

IHS INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per-share amounts)

	November 30,	
	2008	2007
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 31,040	\$ 148,484
Short-term investments	—	10,518
Accounts receivable, net	207,815	175,542
Deferred subscription costs	35,948	35,910
Deferred income taxes	28,801	17,681
Other	14,213	14,112
Total current assets	317,817	402,247
Non-current assets:		
Property and equipment, net	59,578	58,756
Equity investments in joint venture	56,139	—
Intangible assets, net	285,902	206,359
Goodwill, net	705,077	564,582
Prepaid pension asset	8,768	91,116
Other	2,899	747
Total non-current assets	1,118,363	921,560
Total assets	\$ 1,436,180	\$ 1,323,807
Liabilities and stockholders' equity		
Current liabilities:		
Short-term debt	\$ 96,020	\$ 3,062
Accounts payable	35,084	37,550
Accrued compensation	39,083	37,014
Accrued royalties	24,769	22,684
Other accrued expenses	58,831	37,435
Income tax payable	3,994	15,255
Deferred subscription revenue	288,145	239,395
Total current liabilities	545,926	392,395
Long-term debt	—	37
Accrued pension liability	6,778	11,965
Accrued post-retirement benefits	8,852	10,203
Deferred income taxes	65,749	60,461
Other liabilities	7,820	7,619
Minority interests	—	219
Commitments and contingencies		
Stockholders' equity:		
Class A common stock, \$0.01 par value per share, 80,000,000 shares authorized, 64,090,207 and 49,831,293 shares issued and 62,802,179 and 48,758,518 shares outstanding at November 30, 2008 and 2007, respectively	641	498
Class B common stock, \$0.01 par value per share, 13,750,000 shares authorized, issued and outstanding at November 30, 2007	—	138
Additional paid-in capital	408,007	381,124
Treasury stock, at cost; 1,288,028 and 1,072,775 shares at November 30, 2008 and 2007, respectively	(64,632)	(46,045)
Retained earnings	584,219	483,804
Accumulated other comprehensive income (loss)	(127,180)	21,389
Total stockholders' equity	801,055	840,908
Total liabilities and stockholders' equity	\$ 1,436,180	\$ 1,323,807

IHS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per-share amounts)

	Quarter Ended November 30,		Year Ended November 30,	
	2008	2007	2008	2007
	(Unaudited)			
Revenue:				
Products	\$ 197,994	\$ 170,174	\$ 722,311	\$ 589,602
Services.....	32,632	27,341	121,719	98,790
Total revenue.....	230,626	197,515	844,030	688,392
Operating expenses:				
Cost of revenue:				
Products.....	78,427	66,743	294,929	240,634
Services	20,623	19,275	77,802	61,924
Total cost of revenue (includes stock-based compensation expense of \$283; \$303; \$1,361 and \$1,142 for the three months and years ended November 30, 2008 and 2007, respectively).....	99,050	86,018	372,731	302,558
Selling, general and administrative (includes stock-based compensation expense of \$6,259; \$7,615; \$38,611 and \$29,299 for the three months and years ended November 30, 2008 and 2007, respectively)	77,678	68,606	295,523	249,583
Depreciation and amortization.....	11,229	8,859	39,410	25,478
Restructuring charge (credit)	(390)	(154)	12,089	(154)
Gain on sales of assets, net	(209)	(2)	(328)	(758)
Net periodic pension and post-retirement expense (benefits)	(443)	(303)	(3,704)	(668)
Other expense (income), net	(1,960)	(870)	(5,202)	(4,249)
Total operating expenses	184,955	162,154	710,519	571,790
Operating income	45,671	35,361	133,511	116,602
Interest income	494	1,466	3,162	6,784
Interest expense	(1,140)	(412)	(2,482)	(720)
Non-operating income, net	(646)	1,054	680	6,064
Income from continuing operations before income taxes, minority interests and income from equity-method investment.....	45,025	36,415	134,191	122,666
Provision for income taxes	(12,903)	(11,295)	(38,512)	(38,827)
Income from continuing operations before minority interests and income from equity-method investment	32,122	25,120	95,679	83,839
Minority interests.....	44	(35)	(13)	(64)
Income from equity-method investment	1,114	—	3,327	—
Net income	\$ 33,280	\$ 25,085	\$ 98,993	\$ 83,775
Net income per share:				
Basic (Class A and Class B common stock).....	\$ 0.54	\$ 0.41	\$ 1.60	\$ 1.41
Diluted (Class A and Class B common stock).....	\$ 0.53	\$ 0.40	\$ 1.57	\$ 1.39
Weighted average shares:				
Basic (Class A and B common stock)	62,168	61,749	62,063	59,463
Diluted (Class A and Class B common stock).....	62,998	62,839	62,957	60,426

IHS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended November 30,	
	2008	2007
	(Unaudited)	
Operating activities		
Net income	\$ 98,993	\$ 83,775
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	39,410	25,478
Stock-based compensation expense	39,972	30,441
Gain on sales of assets, net	(328)	(758)
Impairment of assets	323	—
Distributions from equity-method investment	3,924	—
Non-cash net periodic pension and post-retirement benefits	(5,551)	(3,975)
Undistributed earnings of equity method investments, net	(3,327)	(31)
Minority interests	(202)	(168)
Deferred income taxes	4,833	1,614
Change in assets and liabilities:		
Accounts receivable, net	(23,944)	(5,545)
Other current assets	(1,314)	(2,084)
Accounts payable	(4,789)	(15,640)
Accrued expenses	8,398	4,892
Income taxes	(3,627)	11,151
Deferred subscription revenue	36,580	12,587
Other liabilities	(102)	—
Net cash provided by operating activities	<u>189,249</u>	<u>141,737</u>
Investing activities		
Capital expenditures on property and equipment	(13,885)	(11,890)
Acquisitions of businesses, net of cash acquired	(272,844)	(114,626)
Intangible assets acquired	(4,000)	—
Change in other assets	(3,979)	(1,285)
Settlements of forward contracts	(881)	—
Purchase of investments	—	(98,975)
Sales and maturities of investments	10,500	90,483
Proceeds from sales of assets	140	2,461
Net cash used in investing activities	<u>(284,949)</u>	<u>(133,832)</u>
Financing activities		
Proceeds from borrowings	160,000	—
Repayment of borrowings	(83,099)	(537)
Tax benefit from equity compensation plans	3,952	1,051
Repurchases of common stock	(84,362)	(38,494)
Net cash used in financing activities	<u>(3,509)</u>	<u>(37,980)</u>
Foreign exchange impact on cash balance	(18,235)	(1,475)
Net decrease in cash and cash equivalents	(117,444)	(31,550)
Cash and cash equivalents at the beginning of the period	148,484	180,034
Cash and cash equivalents at the end of the period	<u>\$ 31,040</u>	<u>\$ 148,484</u>

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

<i>IHS Inc.</i>	Three Months Ended November 30,		Year Ended November 30,	
	2008	2007	2008	2007
	(Unaudited)			
Net income	\$ 33,280	\$ 25,085	\$ 98,993	\$ 83,775
Interest income	(494)	(1,466)	(3,162)	(6,784)
Interest expense	1,140	412	2,482	720
Provision for income taxes	12,903	11,295	38,512	38,827
Depreciation and amortization	11,229	8,859	39,410	25,478
EBITDA	58,058	44,185	176,235	142,016
Stock-based compensation expense	6,542	7,918	39,972	30,441
Restructuring charge (credit)	(390)	(154)	12,089	(154)
Gain on sales of assets, net	(209)	(2)	(328)	(758)
Non-cash net periodic pension and post-retirement benefits	(866)	(987)	(5,551)	(3,975)
Income from equity-method investment	(1,114)	—	(3,327)	—
50% of Lloyd's-Register Fairplay's adjusted EBITDA	2,012	—	6,201	—
Adjusted EBITDA	<u>\$ 64,033</u>	<u>\$ 50,960</u>	<u>\$ 225,291</u>	<u>\$ 167,570</u>

<i>Lloyd's-Register Fairplay</i>	Three Months Ended November 30,		Year Ended November 30,	
	2008	2007(a)	2008	2007(a)
	(Unaudited)			
Net income	\$ 2,831	\$ —	\$ 8,667	\$ —
Interest expense, net	(44)	—	(69)	—
Provision for income taxes	1,101	—	3,348	—
Depreciation and amortization	136	—	458	—
EBITDA / Adjusted EBITDA	<u>\$ 4,024</u>	<u>\$ —</u>	<u>\$ 12,404</u>	<u>\$ —</u>
50% of Adjusted EBITDA	<u>\$ 2,012</u>	<u>\$ —</u>	<u>\$ 6,201</u>	<u>\$ —</u>

<i>Summary Lloyd's-Register Fairplay Adjusted F/S</i>	Three Months Ended November 30,		Year Ended November 30,	
	2008	2007(a)	2008	2007(a)
	(Unaudited)			
Revenue	\$ 9,184	\$ —	\$ 29,013	\$ —
Operating expenses	(5,296)	—	(17,057)	—
Operating income	\$ 3,888	—	\$ 11,956	—
Net income	\$ 2,831	\$ —	\$ 8,667	\$ —
50% of net income	\$ 1,416	\$ —	\$ 4,334	\$ —
Amortization expense for purchased intangibles	(419)	—	(1,398)	—
Tax benefit on amortization expense for purchased intangibles	117	—	391	—
Income from equity-method investment	<u>\$ 1,114</u>	<u>\$ —</u>	<u>\$ 3,327</u>	<u>\$ —</u>

(a) Note: We acquired a 50% interest in Lloyd's-Register Fairplay on March 3, 2008

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

	Three Months Ended November 30,	
	2008	2007
(Unaudited)		
Americas	\$ 144,597	\$ 119,886
EMEA	68,435	63,361
APAC.....	17,594	14,268
Corporate.....	—	—
Revenue	<u>\$ 230,626</u>	<u>\$ 197,515</u>
Americas	\$ 45,593	\$ 39,439
EMEA	15,553	10,965
APAC.....	6,171	4,267
Corporate.....	(21,646)	(19,310)
Operating income	<u>\$ 45,671</u>	<u>\$ 35,361</u>

	Three Months Ended November 30, 2008				
	Americas	EMEA	APAC	Corporate	Total
(Unaudited)					
Operating income	\$ 45,593	\$ 15,553	\$ 6,171	\$ (21,646)	\$ 45,671
Adjustments:					
Stock-based compensation expense	—	—	—	6,542	6,542
Depreciation and amortization.....	7,407	2,989	31	802	11,229
Restructuring charge (credit)	(15)	(378)	—	3	(390)
Gain on sales of assets, net	—	(209)	—	—	(209)
Non-cash net periodic pension and post-retirement benefits.....	—	—	—	(866)	(866)
Minority interest.....	—	44	—	—	44
50% of Lloyd's-Register Fairplay's adjusted EBITDA.....	—	2,012	—	—	2,012
Adjusted EBITDA	<u>\$ 52,985</u>	<u>\$ 20,011</u>	<u>\$ 6,202</u>	<u>\$ (15,165)</u>	<u>\$ 64,033</u>

	Three Months Ended November 30, 2007				
	Americas	EMEA	APAC	Corporate	Total
(Unaudited)					
Operating income	\$ 39,439	\$ 10,965	\$ 4,267	\$ (19,310)	\$ 35,361
Adjustments:					
Stock-based compensation expense	—	—	—	7,918	7,918
Depreciation and amortization.....	4,897	3,309	38	615	8,859
Restructuring charge.....	—	(154)	—	—	(154)
Gain on sales of assets, net	—	—	—	(2)	(2)
Non-cash net periodic pension and post-retirement benefits.....	—	—	—	(987)	(987)
Minority interest.....	—	(35)	—	—	(35)
Adjusted EBITDA	<u>\$ 44,336</u>	<u>\$ 14,085</u>	<u>\$ 4,305</u>	<u>\$ (11,766)</u>	<u>\$ 50,960</u>

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

	Year Ended November 30,	
	2008	2007
(Unaudited)		
Americas	\$ 520,925	\$ 428,025
EMEA	263,457	210,299
APAC.....	59,648	50,068
Corporate.....	—	—
Revenue	<u>\$ 844,030</u>	<u>\$ 688,392</u>
Americas	\$ 160,757	\$ 133,785
EMEA	44,258	35,200
APAC.....	18,098	12,582
Corporate.....	(89,602)	(64,965)
Operating income	<u>\$ 133,511</u>	<u>\$ 116,602</u>

	Year Ended November 30, 2008				
	Americas	EMEA	APAC	Corporate	Total
(Unaudited)					
Operating income	\$ 160,757	\$ 44,258	\$ 18,098	\$ (89,602)	\$ 133,511
Adjustments:					
Stock-based compensation expense	—	—	—	39,972	39,972
Depreciation and amortization	23,187	12,997	132	3,094	39,410
Restructuring charge.....	5,732	5,945	24	388	12,089
Gain on sales of assets, net.....	—	(328)	—	—	(328)
Non-cash net periodic pension and post-retirement benefits.....	—	—	—	(5,551)	(5,551)
Minority interest	—	(13)	—	—	(13)
50% of Lloyd's-Register Fairplay's adjusted EBITDA	—	6,201	—	—	6,201
Adjusted EBITDA	<u>\$ 189,676</u>	<u>\$ 69,060</u>	<u>\$ 18,254</u>	<u>\$ (51,699)</u>	<u>\$ 225,291</u>

	Year Ended November 30, 2007				
	Americas	EMEA	APAC	Corporate	Total
(Unaudited)					
Operating income	\$ 133,785	\$ 35,200	\$ 12,582	\$ (64,965)	\$ 116,602
Adjustments:					
Stock-based compensation expense	—	—	—	30,441	30,441
Depreciation and amortization	15,242	7,801	128	2,307	25,478
Restructuring charge.....	—	(154)	—	—	(154)
Gain on sales of assets, net.....	—	—	—	(758)	(758)
Non-cash net periodic pension and post-retirement benefits.....	—	—	—	(3,975)	(3,975)
Minority interest	—	(64)	—	—	(64)
Adjusted EBITDA	<u>\$ 149,027</u>	<u>\$ 42,783</u>	<u>\$ 12,710</u>	<u>\$ (36,950)</u>	<u>\$ 167,570</u>

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

	<u>Three Months Ended November 30,</u>		<u>Year Ended November 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(Unaudited)			
Net cash provided by operating activities	\$ 51,149	\$ 52,979	\$ 189,249	\$ 141,737
Capital expenditures on property and equipment	(5,730)	(4,717)	(13,885)	(11,890)
Free cash flow	<u>\$ 45,419</u>	<u>\$ 48,262</u>	<u>\$ 175,364</u>	<u>\$ 129,847</u>

	<u>Three Months Ended November 30,</u>		<u>Year Ended November 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
	(Unaudited)			
Earnings per diluted share	\$ 0.53	\$ 0.40	\$ 1.57	\$ 1.39
Stock-based compensation expense	0.07	0.08	0.40	0.32
Restructuring charge (credit)	(0.01)	—	0.13	—
Gain on sales of assets, net	—	—	—	(0.01)
Non-cash net periodic pension and post-retirement benefits	(0.01)	(0.01)	(0.05)	(0.04)
Adjusted earnings per diluted share	<u>\$ 0.58</u>	<u>\$ 0.47</u>	<u>\$ 2.05</u>	<u>\$ 1.65</u>

Note: amounts may not sum due to rounding.