



**The Source**  
for Critical Information and Insight™

**IHS Inc.**

**Q4 and Full Year 2006 non-GAAP Reconciliation**

**IHS INC.**  
**RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS TO**  
**MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASUREMENTS**  
(In thousands)

	Three Months Ended November 30,	
	2006	2005
(Unaudited)		
Energy operating income .....	\$ 17,728	\$ 14,215
Engineering operating income .....	9,536	11,617
<b>Total segment operating income</b> .....	<b>27,264</b>	<b>25,832</b>
Adjustments:		
Corporate-level restructuring and offering charges .....	(803)	(1,306)
Stock-based compensation expense .....	(9,237)	(1,727)
Net periodic pension and post-retirement benefits .....	1,209	1,310
<b>Operating income</b> .....	<b>\$ 18,433</b>	<b>\$ 24,109</b>

	Three Months Ended November 30, 2006			
	Energy	Engineering	Adjustments	Consolidated
(Unaudited)				
<b>Operating income</b> .....	\$ 17,728	\$ 9,536	\$ (8,831)	\$ 18,433
Adjustments:				
Allocation of corporate costs .....	5,202	5,202	(10,404)	—
Stock-based compensation expense .....	—	—	9,237	9,237
CEO retirement costs* .....	—	—	1,857	1,857
Depreciation and amortization .....	2,845	1,646	293	4,784
Restructuring and offering charges .....	444	1,854	803	3,101
Loss on sales of assets, net .....	—	3	—	3
Net periodic pension and post-retirement benefits .....	—	—	(1,209)	(1,209)
Minority interest .....	—	2	—	2
<b>Adjusted EBITDA</b> .....	<b>\$ 26,219</b>	<b>\$ 18,243</b>	<b>\$ (8,254)</b>	<b>\$ 36,208</b>

\*Excludes stock-based compensation expense. Total pre-tax CEO retirement costs were \$6.6 million.

	Three Months Ended November 30, 2005			
	Energy	Engineering	Adjustments	Consolidated
(Unaudited)				
<b>Operating income (loss)</b> .....	\$ 14,215	\$ 11,617	\$ (1,723)	\$ 24,109
Adjustments:				
Allocation of corporate costs .....	3,314	3,313	(6,627)	—
Stock-based compensation expense .....	—	—	1,727	1,727
Depreciation and amortization .....	1,609	1,075	196	2,880
Restructuring and offering charges .....	—	—	1,306	1,306
Net periodic pension and post-retirement benefits .....	—	—	(1,310)	(1,310)
Minority interest .....	—	(102)	(30)	(132)
<b>Adjusted EBITDA</b> .....	<b>\$ 19,138</b>	<b>\$ 15,903</b>	<b>\$ (6,461)</b>	<b>\$ 28,580</b>

**IHS INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENT TO MOST**  
**DIRECTLY COMPARABLE GAAP FINANCIAL MEASUREMENT**  
**(In thousands)**

	Years Ended November 30,	
	2006	2005
(Unaudited)		
Energy operating income .....	\$ 67,177	\$ 53,003
Engineering operating income .....	31,112	17,993
<b>Total segment operating income</b> .....	<b>98,289</b>	<b>70,996</b>
Adjustments:		
Corporate-level restructuring and offering charges .....	(823)	(9,297)
Stock-based compensation expense .....	(21,702)	(5,272)
Gain on sales of corporate assets, net .....	—	1,334
Net periodic pension and post-retirement benefits .....	4,421	4,091
<b>Operating income</b> .....	<b>\$ 80,185</b>	<b>\$ 61,852</b>

	Year Ended November 30, 2006			
	Energy	Engineering	Adjustments	Consolidated
(Unaudited)				
<b>Operating income</b> .....	\$ 67,177	\$ 31,112	\$ (18,104)	\$ 80,185
Adjustments:				
Allocation of corporate costs .....	15,696	15,696	(31,392)	—
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
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>

\*Excludes stock-based compensation expense. Total pre-tax CEO retirement costs were \$6.6 million.

	Year Ended November 30, 2005			
	Energy	Engineering	Adjustments	Consolidated
(Unaudited)				
<b>Operating income</b> .....	\$ 53,003	\$ 17,993	\$ (9,144)	\$ 61,852
Adjustments:				
Allocation of corporate costs .....	10,373	10,372	(20,745)	—
Stock-based compensation expense .....	—	—	5,272	5,272
Depreciation and amortization .....	6,517	4,118	784	11,419
Restructuring and offering charges .....	—	4,406	9,297	13,703
(Gain) loss on sale 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>

**IHS INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENT TO MOST**  
**DIRECTLY COMPARABLE GAAP FINANCIAL MEASUREMENT**  
**(In thousands)**

	Three Months Ended November 30,		Years Ended November 30,	
	2006	2005	2006	2005
	(Unaudited)			
<b>Net income</b> .....	\$ 13,873	\$ 16,358	\$ 56,345	\$ 41,797
Interest income .....	(1,813)	(932)	(5,974)	(3,485)
Interest expense .....	575	75	847	768
Provision for income taxes .....	5,800	7,878	26,879	20,376
Depreciation and amortization .....	4,784	2,880	15,714	11,419
<b>EBITDA</b> .....	23,219	26,259	93,811	70,875
Stock-based compensation expense .....	9,237	1,727	21,702	5,272
CEO separation costs* .....	1,857	—	1,857	—
Restructuring and offering charges .....	3,101	1,306	3,103	13,703
Loss on sales of assets, net .....	3	—	56	(1,331)
Net periodic pension and post-retirement benefits .....	(1,209)	(1,310)	(4,421)	(4,091)
Loss from discontinued operations, net .....	—	598	1,920	2,250
<b>Adjusted EBITDA</b> .....	\$ 36,208	\$ 28,580	\$ 118,028	\$ 86,678

\*Excludes stock-based compensation. Total pre-tax CEO retirement costs were \$6.6 million.

	Three Months Ended November 30,		Years Ended November 30,	
	2006	2005	2006	2005
	(Unaudited)			
<b>Net cash provided by operating activities</b> .....	\$ 21,581	\$ 11,471	\$ 115,733	\$ 48,290
Capital expenditures on property and equipment .....	(2,529)	(1,697)	(10,576)	(5,662)
<b>Free cash flow</b> .....	\$ 19,052	\$ 9,774	\$ 105,157	\$ 42,628

**IHS INC.**  
**SUPPLEMENTAL INFORMATION**  
(In thousands, except per-share amounts)

	Three Months Ended November 30,			
	2006		2005	
	After tax	Per share	After tax	Per share
	(Unaudited)			
Stock-based compensation expense .....	\$ (5,819)	\$ (0.10)	\$ (931)	\$ (0.02)
CEO retirement costs* .....	(1,151)	(0.02)	—	—
Restructuring and offering charges .....	(2,405)	(0.04)	(888)	(0.02)
Gain (loss) on sales of assets, net .....	(3)	—	—	—
Net periodic pension and post-retirement benefits.....	715	0.01	534	0.01
Loss from discontinued operations, net.....	—	—	(598)	(0.01)

	Year Ended November 30,			
	2006		2005	
	After tax	Per share	After tax	Per share
	(Unaudited)			
Stock-based compensation expense .....	\$ (13,672)	\$ (0.25)	\$ (3,315)	\$ (0.06)
CEO retirement costs .....	(1,151)	(0.02)	—	—
Restructuring and offering charges .....	(2,414)	(0.04)	(10,574)	(0.19)
Gain (loss) on sales of assets, net .....	(35)	—	826	0.02
Net periodic pension and post-retirement benefits.....	2,614	0.05	2,404	0.04
Loss from discontinued operations, net.....	(1,920)	(0.04)	(2,250)	(0.04)

\* Excludes stock-based compensation. Total after-tax CEO retirement costs were \$4.1 million.