (10,189)	\$ 18,560	\$ 16,410	\$ 5,291	\$ (3,141)	\$ 18,560	\$ 3,524	\$ 3,524	\$ (7,048)	\$ -
Q3 2006	\$ 20,813	\$ 11,987	\$ (11,021)	\$ 21,779	\$ 16,889	\$ 8,062	\$ (3,172)	\$ 21,779	\$ 3,924	\$ 3,925	\$ (7,849)	\$ -
Q4 2006	\$ 22,930	\$ 14,738	\$ (19,235)	\$ 18,433	\$ 17,728	\$ 9,536	\$ (8,831)	\$ 18,433	\$ 5,202	\$ 5,202	\$ (10,404)	\$ -
FY 2006	\$ 82,873	\$ 46,808	\$ (49,496)	\$ 80,185	\$ 67,177	\$ 31,112	\$ (18,104)	\$ 80,185	\$ 15,696	\$ 15,696	\$ (31,392)	\$ -

IHS Inc.  
Revised Reconciliations of Segment Operating Income to Adjusted EBITDA  
By Quarter: 2006  
(in 000s)

SCHEDULE II

	Three Months Ended February 28, 2006				Three Months Ended May 31, 2006			
	Energy	Engineering	Shared Services	Total IHS	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 19,193	\$ 11,270	\$ (9,050)	\$ 21,413	\$ 19,934	\$ 8,815	\$ (10,189)	\$ 18,560
Adjustments:								
Stock-based compensation expense	-	-	3,666	3,666	-	-	4,359	4,359
CEO retirement costs	-	-	-	-	-	-	-	-
Depreciation and amortization	1,701	1,460	209	3,370	1,805	1,266	271	3,342
Restructuring and offering charges	-	(18)	20	2	-	-	-	-
(Gain) loss on sales of assets, net	-	-	-	-	-	-	-	-
Net periodic pension and post-retirement benefits	-	-	(726)	(726)	-	-	(1,218)	(1,218)
Minority interest	-	(25)	-	(25)	-	(56)	-	(56)
<b>Adjusted EBITDA</b>	<b>\$ 20,894</b>	<b>\$ 12,687</b>	<b>\$ (5,881)</b>	<b>\$ 27,700</b>	<b>\$ 21,739</b>	<b>\$ 10,025</b>	<b>\$ (6,777)</b>	<b>\$ 24,987</b>

  

	Three Months Ended August 31, 2006				Three Months Ended November 30, 2006			
	Energy	Engineering	Shared Services	Total IHS	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 20,813	\$ 11,987	\$ (11,021)	\$ 21,779	\$ 22,930	\$ 14,738	\$ (19,235)	\$ 18,433
Adjustments:								
Stock-based compensation expense	-	-	4,440	4,440	-	-	9,237	9,237
CEO retirement costs	-	-	-	-	-	-	1,857	1,857
Depreciation and amortization	2,584	1,301	333	4,218	2,845	1,646	293	4,784
Restructuring and offering charges	-	-	-	-	444	1,854	803	3,101
(Gain) loss on sales of assets, net	-	53	-	53	-	3	-	3
Net periodic pension and post-retirement benefits	-	-	(1,268)	(1,268)	-	-	(1,209)	(1,209)
Minority interest	-	(89)	-	(89)	-	2	-	2
<b>Adjusted EBITDA</b>	<b>\$ 23,397</b>	<b>\$ 13,252</b>	<b>\$ (7,516)</b>	<b>\$ 29,133</b>	<b>\$ 26,219</b>	<b>\$ 18,243</b>	<b>\$ (8,254)</b>	<b>\$ 36,208</b>

  

	Year Ended November 30, 2006			
	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 82,873	\$ 46,808	\$ (49,496)	\$ 80,185
Adjustments:				
Stock-based compensation expense	-	-	21,702	21,702
CEO retirement costs	-	-	1,857	1,857
Depreciation and amortization	8,935	5,673	1,106	15,714
Restructuring and offering charges	444	1,836	823	3,103
(Gain) loss on sales of assets, net	-	56	-	56
Net periodic pension and post-retirement benefits	-	-	(4,421)	(4,421)
Minority interest	-	(168)	-	(168)
<b>Adjusted EBITDA</b>	<b>\$ 92,252</b>	<b>\$ 54,205</b>	<b>\$ (28,429)</b>	<b>\$ 118,028</b>

IHS Inc.  
Revised Reconciliations of Segment Operating Income to Adjusted EBITDA  
By Quarter: 2005  
(in 000s)

SCHEDULE III

	Three Months Ended February 28, 2005				Three Months Ended May 31, 2005			
	Energy	Engineering	Shared Services	Total IHS	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 14,682	\$ 8,601	\$ (4,524)	\$ 18,759	\$ 14,050	\$ 3,104	\$ (4,116)	\$ 13,038
Adjustments:								
Stock-based compensation expense	-	-	1,274	1,274	-	-	1,230	1,230
CEO retirement costs	-	-	-	-	-	-	-	-
Depreciation and amortization	1,672	1,040	195	2,907	1,638	1,024	197	2,859
Restructuring and offering charges	-	-	-	-	-	-	-	-
(Gain) loss on sales of assets, net	-	-	(617)	(617)	-	3	(717)	(714)
Net periodic pension and post-retirement benefits	-	-	(931)	(931)	-	-	(939)	(939)
Minority interest	-	7	-	7	-	11	-	11
<b>Adjusted EBITDA</b>	<b>\$ 16,354</b>	<b>\$ 9,648</b>	<b>\$ (4,603)</b>	<b>\$ 21,399</b>	<b>\$ 15,688</b>	<b>\$ 4,142</b>	<b>\$ (4,345)</b>	<b>\$ 15,485</b>

  

	Three Months Ended August 31, 2005				Three Months Ended November 30, 2005			
	Energy	Engineering	Shared Services	Total IHS	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 17,114	\$ 1,731	\$ (12,899)	\$ 5,946	\$ 17,529	\$ 14,930	\$ (8,350)	\$ 24,109
Adjustments:								
Stock-based compensation expense	-	-	1,041	1,041	-	-	1,727	1,727
CEO retirement costs	-	-	-	-	-	-	-	-
Depreciation and amortization	1,598	979	196	2,773	1,609	1,075	196	2,880
Restructuring and offering charges	-	4,406	7,991	12,397	-	-	1,306	1,306
(Gain) loss on sales of assets, net	-	-	-	-	-	-	-	-
Net periodic pension and post-retirement benefits	-	-	(911)	(911)	-	-	(1,310)	(1,310)
Minority interest	-	(32)	-	(32)	-	(102)	(30)	(132)
<b>Adjusted EBITDA</b>	<b>\$ 18,712</b>	<b>\$ 7,084</b>	<b>\$ (4,582)</b>	<b>\$ 21,214</b>	<b>\$ 19,138</b>	<b>\$ 15,903</b>	<b>\$ (6,461)</b>	<b>\$ 28,580</b>

  

	Year Ended November 30, 2005			
	Energy	Engineering	Shared Services	Total IHS
<b>Operating income</b>	\$ 63,376	\$ 28,365	\$ (29,889)	\$ 61,852
Adjustments:				
Stock-based compensation expense	-	-	5,272	5,272
CEO retirement costs	-	-	-	-
Depreciation and amortization	6,517	4,118	784	11,419
Restructuring and offering charges	-	4,406	9,297	13,703
(Gain) loss on sales of assets, net	-	3	(1,334)	(1,331)
Net periodic pension and post-retirement benefits	-	-	(4,091)	(4,091)
Minority interest	-	(116)	(30)	(146)
<b>Adjusted EBITDA</b>	<b>\$ 69,893</b>	<b>\$ 36,776</b>	<b>\$ (19,991)</b>	<b>\$ 86,678</b>