SPGI gideon lens

S&P Global (SPGI) — Gideon-Lens Equity Research

Date: 2026-09-08. Analyst: Codex ER2. Price: USD 443.51 at the last completed NYSE close on 2026-09-04. Approximate market capitalization: USD 131.55 billion using 296.6 million diluted shares. Fiscal year end: December 31. Report ID: `SPGI-ER2-20260908T100217+0800`.

What changed from the previous report and why

Previous report: LEGACY-SPGI-20260529; 2026-05-29; `C:\Users\Admin\OneDrive\GPT\ER 2.0\S&P Global\raw\pulse-cio-20260908T100217+0800\prior_active_snapshot\SPGI_gideon_lens.md`; SHA-256 `538f8b2570e0abe5bd5318d311ecc9bf181fb9566d1816ebdb33319b3b08bf88` **Current report:** SPGI-ER2-20260908T100217+0800; 2026-09-08; price anchor USD 443.51 as of 2026-09-04

Area	Previous report	Current report	What changed and why	Decision impact
Price anchor	USD 417.68	USD 443.51	Price/market: +6.2%	Required EPS rose; cushion fell
ER2 verdict and gates	PASS; Mgt YELLOW; Moat PASS; P/E-15 FAIL	PASS; Mgt YELLOW; Moat PASS; P/E-15 FAIL	Company: Mobility separated; capital-return proof remains incomplete	No verdict change
FY+5 valuation bridge	EPS USD 24.14; required USD 27.85; -13.3%	EPS USD 24.419; required USD 29.567; -17.41%	Model/price: Q2 recast helped EPS, but price rose more	Failure widened
Insurer retained economics / book bridge	n/a	n/a	S&P Global is not a P&C insurer	No decision impact
Shareholder returns	Gross 3.6%/9.6%/13.5%; no PW/net-SGD	Gross -6.04%/8.19%/17.35%; PW 7.62%	Method: locked P/E exits and wealth weighting replace flat-multiple diagnostics	Mandate still fails
CIO actionability	No formal status; zero sizing	PASS; Base/PW net-SGD 7.66%/7.24%	Explicit FX/costs plus 133 shares and ~3.7% look-through exposure	No add
Audited scores	60/100; 58/80; 2/20	55/100; 52/80; 3/20	Audit: weaker ROIIC and pricing proof	Hurdles still fail
Methodology or corrections	Pre-spin TTM; incomplete return contract	Post-spin recast; QFR/DR/VP/CSA seals	SEC recasts replace malformed FMP pulls; Mobility/separation cash excluded	Higher-confidence PASS

Bottom line: The franchises remain durable and PASS is unchanged. Mobility's separation cleans the perimeter, but price rose faster than Base earnings support. Better methodology makes the missing margin of safety explicit rather than causing it.

Verdict block

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	YELLOW	Credible execution; acquisition returns and leverage normalization remain unproven
Moat	PASS	Standards franchises pass the 2046 durability test
P/E <= 15 on confident EPS at TTM + 5 calendar years	FAIL	Base value cushion is -17.41%
Compounder Score	Audited 55 / 100	Reject classification; evidence does not support dream-investment economics
Business Quality Score	Audited 52 / 80	Strong franchises, but ROIIC and reinvestment proof remain insufficient
20% Return UW Score	Audited 3 / 20	Current price does not support 20% annualized underwriting

One-line thesis (or reason to pass): S&P Global owns exceptional standards and data franchises, but USD 443.51 prices in more earnings and capital-allocation success than the confident five-year case supports.

Security return underwriting (mandatory even when the verdict is PASS):

Measure	Result	Notes
Primary valuation method	P/E	One audited method is used for all scenarios, probability weighting and net-SGD
Gross local-currency bear / base / bull IRR	-6.04% / 8.19% / 17.35%	Five-year annualized shareholder return in USD
Probability-weighted gross local-currency IRR	7.62%	CAGR of 25%/55%/20% weighted terminal shareholder wealth
Return bridge	USD 443.51 -> USD 324.716 / 657.398 / 986.912	To 2031-06-30: EPS USD 15.236/24.419/32.078 × 20x/26x/30x plus USD 19.990/22.511/24.583 dividends; terminal shares 265.300M/256.331M/252.677M; no future MBGL, separation-dividend, cash, debt or lease add-on

Gross USD underwriting; net-SGD adjustments appear after all three tables.

Bear-case operating and return bridge

Bear case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 15.715087B	1.89%	Ratings normalizes, MI/Energy slow, and Indices suffers an AUM shock
Operating margin	48.13%	41.47%	-6.65 pp	Sticky costs, renewal pressure, lower issuance and corporate dis-synergy
Operating earnings	USD 6.887B	USD 6.517629B	-1.10%	Statutory operating income on the continuing-company bridge
Diluted share count	296.600M	265.300285M	-2.21%	USD 14.5B buybacks partly offset by SBC issuance
EPS	USD 15.218086	USD 15.236313	0.02%	Comparable normalized continuing statutory EPS to terminal statutory EPS
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 15.236313	comparable	Mobility and net event gains removed; deal amortization retained
Valuation	29.143612x normalized P/E	20.0x P/E	-9.143612x	Severe cycle, AI/Energy/leverage and management-risk haircut
Share value	USD 443.51	USD 304.726265	-7.23%	USD 15.236313 EPS times 20x; no net-cash adjustment

Bear case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Annual dividend	USD 3.88	USD 4.077919	1.00%	Current issuer rate; minimal growth in the weak case
Dividend yield	0.87%	1.34%	+0.46 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 19.989818	cumulative	Five annual ordinary SPGI dividends; MBGL and separation financing excluded
Total ending value	USD 443.51	USD 324.716083	-6.04% gross USD IRR	Terminal share value plus cumulative ordinary dividends

Base-case operating and return bridge

Base case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 18.994959B	5.83%	Mid-single-digit MI/Energy/Ratings plus 8.5% Indices growth
Operating margin	48.13%	49.27%	+1.14 pp	Mix and scale offset reinvestment, corporate cost and compliance
Operating earnings	USD 6.887B	USD 9.358047B	6.32%	Four reviewed segments plus explicit corporate and equity-income rows
Diluted share count	296.600M	256.331350M	-2.88%	USD 21.5B buybacks net of modeled employee issuance
EPS	USD 15.218086	USD 24.418697	9.92%	Statutory diluted EPS after interest, tax and NCI
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 24.418697	comparable	Same accounting perimeter after event normalization
Valuation	29.143612x normalized P/E	26.0x P/E	-3.143612x	Below peer median and normalized current SPGI for terminal maturity
Share value	USD 443.51	USD 634.886116	7.44%	USD 24.418697 EPS times 26x; no net-cash adjustment
Annual dividend	USD 3.88	USD 4.951972	5.00%	Near historical dividend growth and supported by cash conversion
Dividend yield	0.87%	0.78%	-0.09 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 22.511422	cumulative	Five annual ordinary SPGI dividends counted once
Total ending value	USD 443.51	USD 657.397537	8.19% gross USD IRR	Terminal share value plus cumulative ordinary dividends

Bull-case operating and return bridge

Bull case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 21.776765B	8.76%	Broad AI/private-market, ratings, index and energy success
Operating margin	48.13%	53.58%	+5.45 pp	High-margin mix, strong issuance and successful productivity
Operating earnings	USD 6.887B	USD 11.668051B	11.12%	Reviewed upside rollup with explicit corporate/NCI treatment
Diluted share count	296.600M	252.677399M	-3.15%	USD 26.5B buybacks net of SBC at rising purchase prices
EPS	USD 15.218086	USD 32.077633	16.08%	Strong operating growth plus per-share accretion
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 32.077633	comparable	Same post-spin statutory continuing perimeter
Valuation	29.143612x normalized P/E	30.0x P/E	+0.856388x	Below premium peers/history but modestly above current normalized SPGI
Share value	USD 443.51	USD 962.328995	16.76%	USD 32.077633 EPS times 30x; no net-cash adjustment
Annual dividend	USD 3.88	USD 5.700993	8.00%	Strong cash compounding supports faster ordinary dividend growth
Dividend yield	0.87%	0.59%	-0.28 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 24.583405	cumulative	Five annual ordinary SPGI dividends counted once
Total ending value	USD 443.51	USD 986.912400	17.35% gross USD IRR	Terminal share value plus cumulative ordinary dividends

CIO actionability (separate from ER2 underwriting):

Measure	Result	Notes
Status	PASS	This is separate from the ER2 verdict; return and portfolio fit do not clear
Bear / Base / Bull net SGD IRR	-7.40% / 7.66% / 17.75%	Five-year annualized after 10 bp entry/exit costs, 30% dividend withholding and FX translation
Probability-weighted net SGD IRR	7.24%	CAGR of 25%/55%/20% weighted net terminal SGD wealth
10% mandate hurdle	FAIL	Base and probability-weighted cases are below 10%
15% stretch hurdle	FAIL	Only Bull clears; Base and weighted outcomes do not
Downside and portfolio fit	WATCH	Bear loses value; existing 133 shares and about 3.7% look-through exposure limit need to add
Proposed sizing ceiling	none	No new sizing proposal; owner approval would be required

Trade execution authorized: NO

Kill / trigger criteria:

- BUY trigger: the mechanical P/E-15 price is below USD 366.28 on unchanged Base EPS, but a BUY also requires Management to upgrade from YELLOW to PASS.
- PASS trigger: Market Intelligence organic ACV below 4% for two consecutive quarters with recast segment operating margin at or below 22%.
- PASS trigger: acquisition-inclusive ROIC fails to approach 15% while leverage remains above management's target through 2027.

- Upgrade to BUY conditions: Base EPS rises materially above USD 29.57, management demonstrates acquisition-inclusive returns, and price provides at least a 15% valuation cushion.

Research sizing if actionable: 0% incremental position at the current price. This is a research conclusion only and cannot authorize a trade.

Stage 0 — Time anchor

S&P Global's fiscal year ends December 31. The latest reported quarter ended 2026-06-30. The TTM anchor is Q3 2025 plus Q4 2025 plus Q1 2026 plus Q2 2026, ending 2026-06-30. The forward horizon ends 2031-06-30, exactly 5.0 calendar years later; all FY+5 references use that horizon.

Stage 1 — Disqualifier sweep

ROIC is YELLOW: FY2025 goodwill-inclusive ROIC is 9.2% and ROIIC is unavailable. FCF conversion is GREEN at USD 5.258 billion and 106.8% of attributable income. Leverage is GREEN/YELLOW at 1.34x spot, with a temporary acquisition/buyback rise. End markets are GREEN/YELLOW; governance and AI disruption are YELLOW. Pricing is GREEN/YELLOW because standards are strong but broad price-volume proof is incomplete. The sweep permits underwriting, not purchase.

Management — summary

Management is YELLOW. Martina Cheung and Eric Aboaf executed the Mobility separation and improved recast disclosure. Governance and candor are sound. Capital allocation is the issue: ROIC is below 10%, With Intelligence cost about 13.8x expected revenue, and incentives omit ROIC/FCF. Debt-funded repurchases lift leverage while acquisition returns remain opaque. Clean post-spin FCF, normalized leverage and measurable ROIIC would earn PASS.

Moat — summary

The moat is PASS, including the 2046 test. Ratings, Indices and Platts are governed standards with trust and network effects. Indices is strongest; Ratings and Platts also clear 20 years. Market Intelligence's generic interface is AI-exposed, but proprietary data and embedded feeds defend its core. Integrity, cyber and data-rights failures are the main breaks. Mobility's exit improves moat quality while concentrating market-sensitive exposure.

Stage 5 synthesis — headline numbers

Continuing TTM revenue/OI are USD 14.310/6.887 billion. Bear reaches USD 15.715/6.518/4.042 billion of revenue/OI/NI and USD 15.236 EPS. Base reaches USD 18.995/9.358/6.259 billion and USD 24.419 EPS. Bull reaches USD 21.777/11.668/8.105 billion and USD 32.078 EPS. Required EPS is USD 29.567. Bear and Base fail. Bull clears only with broad segment success. Base 15x value is USD 366.28, a -17.41% cushion. All 11 tie-outs passed. Terminal shares are 265.300/256.331/252.677 million after USD 14.5/21.5/26.5 billion buybacks. No future Mobility or separation cash is counted.

Case	Revenue (USD B)	Operating income (USD B)	Net income (USD B)	EPS (USD)	EPS × 15 (USD)	Cushion vs. USD 443.51
Bear	15.715	6.518	4.042	15.236	228.54	-48.47%
Base	18.995	9.358	6.259	24.419	366.28	-17.41%
Bull	21.777	11.668	8.105	32.078	481.16	+8.49%

Red team — summary

The bear case combines peak Ratings/Indices, weak Energy and failed MI AI monetization with slower buybacks. The optimistic Base input is 256.331 million terminal shares because buybacks absorb roughly all cash after other claims. A 23x Base sensitivity cuts IRR to 5.66%; a 22.78x Bear sensitivity lifts it to -3.71%. These do not disprove the locked exits. Status is MATERIAL_RESOLVED; the investment still fails.

Kill / trigger criteria

- Remain PASS while Base net-SGD is below 8% or valuation cushion is negative.

- Exit review: MI ACV below 4% for two quarters and margin at or below 22%.
- Downgrade: leverage above target through 2027 without ROIC approaching 15%.
- Re-underwrite: Ratings transaction revenue below -10% twice without offset.
- Upgrade: Management PASS, Base EPS above USD 29.57, and 15% cushion.

Analyst flags

Malformed FMP segment pulls were replaced by SEC recasts with zero total residual. SEC evidence also replaced a twice-blocked IR page. Product dollars, retention, price-volume, R&D and ROIIC remain gaps. Raw 27.02x P/E is non-comparable; normalized continuing P/E is 29.14x. Audited 55/100 controls. No trade or portfolio action is authorized.

Appendix A - Company Primer

S&P Global — Continuing-Company Primer

Ticker: SPGI **As of:** September 8, 2026 **Fiscal year-end:** December 31 **Latest complete reported quarter:** Q2 FY2026, ended June 30, 2026 **Analytical perimeter:** S&P Global after the July 1, 2026 separation of Mobility Global

Scope and the accounting boundary

S&P Global is best understood as a portfolio of information utilities for capital and commodity markets. It owns credit opinions, index intellectual property, commodity benchmarks, proprietary datasets, analytics, and workflow software that customers use to issue securities, allocate capital, value portfolios, manage risk, settle contracts, and operate regulated processes. The products differ, but the recurring pattern is the same: S&P Global creates or curates a trusted decision standard, embeds it in a customer workflow or financial contract, and earns fees as customers continue to use that standard.

This primer describes the **continuing company**, which has four reportable segments: Ratings, S&P Dow Jones Indices, Energy, and Market Intelligence. Mobility Global became a separate public company on July 1, 2026, with one MBGL share distributed for each SPGI share held on the record date. Mobility therefore belongs in the historical statutory financial statements through June 30, 2026, but it is not part of the business an investor owns through SPGI after the separation.

That timing creates two valid but different baselines. The reconciled statutory trailing twelve months ended June 30, 2026 contains Mobility and reports $16.122 billion of revenue, $7.163 billion of statutory operating profit, and $4.923 billion of net income attributable to SPGI. The official continuing-company overlay removes Mobility and applies the issuer's recast transfers between Energy and Market Intelligence; it reports $14.310 billion of revenue for the same four-quarter window. These figures must not be mixed. The statutory TTM is the accounting anchor; the continuing-company overlay is the appropriate perimeter for understanding the future enterprise. No forward segment forecast is constructed here.

Business overview

The company sells essential information and intellectual property primarily to institutions rather than consumers. Customers include asset managers, banks, insurers, corporations, private-equity firms, exchanges, commodity producers and traders, governments, regulators, universities, and professional-services firms. Most offerings are bought through direct enterprise relationships, multiyear or annual subscriptions, license agreements, usage-based contracts, or issuer-paid rating engagements. Some products are delivered through desktop applications such as Capital IQ, while others arrive through data feeds, APIs, cloud platforms, embedded workflow software, published benchmark assessments, or licenses to use an index or benchmark in a financial product.

The practical problems solved are high-value and often non-discretionary. A corporate treasurer needs a recognized rating to access debt markets efficiently. An ETF sponsor needs permission to track an investable index. An oil trader needs a benchmark that counterparties accept in a physical contract. A bank needs clean reference data, valuations, corporate actions, counterparty records, or loan-processing tools to run daily operations. An investment analyst needs standardized financials, estimates, private-market information, and models inside a reliable workflow. In each case, the purchase is not merely “data”; it is data plus lineage, methodology, governance, delivery, and acceptance by other market participants.

This positioning creates attractive economics but also imposes obligations. Credit ratings and benchmarks are regulated, scrutinized, and reputationally sensitive. Enterprise data must be accurate, licensed properly, cyber-secure, and available at high uptime. Index calculations and commodity assessments must follow transparent methodologies. A failure can damage not only one product but the trust supporting the entire franchise.

Revenue architecture after Mobility

The most useful FY2025 baseline is the company's July 2026 recast presentation, which treats Mobility as separated and moves selected products between Energy and Market Intelligence. Segment percentages below use revenue before the $200 million intersegment elimination, matching the company's presentation. Operating margins are issuer-defined pro forma non-GAAP adjusted segment margins, not GAAP consolidated margins.

Continuing segment	FY2025 recast revenue	Share before eliminations	FY2025 adjusted segment margin	Primary economic engine
Ratings	$4.724bn	34%	65%	Issuance ratings, surveillance, entity ratings, research
S&P Dow Jones Indices	$1.850bn	13%	70%	Asset-linked fees, derivatives royalties, data and custom indices
Energy	$2.525bn	18%	46%	Commodity benchmarks, data, research, software, conferences
Market Intelligence	$4.690bn	34%	33%	Financial data, platforms, APIs, and enterprise workflow software
Intersegment elimination	$(0.200)bn	Not applicable	Not applicable	Internal cross-segment sales removed on consolidation
Continuing company	$13.589bn	100% before eliminations	Not comparable to segment margins	Four-segment portfolio after Mobility

Ratings

Ratings provides credit ratings, research, and analytics. A rating is an opinion about an issuer's or security's relative creditworthiness. Investors use it in risk limits, portfolio mandates, regulatory capital frameworks, collateral policies, and investment analysis; issuers use it to communicate credit quality and reach a broad investor base. The segment operates in more than 25 countries and serves corporations, financial institutions, structured-finance sponsors, sovereign and municipal issuers, banks, insurers, asset managers, and investors.

The division's 2025 revenue mix was Corporates 53%, Financials 16%, Structured Finance 13%, Governments 7%, and Crisil or other 12%, subject to rounding. Transaction revenue is earned when new bonds, structured products, or bank loans are rated. Non-transaction revenue includes surveillance of outstanding ratings, entity ratings, relationship-based annual fees, and Crisil research and analytics. The issuer-pay model is economically powerful because acceptance by investors matters more than the nominal cost of the opinion, but it also creates conflict-of-interest scrutiny and a continuing need for analytical independence.

S&P Dow Jones Indices

Indices designs, calculates, governs, and licenses benchmarks. The flagship S&P 500 is the most visible example, but the franchise spans broad-market, sector, factor, thematic, fixed-income, commodity, and customized indices. Customers include ETF and mutual-fund sponsors, exchanges, derivatives venues, banks issuing structured products, wealth managers, and institutions that need performance benchmarks or index data.

Revenue comes from three major business lines: asset-linked fees, 65% of 2025 segment revenue; exchange-traded derivatives, 18%; and data and custom subscriptions, 17%. Asset-linked fees generally rise and fall with assets in products tracking licensed indices. Derivatives royalties depend on contract volumes. Data and custom-index subscriptions are more contract-like. One index can support a large ecosystem of funds, futures, options, structured notes, benchmarks, and data subscriptions, which explains the segment's exceptional margin.

Energy

Energy supplies price assessments, benchmarks, data, analytics, software, research, and convening platforms for energy and commodity markets. Customers include producers, refiners, utilities, miners, shipping companies, traders, banks, exchanges, governments, and industrial consumers. These markets are fragmented and physical: grades, locations, delivery windows, transport constraints, and contract terms matter. A trusted benchmark translates dispersed market observations into a price that counterparties can use in contracts and risk systems.

After the recast, Energy has two business lines. **Platts**, 49% of 2025 recast Energy revenue, includes benchmark prices, forward curves, global trading services, and related news and reports. **CERA**, 51%, includes proprietary data, research, upstream information, CERAWeek, 451 Research, and Maritime and Trade products transferred from Market Intelligence. The new grouping combines standards used directly in commodity transactions with research and datasets used to understand supply, demand, technology, and the energy transition.

Market Intelligence

Market Intelligence provides multi-asset-class data, analytics, and workflow tools. Customers include investment managers, investment banks, private-equity firms, insurers, commercial banks, corporations, professional-services firms, regulators, governments, and universities. The segment competes for the analyst's desktop, the enterprise data budget, and operational workflows where data accuracy and integration matter.

The recast structure has two business lines. **Kensho Data and Platforms**, 60% of 2025 recast segment revenue, includes Compustat, financials and estimates, SNL datasets, RatingsXpress, Kensho LLM-ready APIs, Capital IQ platforms, RatingsDirect, Visible Alpha, With Intelligence, consulting, and issuer solutions. **Enterprise Solutions**, 40%, includes ClearPar, Debtdomain, Wall Street Office, pricing and reference data, iLEVEL, primary-market bookbuilding, valuation services, Cappitech, corporate actions, Counterparty Manager, financial-risk analytics, and tax solutions. The first group packages proprietary content and analytical interfaces; the second operates software and data infrastructure embedded in customer processes.

Unit economics

The financial statements do not disclose product-level gross margin, so unit economics are best analyzed through the issuer's common segment operating-profit basis, adjusted margins, revenue form, and cost structure. The central distinction is between creating a benchmark or dataset once and distributing it many times, versus delivering labor-intensive advisory or implementation work.

Segment	Why gross economics can be strong	Main operating costs	Incremental-margin character
Ratings	A recognized opinion can be sold across large issuance volumes; surveillance fees recur	Analysts, compliance, methodology, legal, regulatory systems	Very high, but transaction revenue can reverse quickly
Indices	Existing index intellectual property can support additional AUM and trading volume at low marginal cost	Index calculation, governance, data inputs, exchange and partner arrangements	Highest in the portfolio; market levels create operating leverage
Energy	Benchmarks and subscriptions scale, while research, data collection, conferences, and software require people and infrastructure	Price reporters, analysts, data acquisition, technology, events	High for benchmarks; lower and more mixed for research and services
Market Intelligence	Data and software subscriptions recur and spread fixed platform costs across users	Third-party data, technology, cloud, product development, sales, implementation, support	Attractive at scale, but integration and acquired-intangible costs depress reported profit

Ratings and Indices are the purest intellectual-property businesses. Once a ratings methodology or index family has institutional acceptance, additional issuance, assets under management, or contract volume can produce revenue faster than expenses. The constraint is not physical capacity; it is maintaining analytical quality, regulatory compliance, calculation integrity, and customer trust. This creates high incremental margins in healthy markets and sharp cyclicality when issuance or asset values fall.

Energy blends two economic profiles. Platts benchmarks have network characteristics because buyers and sellers benefit from referencing the same standard. Subscription data and forward curves add repeat revenue around that benchmark. CERA research, upstream datasets, consulting, and conferences are more content- and people-intensive, though proprietary data and enterprise contracts still offer scale. Revenue exposure is not a simple bet on oil prices: volatility, market fragmentation, energy-transition investment, and changing trade flows can increase the need for price discovery even when commodity prices decline.

Market Intelligence has the broadest cost base and the greatest opportunity for operating improvement. Subscription and recurring-variable contracts give visibility, but the business pays for third-party content, data rights, technology, cloud compute, client service, sales, product development, and implementation. It also carries meaningful acquisition-related intangible amortization from the IHS Markit combination and later purchases. Moving customers to common platforms, consolidating interfaces, eliminating duplicative datasets, and distributing proprietary data through APIs can lift margin. Conversely, a portfolio of overlapping products can preserve complexity and make simplification slow.

At the consolidated level, capital intensity is low in the accounting sense. The reconciled TTM generated $5.729 billion of operating cash flow with only $156 million of capital expenditure, producing $5.573 billion of core free cash flow before distributions to noncontrolling interests. That does not mean reinvestment is trivial. Much of the true investment is expensed through technology, data acquisition, compensation, product development, and compliance. Acquisitions have also been a major form of reinvestment, leaving substantial goodwill and intangible assets. Cash conversion is therefore structurally

strong, while returns on acquisition capital require separate scrutiny.

Customer relationships, purchasing behavior, and retention

The company sells through direct institutional coverage and product specialists, supplemented by digital delivery and channel relationships with exchanges, fund sponsors, and other platforms. Buying decisions are usually made by a combination of end users, technology teams, procurement, risk, compliance, and senior business owners. This can lengthen sales cycles, especially for enterprise workflow systems, but it also makes displacement difficult after implementation.

Retention rests on several different forms of switching cost. Ratings are embedded in financing conventions and investor mandates. Indices are embedded in fund prospectuses, brand promises, derivatives contracts, and tax-sensitive investment positions. Commodity benchmarks are written into physical supply contracts and risk systems. Market Intelligence products are integrated with spreadsheets, APIs, data warehouses, identifiers, compliance processes, and trained user behavior. A cheaper competitor may therefore need to overcome operational risk, migration work, data-history breaks, and stakeholder resistance, not just beat the subscription price.

The model is not invulnerable. Large banks and asset managers buy from multiple vendors and can negotiate aggressively. Customers can reduce seats, consolidate feeds, build internal tools, or favor open-source and public data. Workflow products can be unbundled if interoperability improves. The 2025 10-K states that no customer represented more than 10% of consolidated revenue, limiting single-account concentration, but concentrated buyer categories and procurement pressure still matter.

Geographically, the statutory FY2025 business generated 61% of revenue in the United States, 23% in Europe, 11% in Asia, and 5% in the rest of the world. Those percentages include Mobility and therefore should not be treated as exact continuing-company mix. They nevertheless show that S&P Global is global in operations and customer relevance while still economically anchored in U.S. capital markets. No individual foreign country contributed more than 7% of consolidated revenue.

Competitive and industry structure

The four segments sit in related but distinct oligopolistic markets. Their strongest defenses arise when a product is not merely informative but becomes a shared convention among independent market participants.

Credit ratings have high barriers from reputation, regulatory recognition, issuer coverage, default-history data, analytical talent, and investor acceptance. S&P Global and Moody's are the leading global franchises, with Fitch, DBRS Morningstar, regional agencies, and specialized firms providing competition. Governments may support local agencies or encourage domestic alternatives. The largest risk is not an ordinary price war; it is loss of credibility, adverse regulation, or a change in how investors and regulators use ratings.

Index provision is also concentrated. S&P Dow Jones Indices competes with MSCI, FTSE Russell, Bloomberg, Nasdaq, Morningstar and other specialist providers. Brand recognition is valuable, but ecosystem depth matters more: assets already tracking an index attract liquidity, derivatives, data users, and product innovation, which in turn reinforce adoption. Custom and direct-indexing products broaden the opportunity while making some parts of index design more contestable.

Energy price reporting centers on benchmark acceptance, contributor networks, methodology, editorial independence, and coverage across grades and locations. Platts competes with Argus, Fastmarkets, exchange-derived prices, government data, brokers, and specialist information services. A benchmark gains strength when many contracts reference it, but governance failures or perceived bias could cause users to migrate. CERA's research and data products face a wider set of consultancies, data vendors, and niche experts than the core benchmark franchise.

Market Intelligence operates in the broadest and most competitive arena. Bloomberg, LSEG, FactSet, Morningstar, MSCI, ICE, Moody's, specialist software vendors, and customer-built systems overlap with different portions of the portfolio. No competitor replicates every dataset and workflow, but customers rarely need the entire portfolio from one vendor. S&P Global's advantage is the ability to combine proprietary financial, credit, private-market, commodity, and reference data with delivery platforms and operational software. Its disadvantage is complexity: specialized products may innovate faster, while a large bundle invites procurement scrutiny.

Across all four segments, the company can cross-sell content and reuse identifiers, delivery infrastructure, and customer relationships. Yet regulatory firewalls, licensing restrictions, product-specific workflows, and customer preferences limit the idea of a frictionless common platform. Synergy should be evaluated product by product rather than assumed from the

corporate brand.

Cyclicality

Driver	Most exposed businesses	Mechanism	Natural buffer
Debt issuance and refinancing	Ratings	New-issue rating fees rise and fall with rates, spreads, maturity walls, and risk appetite	Surveillance, entity ratings, and research recur
Equity markets and fund flows	Indices	Asset-linked fees respond to market levels and net flows	Data subscriptions and broad index adoption
Derivatives activity	Indices and Energy	Royalties vary with exchange and benchmark-linked volume	Volatility can support trading even in weak markets
Commodity investment and market complexity	Energy	Budgets, transactions, conferences, and consulting fluctuate	Essential benchmarks and subscriptions remain embedded
Financial-sector hiring and procurement	Market Intelligence	Seat counts, new implementations, and discretionary projects slow	Data feeds and mission-critical workflows renew
M&A and private-market activity	Ratings and Market Intelligence	Financing, valuations, deal data, and advisory demand change	Broad customer and product diversification

Ratings can be the most visibly cyclical because transaction revenue responds quickly to issuance. A high-rate or risk-off environment may delay borrowing; a reopening can produce powerful catch-up issuance as maturities approach. Indices has a different beta: equity appreciation lifts asset-linked fees without new sales effort, while drawdowns reduce revenue quickly. Derivatives volumes sometimes offset this by rising in volatile periods.

Market Intelligence and Energy are more subscription-oriented, but “recurring” should not be confused with guaranteed. Renewal pricing, seat counts, usage, enterprise expansions, and customer budgets still respond to the economy. Their breadth dampens any one shock. At the portfolio level, S&P Global combines cyclical transaction and asset-linked upside with recurring surveillance, subscription, data, and workflow revenue.

Capital allocation and financial posture

The company's cash engine supports dividends, repurchases, acquisitions, debt service, and product investment. In the TTM ended June 30, 2026, S&P Global spent $5.200 billion on repurchases and $1.156 billion on common dividends against $5.573 billion of core free cash flow. Repurchases exceeded free cash flow before considering other financing needs, so the timing and funding source matter. Diluted weighted-average shares fell from 318.9 million in 2023 to 311.9 million in 2024, 305.1 million in 2025, and 296.6 million in H1 2026, demonstrating that buybacks more than offset employee issuance.

At June 30, 2026, before the legal separation took effect, reported cash was $4.134 billion and gross debt excluding leases was $15.170 billion. The balance included $2.0 billion of senior notes issued by Mobility Global in May 2026; those obligations became solely Mobility Global's responsibility after separation. It would be misleading simply to subtract those notes and call the result a complete pro forma balance sheet, because cash allocations, transaction adjustments, taxes, and other separation effects also matter. The key primer point is that the quarter-end statutory debt is not the exact opening debt of continuing SPGI.

The Q2 release said the company expected more than $7 billion of total 2026 repurchases. That signals a shareholder-return priority after the spin, but investors should judge buybacks by price paid, leverage, and alternative reinvestment opportunities rather than by gross dollars. S&P Global also has a long dividend record. Acquisitions remain strategically important: the IHS Markit transaction broadened Energy, Mobility, and Market Intelligence, while later purchases and disposals reshaped the portfolio. The Mobility spin shows management is willing to reverse conglomeration when strategic fit and valuation warrant separation.

Artificial intelligence: opportunity and risk

AI can strengthen S&P Global where proprietary, permissioned, well-structured data are the bottleneck. Kensho LLM-ready APIs position Market Intelligence as a data layer for customer models and agents. The company is consolidating user interfaces and explicitly designing platforms for MCP-connected solutions. In Energy, CERA Titan is described as an AI-native upstream-data product. Across the portfolio, AI can improve search, extraction, entity matching, document analysis, forecasting support, client service, and analyst productivity. It can also make S&P Global's content accessible inside the customer's chosen workflow rather than requiring a user to visit a standalone terminal.

The opportunity is largest when AI increases consumption of proprietary data or lowers the cost of serving customers without weakening controls. A model can synthesize filings, but it still needs normalized historical data, identifiers, estimates, credit histories, benchmarks, and licensing rights. S&P Global can monetize those inputs through feeds and APIs. Ratings and benchmarks may also benefit from productivity tools while retaining human governance and accountability.

The risk is most acute in general research, search, summarization, and desktop workflows. Off-the-shelf models reduce the cost of collecting and processing public information. Customers may build internal assistants that replace some user seats or route around a vendor interface. Competitors can combine foundation models with alternative datasets and create credible products faster. If the value was mainly navigation rather than proprietary content or operational integration, AI can compress pricing.

There are also execution and cost risks. Model inference and data preparation can raise computing expense. Third-party model providers can change price, access, or functionality. Talent is scarce. Hallucination, bias, privacy breaches, copyright claims, and leakage of confidential or licensed data are especially dangerous for a trusted-information company. Regulations are evolving across jurisdictions. Finally, S&P Global must protect its own intellectual property from being used to train competing systems while ensuring that its products do not infringe third-party rights.

The segment-level exposure is uneven. Market Intelligence has the highest combination of opportunity and substitution risk. Energy's proprietary benchmarks and datasets are defensible, while narrative research is more contestable. Indices is protected where licenses and product ecosystems are legally and operationally embedded. Ratings is protected by recognition, process, and accountability, though analytical workflows can become more efficient and alternative credit signals can improve. The durable moat is therefore not “having AI”; it is controlling trusted data and standards that AI systems need permission to use.

What an investor should understand before valuation

S&P Global is not one homogeneous subscription company. Ratings and Indices are high-margin standards businesses with identifiable capital-markets beta. Energy combines benchmark network effects with research, software, and events. Market Intelligence is a scaled data and workflow platform with lower margins, higher complexity, and the greatest scope for AI-enabled distribution and simplification. Mobility's removal sharpens the portfolio toward financial and commodity information, but it also increases dependence on these correlated market ecosystems.

The highest-quality revenue is attached to accepted standards, regulated processes, or deeply embedded operational workflows. The most vulnerable revenue is attached to substitutable research, duplicative datasets, lightly integrated interfaces, or discretionary projects. The investment debate should therefore focus on whether recurring revenue remains mission-critical, whether Market Intelligence can convert breadth into better growth and margins, whether AI increases data consumption faster than it unbundles interfaces, and whether management allocates the prodigious free cash flow at attractive returns.

Source discipline and limitations

Financial figures are anchored to the current run's reconciled `quant_foundation.md`, which passed all eight checks, and the independently sealed `quant_foundation_review.md`. Continuing-company segment taxonomy and FY2025 recast amounts come from S&P Global's SEC-filed July 6, 2026 pro forma and recast release. Business descriptions, customers, revenue types, geographic mix, competition risks, and AI risks are grounded in the 2025 Form 10-K and Q2 2026 Form 10-Q. The Q2 earnings release supplies the latest separation and capital-return context.

- [2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/64040/000006404026000013/spgi-20251231.htm)
- [Q2 2026 Form 10-Q](https://www.sec.gov/Archives/edgar/data/64040/000006404026000045/spgi-20260630.htm)
- [July 2026 pro forma and recast release](https://www.sec.gov/Archives/edgar/data/64040/000110465926080571/tm2619099d2_ex99-1.htm)
- [Q2 2026 earnings release](https://www.sec.gov/Archives/edgar/data/64040/000006404026000040/spgi2q2026-earningsrelease.htm)

Live FMP stable profile and annual product-segmentation calls were also run on September 8, 2026. They reproduced the known limitation documented in the QF: FMP's profile still described the former five-segment company and its FY2025 product endpoint omitted Energy. Those outputs are not used to repair or override official figures. A direct live read of the issuer's

quarterly-earnings landing page failed twice, so the SEC-filed releases are the controlling live primary sources. This limitation does not affect the financial or perimeter conclusions above.

Appendix M - Management Assessment

S&P Global (SPGI) — Management Assessment

Assessment date: September 8, 2026 **Evidence perimeter:** FY2025 Form 10-K, Q2 FY2026 Form 10-Q and earnings materials, 2026 proxy, the DR-cleared `data_package.md`, the QFR-sealed quote and statutory packets, and eight live FMP transcript pulls from Q3 FY2024 through Q2 FY2026. **Management gate: YELLOW.**

This is a credible but not yet proven stewardship team. Cheung and Aboaf executed the Mobility separation, simplified the portfolio, and reduced the share count. The gate remains YELLOW because their in-seat tenure is short, With Intelligence has no observable acquisition return yet, compensation omits ROIC/FCF conversion, and debt-funded buybacks will lift leverage above target. These are monitorable issues, not evidence of untrustworthiness.

1. Who is running the company

Role	Current leader	Tenure and relevant background	Assessment
President and CEO	Martina L. Cheung	CEO since November 1, 2024; joined SPGI in 2010; formerly Chief Strategy Officer and president of both Market Intelligence and Ratings	Deep institutional knowledge; still short on CEO-in-seat proof
CFO and EVP	Eric W. Aboaf	Joined February 19, 2025; formerly CFO/Vice Chairman of State Street, CFO of Citizens, Citi Treasurer, and Bain partner	Strong balance-sheet pedigree; owns current leverage and buyback choices
Ratings president	Yann Le Pallec	Took over when Cheung became CEO; previously led global Ratings Services	Continuity in the core regulated franchise
Indices CEO	Catherine Clay	CEO since November 1, 2025; joined from Cboe, where she led derivatives and data businesses	Relevant market expertise; limited SPGI tenure
Energy president	Dave Ernsberger	Platts veteran since 1996; long operating history across price reporting and trading solutions	Strong domain continuity
Market Intelligence co-heads	Sally Moore and Darren Thomas	Moore leads Kensho Data & Platforms; Thomas leads Enterprise Solutions after Saugata Saha's July 2026 departure	Logical accountability, but another leadership reset to prove
Independent board chair	Lord Ian Livingston	Independent chair since May 7, 2025, after a planned succession from Richard Thornburgh	Clear counterweight to the CEO

The [current leadership roster](https://www.spglobal.com/en/who-we-are/about-sp-global/our-people/our-leadership), [2026 proxy](https://www.sec.gov/Archives/edgar/data/64040/000110465926037380/tm261443-1_def14a.htm), and [CFO appointment release](https://investor.spglobal.com/news-releases/news-details/2024/SP-Global-Appoints-Eric-Aboaf-as-Chief-Financial-Officer/default.aspx) establish the post-spin roles. Neither Cheung nor Aboaf decided the 2022 IHS Markit merger, but they own the inherited portfolio, With Intelligence, the spin, capital returns, and AI/private-markets reinvestment.

The proxy listed eleven directors before William Green's retirement and ten nominees thereafter; all current directors other than Cheung were independent. The roles of chair and CEO are separated, committees are independently chaired, and Hubert Joly and former PwC global chair Robert Moritz joined in 2026. There is no dual-class stock, controlling shareholder, material related-party overhang, or obvious board-wide overboarding problem.

2. Tenure, decisions, and attributable track record

Cheung is long-tenured at SPGI but new as group CEO; prior roles do not substitute for a five-year CEO record. Aboaf's external finance experience is substantial, but his SPGI stewardship record is only now accumulating.

Decision	Ownership and date	Observable outcome through Q2 FY2026	Management reading
Separate Mobility	Cheung team; announced April 2025, completed July 1, 2026	One Mobility Global share distributed for each SPGI share; roughly $2 billion separation dividend; official continuing-company recast published July 6	Strong execution; value creation still needs post-spin FCF and stranded-cost proof

Decision	Ownership and date	Observable outcome through Q2 FY2026	Management reading
Buy With Intelligence	Cheung/Aboaf; closed November 25, 2025 for $1.8 billion	Added a business expected to produce about $130 million of 2025 revenue and high-teens ACV growth; included within MI Platforms	Strategically coherent, but roughly 13.8x expected revenue is a demanding entry price
Reset Market Intelligence and Energy	Cheung team; 2025-2026	Divested OSTTRA, EDM/ThinkFolio and upstream software; reorganized MI; moved supply-chain assets to Energy; launched AI-native product work	Shows willingness to prune rather than defend inherited complexity
Accelerate repurchases	Aboaf/Finance; 2025-2026	$5.0 billion repurchased in 2025; more than $7 billion targeted in 2026; diluted shares fell from 318.9 million in 2023 to 299.95 million TTM	Per-share accountability is real; leverage-funded portion weakens the grade

The [Mobility completion release](https://investor.spglobal.com/news-releases/news-details/2026/SP-GLOBAL-INC--COMPLETES-SEPARATION-OF-MOBILITY-GLOBAL-INC-/default.aspx) merits execution credit: management moved from intent to financing, distribution, and a recast in about fourteen months. Mobility's FY2025 revenue was $1.747 billion and segment profit $378 million, below the margin quality of Ratings and Indices. The unresolved test is whether the spin reduces complexity without recurring dis-synergies and whether the $2 billion dividend is reinvested well.

The [With Intelligence announcement](https://investor.spglobal.com/news-releases/news-details/2025/SP-Global-Agrees-to-Acquire-With-Intelligence-from-Motive-Partners-for-1-8-Billion-Establishing-Its-Leadership-in-Private-Markets-Intelligence/) cited about 3,000 customers, proprietary private-market coverage, and adjusted-EPS accretion expected in 2027. The strategic fit is strong, but the price is high relative to revenue, GAAP EPS was initially dilutive, and management has not disclosed acquired ROIC or stand-alone FCF. Faster integration is not a return calculation.

IHS Markit remains the inherited reference point. The 2022 merger transferred 113.8 million SPGI shares and recorded roughly $43.5 billion of consideration in the [SEC purchase-price disclosure](https://www.sec.gov/Archives/edgar/data/64040/000006404025000052/R11.htm). Revenue grew from $8.297 billion in 2021 to $15.336 billion in 2025, but goodwill-inclusive ROIC fell from 29.3% to 6.6% and recovered only to 9.2%. Cheung deserves credit for pruning the resulting complexity, while remaining accountable for improving acquisition returns.

3. Capital allocation and per-share accountability

The DR-cleared data package provides the required five-year history. R&D is embedded in segment expenses and is not separately disclosed; zero in a data feed would not mean zero reinvestment.

Fiscal year	Capex ($B)	Capex / revenue	Buybacks ($B)	Dividends ($B)	Net cash M&A ($B)
2021	0.035	0.4%	0.000	0.743	0.083
2022	0.089	0.8%	12.004	1.024	(3.719)
2023	0.143	1.1%	3.301	1.147	(0.718)
2024	0.124	0.9%	3.301	1.134	0.137
2025	0.195	1.3%	5.001	1.170	2.023

Capex is consistent with an asset-light information-services model. AI, data, software, product, and talent investment runs mainly through operating expense. Management targets 20% productivity gains on the Enterprise Data Office's roughly $0.5 billion cost base, with savings recycled into products. Because R&D is not separately disclosed, investors cannot reconcile AI spending, savings, and product returns. Capex consistency passes; investment-return disclosure does not.

TTM operating cash flow was $5.729 billion. After $156 million of capex and $315 million of distributions to noncontrolling interests, issuer-defined FCF was $5.258 billion, or 106.8% of attributable net income. This supports meaningful repurchases without chronic dilution. Actual common shares fell from 318.9 million in 2023 to 294.8 million at June 30, 2026, more than offsetting employee issuance. That is genuine per-share delivery.

The concern is the 2026 financing choice. Most of the $2 billion Mobility dividend and roughly $2 billion of additional debt will fund repurchases; only about $500 million goes to debt retirement. Expected year-end gross leverage of 2.7-2.8x exceeds the 2.0-2.5x target until end-2027. Management gave no explicit buyback valuation hurdle or IRR. Aboaf said weak stock performance and accretion informed timing, but borrowing beyond target while With Intelligence is still integrating prevents a PASS.

4. Compensation and ownership alignment

The 2026 proxy is strong on formal governance and incomplete on economic capital discipline.

Element	2025-2026 design	Gideon assessment
CEO pay mix	Approximately 92% variable/at risk	Strong pay leverage
Annual incentive	70% company objectives and 30% individual goals; financial measures use adjusted revenue and adjusted EBITA margin	Objective, but 2026 raised revenue's weight to 70% of financial metrics and cut margin to 30%
Long-term incentives	Generally 70% PSUs and 30% RSUs; PSU payout based on three-year cumulative adjusted EPS; maximum 200%	Multi-year and per-share, but no ROIC, FCF conversion, or relative TSR gate
Ownership	CEO guideline 7x salary, CFO 4x, other covered executives 3x; 100% retention until met	Strong formal alignment, though unvested RSUs count
Risk controls	Three clawback policies; anti-hedging and anti-pledging rules; no excise-tax gross-ups	Strong

Cheung received $12.831 million of reported 2025 compensation and a 108.68% annual-incentive payout. The proxy showed 25,196 shares under sole voting/investment power on March 2, 2026; a live FMP stable insider-trading pull then recorded her open-market purchase of 2,322 shares at $429.93 on April 29, bringing the reported holding to 27,518. Aboaf held only 1,311 shares at the proxy date, understandable for a recent hire but not yet owner-operator depth. The same live FMP search showed no open-market sale transaction among the 100 most recent SPGI insider records; purchases by Cheung, Catherine Clay, Hubert Joly, and Robert Moritz are a favorable, if modest, signal.

Fiscal year	Stock-based compensation ($M)	Revenue ($M)	SBC / revenue
2021	122	8,297	1.47%
2022	214	11,181	1.91%
2023	171	12,497	1.37%
2024	247	14,208	1.74%
2025	236	15,336	1.54%

SBC is controlled and repurchases more than cover issuance. The problem is not dilution abuse; it is metric selection. Adjusted EPS can improve through debt-funded buybacks and acquired accretion even when acquisition-inclusive ROIC remains mediocre. Increasing the annual revenue weight makes that blind spot larger. The 2025 Say-on-Pay vote received only 68.8% support versus roughly 96% a year earlier, primarily because of enhanced severance for former MI president Adam Kansler. The board expanded shareholder outreach and stated the arrangement was singular, but the episode shows why one-time discretion deserves continued scrutiny.

5. Disclosure quality, candor, and guidance discipline

I reviewed eight live FMP transcripts fetched on September 8, 2026: Q3 FY2024 through Q2 FY2026. Management used "headwind" in every quarter, forty-five times in aggregate, but generally attached the word to a named driver: smaller-client cancellations, pricing pressure, tariff uncertainty, lower loan activity, Energy renewal flexibility, or geopolitical disruption. The evidence is therefore not a pattern of hiding contraction behind euphemism. Voluntary detail improved under Cheung/Aboaf, including organic ACV ranges, subscription growth, net-retention direction, issuance volumes, AI customer counts and API usage. Absolute retention, product-level AI revenue, and renewal pricing remain undisclosed.

Quarter	Load-bearing challenge	Response quality
Q3 FY2024	Analyst called MI execution "choppy"	Cheung acknowledged cancellations, pricing pressure, budget tightening and longer sales cycles; she did not identify a trough
Q4 FY2024	Asked for exact MI ACV and go-to-market change	Gave one-to-two points of faster revenue-growth contribution and explained simplification; still did not publish absolute ACV
Q1 FY2025	FCF guidance fell more than revenue/margin	Aboaf cited tax and working-capital timing but did not quantify the bridge; weakest answer in the set
Q2 FY2025	Asked to quantify private-credit monetization	Cheung declined an unreliable denominator, then named Ratings, valuation and index use cases; candid but incomplete

Quarter	Load-bearing challenge	Response quality
Q3 FY2025	Challenged AI defensibility and With Intelligence	Management decomposed proprietary data versus embedded workflows and promised acquisition/divestiture clarity in 2026 guidance
Q4 FY2025	Asked whether AI was taking client wallet share	Aboaf said no cancellations or pricing issue and quantified roughly 80 bps of investment/With Intelligence effect plus about 50 bps of variable-revenue effect
Q1 FY2026	Asked whether MI ACV had decelerated	Aboaf acknowledged about 6%, described it as within the recent range, and forecast acceleration
Q2 FY2026	Confronted that the promised MI acceleration had not appeared	Management admitted 6% subscription growth and lagging consulting/sustainability, but pivoted to margin and future restructuring; this was only partly direct

Guidance discipline is above average, not flawless. Management reduced FY2025 revenue, margin, and FCF expectations when tariffs and markets changed, then raised or tightened outlook as visibility improved. In 2026 it raised revenue, margin, EPS, and repurchase expectations following strong benchmark activity. Most importantly, it identified mixed signals rather than presenting a straight-line story: record Ratings and Indices activity alongside MI sales-cycle elongation and Energy renewal pressure. The Q1-to-Q2 MI acceleration miss is the main credibility blemish. It is bounded and explicitly visible, but it raises the burden of proof for the new MI operating model.

6. Strategic coherence, culture, and succession

Management defines the company around “Advancing Essential Intelligence.” The [2025 Investor Day](https://investor.spglobal.com/news-releases/news-details/2025/SP-Global-to-Present-Next-Phase-of-its-Growth-Strategy-and-Medium-Term-Financial-Targets-at-Investor-Day-2025/default.aspx) translated that mission into three durable objectives: strengthen market leadership, expand into private markets and energy, and scale enterprise data/AI capabilities. The investment pattern matches those priorities. With Intelligence and private-credit indices target private markets; datacenterHawk, 451 Research and Platts target data-center/energy intersections; Kensho APIs, MCP tools and platform consolidation target AI-native distribution; the Mobility spin and software divestitures remove weaker-fit assets.

This is not a sequence of unrelated pivots. It is a coherent attempt to concentrate on proprietary benchmarks, data and embedded workflows. Management also names threats directly: customer AI-budget scrutiny, vendor consolidation, price sensitivity, smaller-product weakness, workflow substitution, and geopolitical pressure on renewals have all appeared in calls. The risk is that “AI” becomes a label for both spending and savings without segment-level return evidence. More than 500 API customers and fivefold sequential call volume by Q2 are adoption signals, not monetization proof.

Culture and succession are mixed-positive. Cheung’s internal promotion, Le Pallec’s step into Ratings, and Ernsberger’s long Platts tenure indicate a development bench. The clean CEO transition from Doug Peterson and rapid appointment of Mobility’s board and executive team are positive. Conversely, MI has moved from Adam Kansler to Saugata Saha and now to two co-heads, while Indices also changed CEOs. Saha’s departure shortly after Investor Day and during With Intelligence integration creates key-person and execution risk. The board’s formal annual succession review and independent chair reduce that risk, but the stability of the new MI team must be demonstrated.

7. Governance flags

Governance does not block investment. The proxy discloses a written related-person transaction policy and no material current transaction requiring a negative conclusion. The SPDJI relationship with 27% minority owner CME is economically significant but transparent; the $5.024 billion redeemable NCI claim and related distributions are separately reported. There is one vote per common share, no controlling holder, annual director elections, majority voting, proxy access, and no supermajority requirement to amend governing documents.

The [FY2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/64040/000006404026000013/spgi-20251231.htm) states that management and EY found internal control effective, identified no material weakness, and issued unqualified opinions. No restatement or current enforcement event emerged from the reviewed filings. EY has been auditor since 1969, an unusually long tenure; the audit committee ran a competitive RFP in 2023 and retained EY, with a new lead partner for 2026. That is acceptable oversight but remains a reason for audit-committee vigilance.

8. Peer comparison

Peer leader	Relative capital stewardship	Relative communication/governance	SPGI rank today
Rob Fauber, Moody's CEO since 2021	Cleaner five-year CEO record in the closest Ratings/data peer; less post-megamerger pruning burden	Similar institutional disclosure	Cheung ranks slightly below until returns are proven
Henry Fernandez, MSCI CEO since 1998	Far longer record of capital-light per-share compounding	SPGI's separate independent chair is structurally stronger than MSCI's combined chair/CEO	Fernandez ahead on stewardship; SPGI ahead on board form
Terry Duffy, CME CEO through early 2027	Decades of exchange consolidation and benchmark expansion provide much deeper proof	SPGI has cleaner chair/CEO separation and less leader concentration	Duffy ahead on record; SPGI governance more balanced

The peer facts come from [Moody's](https://ir.moodys.com/corporate-governance/executive-management/default.aspx), [MSCI](https://ir.msci.com/management/henry-fernandez), and [CME](https://investor.cmegroup.com/news-releases/news-release-details/cme-group-terry-duffy-will-step-down-chief-executive-officer-and). Among these alternatives, SPGI ranks fourth on proof and near the top on formal governance.

9. Management gate verdict and triggers

VERDICT: YELLOW. The team is investable but unresolved. Cheung and Aboaf have delivered the Mobility separation, credible portfolio pruning, improving candor, strong cash conversion, falling share count, and sound minority-shareholder governance. The gate does not reach PASS because their tenure is short, IHS Markit returns remain below a mid-teens goodwill-inclusive ROIC standard, With Intelligence was purchased at a demanding revenue multiple, incentives do not measure ROIC/FCF, and 2026 buybacks deliberately push leverage above target. This is not a FAIL because there is no serial unbounded M&A pattern under the current team, chronic dilution, control weakness, evasive guidance culture, or governance overhang.

Upgrade to PASS if: (1) continuing-company organic revenue, MI subscription growth, and adjusted margin meet the medium-term path without material spin dis-synergies; (2) With Intelligence/private-markets and AI products produce disclosed ACV or revenue/FCF contribution and acquisition-inclusive ROIC moves toward 15%; and (3) gross leverage returns to 2.0-2.5x by end-2027 while repurchases continue to reduce diluted shares without further debt-funded acceleration.

Downgrade to FAIL if: (1) management undertakes another large acquisition before demonstrating returns on IHS Markit and With Intelligence; (2) leverage remains above target or buybacks preserve adjusted EPS while organic growth and ROIC stall; or (3) the new MI structure suffers customer disruption, repeated guidance misses, or continued leadership churn and management stops quantifying the load-bearing issues.

Source record

- DR-cleared `data_package.md`, Sections 7-9; QFR-sealed `quote_packet.json` and `statutory_bridge.json`, all in the current workdir.
- Live FMP stable transcripts saved as `raw/SPGI_M_20260908_transcript_2024_Q3.json` through `raw/SPGI_M_20260908_transcript_2026_Q2.json`.
- Live FMP stable insider search saved as `raw/SPGI_M_20260908_insider_trades.json`.
- Official primary sources linked above: 2026 proxy, FY2025 10-K, current leadership, Investor Day, Mobility completion, With Intelligence, and peer leadership pages.

Appendix W - Moat and 2046 Durability

S&P Global — Moat and 2046 Durability

Assessment date: 2026-09-08 **Financial anchor:** TTM ended 2026-06-30; forward-model horizon 2031-06-30 **Perimeter:** continuing S&P Global after the 2026-07-01 Mobility separation **Evidence boundary:** DR-cleared `data_package.md`, QFR-sealed statutory bridge, current-run live FMP stable statements and transcripts, and S&P Global filings with the SEC. The [2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/64040/000006404026000013/spgi-20251231.htm), [Q2 2026 Form 10-Q](https://www.sec.gov/Archives/edgar/data/64040/000006404026000045/spgi-20260630.htm), [Q2 2026 earnings exhibit](https://www.sec.gov/Archives/edgar/data/64040/000006404026000040/spgi2q2026-earningsrelease.htm), and [July 2026 recast exhibit](https://www.sec.gov/Archives/edgar/data/64040/000110465926080571/tm2619099d2_ex99-1.htm) control over interpretation. Quantitative assertions below use the sealed historical perimeter or the explicitly labeled continuing-company recast.

1. Moat taxonomy applied

Network effects — strong, but concentrated. S&P Global has genuine standards-network effects in Ratings, Indices, and the Platts portion of Energy. A credit opinion becomes more useful when issuers, investors, mandates, risk systems, and regulators recognize the same rating scale. An index becomes harder to displace after funds, derivatives, liquidity, performance histories, and client reporting all accumulate around it. A commodity assessment becomes more valuable when physical contracts, exchange products, and risk systems reference the same price. These are not consumer-style networks in which each new user directly improves the product; they are coordination networks in which adoption reduces the cost and risk of using a common standard. Market Intelligence has data-density and cross-product benefits, but its network effect is much weaker because a client can multi-source data and workflows.

Switching costs — high in embedded products, moderate in desktops. Ratings are embedded in financing processes and ongoing surveillance; indices in fund prospectuses, investment mandates, derivatives, tax-sensitive portfolios, and performance histories; Platts assessments in commercial contracts and hedging systems. Market Intelligence creates real migration costs through identifiers, historical series, spreadsheet links, APIs, data warehouses, permissions, regulatory workflows, and user training. Yet a desktop interface or generic research workflow is replaceable once an alternative model can access equivalent licensed data. The distinction is crucial: the durable asset is the permissioned data and operational dependency, not the screen through which it is viewed.

Scale economies — very strong. Methodology, compliance, price reporting, index calculation, data normalization, cyber defense, and global sales are largely fixed or semi-fixed costs. A benchmark, rating framework, or normalized dataset can be distributed repeatedly at low marginal cost. The TTM continuing-company operating margin of about 48% and the 66%-69% recast margins in Ratings and Indices demonstrate scale, not merely a narrative claim. Scale also funds coverage breadth that a niche entrant cannot quickly reproduce. However, cloud inference, third-party data, regulatory compliance, and expert labor prevent marginal cost from falling to zero.

Brand and reputation — strong where trust is the product. The S&P name matters most when market participants must defend a choice to boards, regulators, clients, or counterparties. The S&P 500, S&P credit ratings, and Platts benchmarks carry accumulated trust and familiarity that ordinary marketing cannot recreate. Brand is less protective in Market Intelligence, where buyers compare functionality, data rights, service, and price. Reputation is therefore both moat and single-point fragility: a manipulation scandal, systematic ratings failure, index-governance error, or loss of confidential information could destroy the very trust that supports premium economics.

Regulatory position — barrier and leash, not a free franchise. Ratings operates within NRSRO and international supervisory regimes; Indices and Energy maintain regulated benchmark-administrator and IOSCO-aligned control frameworks. Those obligations raise entry costs and make institutional buyers prefer proven operators. They do not guarantee demand. Regulators can reduce reliance on ratings, impose rotation or remuneration rules, encourage local agencies, regulate benchmark pricing, or suspend permissions. The 10-K explicitly notes SEC authority to censure, limit, suspend, or revoke an NRSRO registration and increasing benchmark regulation. Regulation strengthens incumbent advantage only while governance remains unimpeachable.

Intellectual property and proprietary data — strong but uneven. Index methodologies, ratings histories, entity identifiers, private-market data, credit content, commodity-assessment histories, contributor relationships, and normalized data models are difficult to reproduce lawfully and quickly. Patents are not the principal defense. The more important protections are

copyright and contract rights, provenance, permissions, longitudinal consistency, and expert processes. Public filings and public prices are not scarce; a clean, linked, audit-ready history delivered under enterprise rights is. Third-party data dependence is a counterweight: the 10-K warns that suppliers can restrict access, raise fees, terminate agreements, or compete with S&P Global.

High-trust procurement — strong. Banks, asset managers, issuers, exchanges, commodity firms, governments, and regulators buy products whose errors can create financial, legal, or conduct risk. Technology, compliance, procurement, risk, and end users often must all approve a replacement. This favors incumbents with resilient delivery, audit trails, global support, and credible controls. It does not protect discretionary research, conference revenue, lightly integrated seats, or redundant datasets from budget cuts.

2. Per-segment moat

Segment	Moat and durability	What breaks it	Earliest observable sign
Ratings	Global acceptance, default histories, analytical coverage, regulatory status, issuer relationships, and recurring surveillance form a 20-year moat. S&P held 49.2% of all NRSRO ratings outstanding at 2025 year-end, but its 2025 U.S. CLO coverage fell as Fitch gained: scale is formidable, not absolute.	Loss of credibility or registration; regulation reducing ratings reliance; private-credit growth bypassing rated markets; sustained share loss to Moody's, Fitch, DBRS, or supported local agencies	Transaction revenue underperforms issuance for several quarters; non-transaction revenue or contract terms weaken; material enforcement or methodology failures
Indices	Flagship brands, installed AUM, derivatives liquidity, governance, and long performance histories create the strongest 20-year network effect in the group.	Direct indexing or custom benchmarks erode mass-market licenses; a major sponsor or exchange migrates; regulatory fee intervention; calculation/governance failure	Net flows and AUM tied to S&P indices lag peers after controlling for markets; asset-linked take rates fall; derivative volume migrates
Energy	Platts has a 20-year standards moat in accepted price assessments, contributor networks, methodology, and contract references. CERA research, upstream data, software, consulting, and events have roughly 5-10 year, execution-dependent advantages.	Market participants adopt an exchange, government, or rival assessment; confidence in independence is impaired; Argus, Fastmarkets, ICE/CME, or niche data firms win benchmark relevance	Platts subscription and royalty growth decouple negatively from commodity activity; repeated price concessions; contracts stop referencing Platts
Market Intelligence	Proprietary and permissioned data, identifiers, embedded feeds/APIs, regulatory workflows, and migration risk support a 5-10 year moat. Generic search, summarization, desktop navigation, and duplicative data are not 20-year moats.	AI agents obtain equivalent licensed data elsewhere; customers consolidate vendors or build internally; specialist products out-innovate the bundle; data suppliers restrict rights	ACV falls below mid-single digits, absolute retention deteriorates, platform seats shrink faster than API/data revenue grows, or AI monetization remains limited to anecdotes
Mobility	Mobility separated on 2026-07-01 and contributes zero to continuing SPGI operating profit. Its automotive-data advantages no longer support or dilute the continuing-company moat.	Separation dis-synergies or stranded costs damage the four retained divisions	Continuing margin and cross-sell disappoint despite the official recast; TSA or allocation costs persist

Ratings scale and the contrary CLO-share evidence come from the SEC's current [NRSRO statistics](https://www.sec.gov/data-research/statistics-data-visualizations/nationally-recognized-statistical-rating-organizations-nrsros) and [2025 NRSRO staff report](https://www.sec.gov/files/2025-ocr-staff-report-compliant-4-24-26.pdf).

The blended moat is weaker than Ratings or Indices viewed alone, but the profit mix is better than the revenue mix suggests. On the continuing TTM recast, Ratings and Indices generated about 68% of segment profit on roughly half of pre-elimination division revenue. Including Platts and distribution of ratings content, management characterized benchmark businesses as nearly two-thirds of revenue and more than 80% of operating profit in the Q2 call. That claim is not a disclosed audited product-profit table, so it should not replace the sealed segment bridge, but it correctly identifies where the economics reside. The post-Mobility company is more concentrated in trusted standards and therefore more durable; it is also more exposed to correlated capital-market activity and to one class of failure—loss of confidence in benchmark governance.

3. Margin persistence evidence

The ten-year consolidated series is directionally supportive but not cleanly comparable because the IHS Markit merger, divestitures, acquisition accounting, restructuring, and the former Mobility perimeter changed the company. The 2016 peak is not an appropriate steady-state anchor. The post-merger trough and recovery are more informative than a simple average.

Fiscal year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Consolidated operating margin	59.0%	42.6%	44.6%	48.2%	48.6%	50.9%	44.2%	32.2%	39.3%	42.2%

Segment operating margin	FY2021	FY2022	FY2023	FY2024	FY2025	Continuing TTM recast
Ratings	64.2%	54.8%	55.9%	61.9%	63.8%	65.6%
Indices	69.5%	69.2%	65.9%	67.8%	68.7%	68.5%
Energy	53.8%	35.1%	36.2%	39.4%	41.0%	40.2%
Market Intelligence	30.9%	65.3%*	16.3%	18.8%	20.2%	23.4%

*FY2022 Market Intelligence profit is issuer-reported but event-distorted and is not a normalized anchor.

Ratings held a mid-50s margin even through the 2022 issuance contraction and returned to the mid-60s as volumes recovered. Indices stayed between roughly 66% and 70% across five years. That is unusually strong evidence that accepted standards, not temporary capacity scarcity, support the profit pool. Energy's post-merger margin expanded from 35% to about 40%, but recent CERA and renewal headwinds show that only Platts merits the strongest moat label. Market Intelligence's recovery from 16% to 23% shows scale benefits, not yet a cycle-tested proof of durable pricing. Continuing-company TTM operating margin was about 48%, above FY2025's 42%, partly because lower-margin Mobility left the perimeter. Overall margin evidence supports PASS, with explicit reservations around mix and comparability.

4. AI disruption stress test

Market Intelligence is most exposed. Search, document summarization, comparable-company work, basic modeling assistance, and navigation are prompt-to-output workflows. A foundation model with access to the same lawful data can reproduce much of that user experience, and an incumbent terminal is no longer the only convenient interface. S&P Global's defense must therefore be control of clean, permissioned, proprietary data; identifiers and lineage; enterprise entitlements; integration into risk and operational systems; and the right to serve the same data through APIs and customer agents. Early evidence is encouraging but not decisive: the current-run Q1 transcript reported more than 300 Kensho LLM-ready API customers or trials, sharply higher API calls, higher growth and retention in AI cohorts, and two clients accepting 35%-45% renewal increases for AI-ready access. Q2 said MI ACV among AI customers grew faster and retention continued to improve. These are selected cohorts and isolated deals, not a disclosed company-wide retention series.

Ratings is protected by accountable judgment. AI can gather evidence, detect anomalies, draft committee materials, and improve monitoring. It cannot by itself reproduce the legally governed process, surveillance responsibility, conflict controls, published methodology, and market acceptance attached to an S&P rating. Alternative credit signals can pressure ancillary analytics and change how analysts work, but a generated score is not automatically a recognized opinion. Ratings is chokepoint-like institutional infrastructure, subject to reputational rather than compute scarcity.

Indices is the most protected segment. AI can design portfolios or custom indices cheaply, but it does not migrate trillions of dollars, rewrite prospectuses, create derivatives liquidity, preserve a multi-decade performance history, or assume benchmark-administrator accountability. Direct indexing enlarges the custom-design market while potentially reducing the value of generic index IP. The durable economics lie in licensed standards, governance, calculation, distribution, and installed assets—not in the mathematical difficulty of index construction.

Energy splits in two. AI can summarize energy research, automate upstream analysis, and challenge portions of CERA, software, and advisory work. It cannot make a price assessment into a trusted contractual reference merely by predicting a price. Platts' contributor relationships, editorial process, history, independence, and use in physical and derivative contracts are the defense. CERA Titan and other AI-native tools can improve distribution, but the moat survives only if they increase use of proprietary data rather than turn research into a cheaper commodity.

S&P Global is also platform-adjacent: models and agents need structured, licensed data and audit trails. If customers shift from seats to machines, API consumption can become a new distribution layer. The downside is that model and cloud providers may own the interface, compress vendor visibility, raise inference costs, or bargain for wholesale data access. The key monitor is revenue per data entitlement and retention across the whole book, not the number of AI demonstrations.

5. The 2046 test

Date test: 2026-09-08 plus twenty years is 2046-09-08.

Plausible 2046 business description. S&P Global provides governed credit opinions and surveillance, licenses financial and commodity benchmarks, calculates and administers indices, and supplies permissioned public- and private-market data through APIs, agent protocols, and embedded enterprise systems. Issuers and lenders pay for ratings and surveillance; investors, banks, insurers, regulators, and risk teams consume the resulting standards; ETF sponsors, exchanges, asset owners, and wealth platforms license index intellectual property; commodity producers, traders, utilities, exchanges, and governments reference Platts assessments and forward curves; and financial institutions license normalized data, identifiers, private-market content, and auditable workflows. Ratings has expanded further into private credit and emerging-market coverage. Indices spans public, private, customized, and directly implemented portfolios. Energy covers hydrocarbons alongside power, carbon, critical minerals, hydrogen, and supply chains. Market Intelligence no longer depends primarily on a desktop; it is a machine-consumable data and control layer. Mobility remains absent.

Directionally, the 2046 operating margin is stable to modestly higher than the roughly 48% continuing-company TTM level. Mix shifts toward standards and automated delivery, while heavier cyber, model-governance, data-rights, and regulatory costs limit expansion. The business still earns high returns because customers coordinate around accepted standards and because replacing governed histories, licenses, contractual references, liquidity, and embedded data lineage is much harder than generating an answer. This is specific enough to pass: the same customers still pay for recognizable products, even though the delivery interface changes completely.

2046 erosion case. Market Intelligence desktops and general research are unbundled by AI-native platforms; suppliers or courts narrow S&P's data rights; private lending reduces the share of debt that seeks public ratings; regulators reduce issuer-paid rating economics or mandate rotation; direct indexing weakens asset-linked fees; and an integrity or cyber event causes contracts to migrate from an S&P rating, index, or Platts assessment. In that world SPGI remains a useful data vendor but loses standard-setting power, consolidated margins fall toward the low-to-mid 30s, and returns on acquired intangibles remain mediocre. The full bear combination is a minority outcome—roughly 20%-25% over twenty years—but a single severe trust failure has fat-tailed consequences. AI commoditization of parts of Market Intelligence is more likely than the collapse of Ratings, flagship indices, or Platts.

6. Competitive threat inventory

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
AI-native workflow unbundling	Models replace research/navigation and shift value to raw licensed data; clients reduce seats or build internally	Market Intelligence; CERA	ACV below mid-single digits; platform contraction; retention decline; API growth fails to offset seats	High for workflows; medium for total segment economics
Regulatory or trust reset	Rules reduce ratings reliance or fees; benchmark governance failure, manipulation allegation, or litigation impairs acceptance	Ratings; Indices; Platts	Adverse enforcement, methodology error, mandate changes, sponsor/exchange migration, contract de-referencing	Low-frequency, very high severity
Rival or client-owned ecosystems	Moody's/Fitch/local agencies, MSCI/FTSE/Bloomberg, Argus/Fastmarkets, exchanges, banks, and asset managers bundle competing data and standards	All four	Share loss unexplained by mix, price compression, supplier restrictions, landmark contract losses	Medium

7. Pricing power verification

Pricing power is observable but not uniformly disclosed. Ratings said 2024 and 2025 transaction and non-transaction growth benefited from improved contract terms, while its margin returned to 64%-66%. Indices grew FY2025 revenue 14% and Q2 2026 revenue 20%, with an approximately 69%-72% adjusted margin range, but asset values, flows, and trading volumes explain much of the increase; there is no clean company-disclosed price bridge. Energy expanded products under enterprise-use contracts and grew Platts-related royalties, but Q2 management deliberately offered affected customers flexibility on price and terms during the Iran conflict. That is evidence of customer stewardship, not current-period pricing strength.

Market Intelligence subscription revenue grew 6% in recent quarters, ACV was about 6%, and net renewal indicators improved. AI-ready data produced striking price examples, but two 35%-45% renewal increases cannot establish broad adoption. The company does not disclose absolute gross retention, net retention, a five-year ACV series, product-level gross margin, standard contract duration, minimum commitments, or a company-wide price-versus-volume split. Therefore the

strongest pricing-power conclusion belongs to standards where margins and contract embeddedness corroborate it; MI pricing remains a monitored proposition.

8. Moat verdict

Moat gate: PASS. Ratings, Indices, and Platts are accepted, governed standards with observable network effects, switching costs, pricing resilience, and extraordinary margins. The weaker Market Intelligence workflows do not negate the gate because the strongest franchises dominate continuing-company profit, while proprietary data, APIs, identifiers, and enterprise integration give MI a defensible—though not impregnable—core. Mobility's separation improves the profit-weighted moat mix but increases concentration in market-sensitive standards.

2046 test: PASS. A credible 2046 S&P Global still sells ratings and surveillance, licenses index and commodity benchmarks, and supplies permissioned data to human and machine workflows; named customers still pay because governance, legal rights, histories, contractual references, and installed ecosystems cannot be recreated by a prompt. The most important fragility is trust: a ratings, benchmark, cyber, or data-rights failure can collapse coordination value faster than ordinary competition. Disconfirming evidence would be sustained share loss after adjusting for market volumes, weakening non-transaction Ratings growth, landmark index or Platts migrations, MI retention/ACV deterioration despite AI adoption, or a continuing margin fall below 40% without a cyclical explanation.

Appendix B1 - Market Intelligence

Market Intelligence — Segment Deep Dive

Company: S&P Global **Forecast anchor:** TTM ended 2026-06-30 **Forecast horizon:** 2031-06-30, exactly 5.0 years
Currency: USD billions unless otherwise stated **Exact forecast profit basis:** `Segment operating profit`
Continuing-company recast profit label at the anchor: `Pro forma recast operating profit`

0. Segment boundary and taxonomy note

Market Intelligence has a material taxonomy break at July 1, 2026, immediately after the Mobility separation. The July recast transferred 451 Research, Maritime & Trade, and supply-chain products from Market Intelligence to Energy, moving $226 million of FY2025 revenue on the issuer's adjusted-as-recast product view. Market Intelligence was simultaneously reorganized into Kensho Data & Platforms and Enterprise Solutions. Accordingly, FY2021-FY2025 statutory history below is preserved as reported, but the forward model begins with the four recast quarters ending June 2026: $4.853 billion of revenue and $1.135 billion of `Pro forma recast operating profit`. It does not compare old-taxonomy dollars with the new boundary without an explicit bridge. The exact common sealed basis remains `Segment operating profit`; the pro forma recast label is the continuing-company version of that basis, not a non-GAAP adjusted-margin measure. [data_package §1, paragraphs 1-3; §3a, continuing-company perimeter overlay, Market Intelligence row]

1. What this segment actually is

Market Intelligence sells financial and business information used inside recurring research, investment, risk, valuation, origination, portfolio-management and data-governance workflows. It is not simply a desktop-terminal vendor. Its economics span human-facing platforms such as S&P Capital IQ Pro; data feeds, APIs and cloud delivery used inside customer systems; and enterprise workflow applications that structure, reconcile or analyze client and third-party data. The post-spin operating structure calls these families Kensho Data & Platforms and Enterprise Solutions. [data_package §1, paragraph 1; §6, Market Intelligence rows 333 and 332]

The customer base includes investment banks, asset managers, private-equity and private-credit firms, wealth managers, insurers, commercial banks, corporations, professional-services firms and public-sector users. A sell-side analyst may consume standardized financials, estimates, transactions, filings and news through Capital IQ Pro. A bank or asset manager may license reference, pricing, ownership or credit data through a feed. A private-markets investor may combine private-company financials, fund and allocator intelligence, mandates and manager information. Enterprise clients use workflow tools to move information among front, middle and back offices. The product is therefore a combination of proprietary data, normalized identifiers, software, distribution rights and domain-specific workflow design.

The central platform advantage is breadth across public and private companies, securities, estimates, ownership, transactions and sector-specific content. S&P's current Capital IQ Pro page describes coverage of more than 109,000 public companies, more than 60 million private companies, more than 110,000 PE and VC funds, over 200 million Visible Alpha estimate data points, 29 million-plus government, supranational, agency and corporate securities, and more than 1.2 million M&A transactions. These are product-marketing claims rather than audited segment KPIs, but they illustrate why a client pays for integrated access rather than assembling dozens of raw sources. [S&P Capital IQ Pro product page](https://www.spglobal.com/market-intelligence/en/solutions/products/sp-capital-iq-pro)

Pricing is predominantly contractual and recurring. FY2025's old-taxonomy revenue mix was $4.107 billion subscription, $0.623 billion recurring variable and $0.186 billion non-subscription. Subscription contracts monetize seats, modules, datasets, feeds or enterprise entitlements. Recurring-variable revenue is repeat-oriented but moves with customer activity, usage or market-linked measures; it should not be treated as fixed subscription revenue. Non-subscription includes one-time and other work. [data_package §4, product table rows 210-212]

Go-to-market is both product-led and relationship-led. Desktop users can begin with a platform license, then add industry datasets, estimates, private-market modules, AI functionality or delivery through Excel, APIs and cloud channels. Enterprise sales are more complex: deployment, entitlements, data lineage, identifiers, integration and compliance create longer sales cycles, but they also make displacement costly once the data is embedded. The post-spin organization is trying to make this cross-sell more deliberate by placing Kensho Data & Platforms beside Enterprise Solutions while moving clearly energy-oriented intelligence into Energy.

Private markets are an extension of the same model rather than a separately disclosed revenue stream. With Intelligence adds directly sourced allocator intentions, manager and fund information, live mandates, forward-looking editorial coverage, private-wealth intelligence and relationship data. S&P has integrated foundational With Intelligence content into Capital IQ Pro while retaining a premium offering. The strategy is economically sensible: public-company and transactions data help source and value an asset; private-company, fund and allocator data help raise capital, source deals, benchmark funds and plan exits. S&P says With Intelligence data are now available inside Capital IQ Pro and highlights direct relationships across alternatives, including allocator-sourced intentions. [S&P private-markets integration page](https://www.spglobal.com/market-intelligence/en/campaigns/private-markets-on-sandp-capital-iq-pro) [S&P With Intelligence page](https://www.spglobal.com/market-intelligence/en/solutions/products/with-intelligence)

AI changes distribution as much as functionality. Capital IQ Pro includes ChatIQ, Document Intelligence and Chart Explainer, while the S&P Global AI Data Portal delivers Deterministic Retrieval, formerly the Kensho LLM-ready API, and Adaptive Retrieval through APIs, connectors and MCP infrastructure. This allows S&P data to appear inside a client's copilot, agent, Excel workflow or internal research system. The favorable interpretation is that AI makes trusted, permissioned, source-cited data more useful and expands consumption beyond named desktop users. The adverse interpretation is that the interface becomes commoditized: customers may not need as many proprietary desktop seats if generic agents can assemble answers across licensed and public sources. [S&P AI-ready data page](https://www.spglobal.com/market-intelligence/en/solutions/artificial-intelligence/ai-ready-data)

2. Current economics

The statutory old-taxonomy segment generated $4.916 billion of FY2025 revenue, up 5.8%, and $0.991 billion of `Segment operating profit`, a 20.2% margin. Statutory TTM revenue was $5.086 billion and `Segment operating profit` was $1.245 billion, but that perimeter still included products later transferred to Energy. [data_package §3, Market Intelligence rows; §0a KPI table, Market Intelligence row; §3a TTM bridge, Market Intelligence row]

The correct continuing perimeter is the recast quarterly revenue series: $1.183 billion, $1.211 billion, $1.224 billion and $1.235 billion from Q3 2025 through Q2 2026, totaling $4.853 billion. Matching `Pro forma recast operating profit` is $0.253 billion, $0.204 billion, $0.407 billion and $0.271 billion, totaling $1.135 billion. The current margin on the exact recast statutory segment-profit basis is 23.39%. The quarter-to-quarter variation warns against annualizing the 36.0% Q2 adjusted margin or any individual quarter. [data_package §5, Market Intelligence rows 269-272; §3a continuing-company overlay, Market Intelligence row]

The historical mix is strongly recurring. Subscription represented 83.5% of old-taxonomy FY2025 Market Intelligence revenue, recurring variable 12.7%, and non-subscription 3.8%. Together the first two categories were 96.2%. This is favorable, but recurring does not mean risk-free: renewals can shrink through seat reductions, module rationalization or feed consolidation, while recurring-variable revenue can respond to customer activity. [data_package §4, rows 210-212; calculation]

The leading indicator has been steady rather than spectacular. Organic ACV growth was 6.5%-7% in Q3 and Q4 FY2025 and about 6% in Q1 and Q2 FY2026. Management said net renewal improved by about 100 basis points in Q1 and continued to improve in Q2, but disclosed no absolute gross-retention or net-retention rate. A rising indicator can coexist with below-peer retention; the absence of an absolute level prevents direct comparison with FactSet, which reported annual ASV retention above 95% and client retention of 91% for FY2025. [data_package §4, KPI rows 242-243] [FactSet FY2025 results](https://investor.factset.com/news-releases/news-release-details/factset-reports-results-fourth-quarter-and-fiscal-2025/)

Pricing evidence is promising but narrow. Management says AI value can surface in retention, new sales and price, and that net renewals include price increases. It cited two financial customers accepting 35%-45% renewal increases for AI-ready access. Those cases demonstrate willingness to pay for a valuable entitlement, not a segment-wide realized price. The model therefore uses roughly mid-single-digit subscription growth in base rather than applying isolated increases across the installed base. [data_package §4, KPI row 245]

Physical capital intensity is low but economic capital intensity is not. Consolidated capex was only 1.3% of revenue in FY2025, and Market Intelligence capex is not disclosed. Yet the segment must continually spend on data acquisition, normalization, cloud delivery, security, product development, AI inference, model evaluation, sales specialists, support and integration. R&D is embedded in segment expense and is a true non-disclosure. Treating missing R&D as zero would overstate steady-state profitability. [data_package §7, FY2025 row; §10, R&D data gap]

3. Unit economics

The segment begins with data that are expensive to create, license, validate or normalize but cheap to distribute to an additional authorized user. That produces high potential incremental margins after the platform, source contracts and support organization exist. Scale matters because one taxonomy, identifier graph, estimate-normalization engine or document pipeline can serve many products. The gross-margin benefit is partly absorbed by perpetual reinvestment: financial data become stale quickly, corporate actions require mapping, private-company information needs human verification, and third-party content carries distribution costs.

Subscription economics have four levers. Gross retention determines whether a customer renews the core entitlement. Net expansion captures price, seats, modules, datasets and delivery volume. Implementation efficiency governs the cost and time to connect a feed or workflow. Product usage affects renewal willingness and support burden even when price is fixed. About 6% organic ACV growth combines renewal, price, cross-sell and new logos, but disclosure cannot separate them. This prevents an unsupported claim that 6% is mostly price or that net revenue retention exceeds 100%.

Desktop products carry user-support and interface-development costs but benefit from habit, Excel integration, saved screens, alerts and training. Feeds can have stronger incremental economics when customers build S&P identifiers and schemas into internal systems. The tradeoff is procurement scrutiny: a chief data officer can identify overlapping feeds across S&P, LSEG, Bloomberg, FactSet and specialists and seek consolidation discounts. Enterprise workflows are sticky but require implementation resources; poorly standardized acquisitions can depress margins until platforms and sales coverage are integrated.

Recurring-variable revenue differs from fixed subscription. It is recurring in relationship but can vary with usage, market activity or asset levels. Its FY2023-FY2025 CAGR exceeded subscription growth, but a two-year history does not justify permanent double-digit expansion. Base normalizes it to 4.5% CAGR. Bear assumes weak activity and procurement pressure reduce growth to 1.0%; bull assumes data consumption, private-market activity and AI queries lift it to 7.0%.

Non-subscription revenue is small and strategically ambiguous. One-time projects can seed a subscription or workflow deployment, but consulting-like work may consume experts and have lower repeatability. Management has identified smaller consulting and sustainability products for remediation or strategic action. Base grows this bucket only 1.0% annually and assigns a lower horizon margin. Bear declines 2.0%; bull allows 3.0% without making it the engine.

The current 23.39% recast `Segment operating profit` margin is below the 30%-plus adjusted margins cited in quarterly context because the measures differ. This appendix forecasts the sealed statutory segment-profit basis, including operating costs assigned under the recast, and does not import non-GAAP adjusted margins. It also does not allocate Corporate Unallocated expense or equity income into Market Intelligence; those bridge items are forecast once by synthesis. [data_package §3a, bridge treatment ledger; §5, margin-basis note]

Margin rises if recurring revenue outgrows low-margin work, acquired products are integrated, duplicate platforms retire, cloud and data costs scale, and AI improves internal data operations. It falls if customers consolidate vendors, inference cost grows faster than monetization, content owners demand more, private-market data require sustained editorial investment, or reorganization disrupts renewals. AI is both an efficiency lever and a revenue-defense expense. Adding AI pricing while ignoring compute, entitlement and governance cost would count benefit without the reinvestment needed to earn it.

4. Competitive dynamics

The financial-data and workflow market is oligopolistic at the top but fragmented by use case. Bloomberg is strongest in real-time markets, messaging and terminal habit. LSEG Workspace combines data, Reuters News, analytics and Microsoft distribution. FactSet is a strong buy-side and wealth competitor with transparent subscription retention. Morningstar competes in investment, fund and wealth data. MSCI competes in risk, portfolio analytics and private assets. PitchBook, Preqin, DealCloud, AlphaSense and specialists attack private markets, deal sourcing, research search and relationship workflows. Cloud providers, exchanges and original data owners can distribute directly. Generic AI and internal client platforms add another substitution layer.

Intensity is rising because every major provider now presents trusted data plus AI. LSEG Workspace offers AI-powered search across financial data, filings, Reuters News, deals and aftermarket research, with citations and distribution through Workspace, Teams and Copilot. This mirrors S&P's source-cited retrieval and connectors. AI functionality alone is unlikely to sustain pricing power; differentiation must come from exclusive data, entity resolution, historical depth, entitlements, reliability and integration. [LSEG Workspace AI Search](https://www.lseg.com/en/data-analytics/products/workspace/updates/act-with-the-same-confidence-at-a-new-speed-introducing-lseg-workspace-ai-search)

FactSet illustrates the quality threshold. FY2025 organic ASV grew 5.7%, annual ASV retention remained above 95%, and the platform served about 9,000 firms and more than 237,000 users. These do not map one-for-one to S&P's broader segment, but they provide an observable benchmark: S&P's roughly 6% ACV growth is not obviously a share-gain rate unless retention and mix also prove superior. [FactSet FY2025 results](https://investor.factset.com/news-releases/news-release-details/factset-reports-results-fourth-quarter-and-fiscal-2025/) [FactSet 2025 annual report](https://investor.factset.com/static-files/33e217ee-1aac-43be-afd0-100c6756656c)

Private markets are attractive because data are scarce, heterogeneous and relationship-driven, but competition is intense. PitchBook markets coverage across companies, deals, investors and funds and distributes through platform, API, feeds and integrations. Its current page cites 12.9 million-plus companies, 657,000-plus investors and 171,000-plus funds. S&P cites broader private-company coverage and more than 110,000 PE and VC funds, while With Intelligence adds allocator intentions and live mandates. Counts are not perfectly comparable; the contest is about freshness, verified contacts, fund-performance depth, integration and whether data produce a decision. [PitchBook data page](https://pitchbook.com/data) [S&P Capital IQ Pro product page](https://www.spglobal.com/market-intelligence/en/solutions/products/sp-capital-iq-pro)

S&P's private-markets opportunity has three layers: cross-selling With Intelligence data into Capital IQ Pro; selling a premium forward-looking product to fundraisers, allocators and managers; and embedding data through feeds and workflows. The risk is overlap. Private-company, fund, investor, transaction and contact datasets come from multiple providers, and customers can buy different best-of-breed tools by team. S&P must show that the integrated journey from public-company comparison through private-asset sourcing, fundraising and exit analysis saves enough time to justify spend.

Pricing power is strongest where information is differentiated, auditable and embedded. Entity histories, standardized financials, contributed estimates, proprietary sector datasets, allocator intentions and permissioned research are difficult to replicate legally and operationally. Pricing power is weakest for a generic interface over public documents or datasets licensed by several vendors. A customer will pay more for AI-ready access if it reduces error, supports citations, enforces entitlements and integrates into production. It will resist a premium for a chatbot that merely summarizes filings.

Entry barriers are substantial but not absolute. A new entrant must acquire rights, build histories, map entities, normalize definitions, support corrections, satisfy enterprise security and win trust. Yet specialists can avoid the full-stack burden by dominating a narrow workflow, while foundation-model vendors can own the interface and call several sources. The likely structure is fewer general-purpose front ends, many valuable data owners and a negotiation over economics between them.

5. Moat at the segment level

Market Intelligence has a real but narrower moat than Ratings or Indices. Its best protection is the combination of proprietary and licensed datasets, long histories, entity resolution, standardization, workflow integration, entitlements and switching cost. A bank cannot replace a production feed solely because a competitor has a better chat interface. It must validate fields, identifiers, corporate actions, history, permissions, downstream models and controls. This burden favors incumbents.

Breadth is a second defense. Capital IQ Pro connects public-company fundamentals, estimates, transactions, fixed income, ownership, private-company information and sector research. Breadth improves discovery and cross-sell and gives AI more context. But breadth becomes a liability if quality is uneven or acquired systems stay disconnected. Customers may prefer a specialist for private markets, real-time trading or alternative data while keeping S&P for reference data.

Provenance is the third defense. Financial institutions need traceable values, contractual rights and predictable output. S&P's AI Data Portal separates Deterministic Retrieval, which offers direct API-driven and source-cited results, from Adaptive Retrieval. The design recognizes that an answer must be governed, not merely plausible. Provenance should preserve demand for source data even if conversational interfaces commoditize. [S&P AI-ready data page](https://www.spglobal.com/market-intelligence/en/solutions/artificial-intelligence/ai-ready-data)

With Intelligence can deepen the moat because allocator intentions, live mandates and relationships are gathered through direct industry connections and may not be public. The product page says research teams attend more than 150 investor meetings each month and emphasizes direct sourcing. This network can compound if contributors receive useful benchmarking. Yet named-product revenue, retention and cross-sell remain undisclosed, so financial proof is incomplete. [S&P With Intelligence page](https://www.spglobal.com/market-intelligence/en/solutions/products/with-intelligence) [data_package §10, named-product revenue data gap]

The largest challenge is interface disintermediation. If users ask an enterprise agent for a cited answer, the agent may select among licensed datasets. S&P wins by becoming the trusted layer available wherever the user works; it loses if the third-party agent owns discovery, bundles substitutes and pressures pricing. Durability over 5-10 years depends more on data rights and

machine distribution than on defending every desktop seat.

My segment moat judgment is **moderate and defensible, but under active technological pressure**. Subscription growth near 6% and improving renewal commentary indicate stability, not dominance. Bull requires evidence that AI-ready distribution expands consumption and price without weakening seat economics. Bear assumes the interface becomes less differentiated, procurement consolidates feeds and reinvestment remains high.

6. Historical growth rates reproduced from the data package

All figures reproduce issuer-disclosed data in the DR-cleared package. FY2023-FY2025 values use the pre-July-2026 taxonomy; none is silently compared with the recast TTM base. No product value is back-solved.

Product / sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	2-year CAGR	Most recent YoY	Data package cite
Market Intelligence total, old taxonomy	$4.376B [§3 MI revenue row]	$4.645B [§3 MI revenue row]	$4.916B [§3 MI revenue row]	6.0% [§3 MI revenue row; calculation]	5.8% [§3 MI YoY row]	data_package §3, Market Intelligence rows
Subscription, old taxonomy	$3.685B [§4 row 210]	$3.882B [§4 row 210]	$4.107B [§4 row 210]	5.6% [§4 row 210; calculation]	5.8% [§4 row 210; calculation]	data_package §4, product table row 210
Recurring variable, old taxonomy	$0.504B [§4 row 211]	$0.579B [§4 row 211]	$0.623B [§4 row 211]	11.2% [§4 row 211; calculation]	7.6% [§4 row 211; calculation]	data_package §4, product table row 211
Non-subscription, old taxonomy	$0.187B [§4 row 212]	$0.184B [§4 row 212]	$0.186B [§4 row 212]	(0.3%) [§4 row 212; calculation]	1.1% [§4 row 212; calculation]	data_package §4, product table row 212

Arithmetic checks: $3.685B × 1.0535 = $3.882B and $3.882B × 1.0580 = $4.107B; $0.504B × 1.1488 = $0.579B and $0.579B × 1.0760 = $0.623B; $0.187B × 0.9840 = $0.184B and $0.184B × 1.0109 = $0.186B. Each row ties within 2%.

The old product types sum exactly to the segment in all three years. The later $226 million FY2025 transfer to Energy means $4.916 billion is not the forecast base. The correct recast TTM revenue is $4.853 billion.

7. Management guidance and forward commentary

The package preserves short exact fragments. Every Market Intelligence item is reproduced below; none was re-fetched or expanded.

Data-package row	Verbatim fragment	Topic	Forecast interpretation
§6 MI row 327, Q3 FY2025, Martina Cheung	“most comprehensive solution”	Private markets	With Intelligence broadens the value proposition, but no separate revenue or cross-sell rate is disclosed.
§6 MI row 328, Q4 FY2025, Eric Aboaf	“subscription revenue growth”	Health indicator	ACV, renewal and pricing remain the leading indicators for the largest bucket.
§6 MI row 329, Q1 FY2026, Martina Cheung	“more than 300 customers”	AI adoption	Adoption is real but still a subset; cohort uplift is not applied to all customers.
§6 MI row 330, Q2 FY2026, Martina Cheung	“high single-digit to low double-digit”	Kensho Data	Kensho can outgrow the segment, but its dollar size is undisclosed and not invented.
§6 MI row 331, Q2 release, Martina Cheung	“organizational changes”	Restructuring	Execution and renewal disruption are explicit bear risks.
§6 MI row 332, 2025 10-K	“purpose-built workflow solutions”	Product perimeter	Workflow depth supports retention but faces AI substitution.
§6 MI row 333, July 2026 recast	“Kensho Data & Platforms”	New line	Faster data products and mature platforms require a blended assumption until separate dollars exist.
§6 MI row 334, Q2 10-Q	“Subscription revenue”	Base	Q2 subscription growth was 6%, including upfront renewal revenue; not all is treated as structural.

Additional package-bound indicators are organic ACV growth of about 6% in Q1 and Q2, unquantified improving renewal, and AI-customer ACV growth 60% faster in Q2. The cohort uplift is not a segment-wide guide. [data_package §4, KPI rows 242-245]

8. Forward growth assumptions

Modeling bridge from disclosed total to product-type bases

The issuer does not disclose TTM recast revenue by product type. To make the rollup reconstructable without inventing named-product revenue, I use an analytical allocation. FY2025 subscription is reduced by the entire $226 million transfer to Energy because 451 Research, Maritime & Trade and supply-chain intelligence are recurring data products; recurring-variable and non-subscription remain at disclosed FY2025 values. This produces a recast FY2025 modeling mix of $3.881 billion subscription, $0.623 billion recurring variable and $0.186 billion non-subscription, totaling the issuer's $4.690 billion adjusted-as-recast FY2025 Market Intelligence revenue. That mix is scaled to the disclosed $4.853 billion recast TTM total, producing forecast bases of $4.016 billion, $0.645 billion and $0.192 billion. This allocation is `JUDGMENT`, not issuer-disclosed history. [data_package §1, transfer paragraph; §4, rows 210-212; §5, rows 269-272]

This bridge prevents double counting. The $233 million difference between statutory TTM Market Intelligence revenue of $5.086 billion and recast TTM revenue of $4.853 billion stays outside this appendix and belongs to Energy. No With Intelligence, AI or Kensho revenue is added on top of subscription; their effects enter only through its CAGR.

Base case

Product type	TTM modeling base	2-year historical CAGR	Latest disclosed trend	Management FY+1 anchor	Base CAGR TTM to TTM+5y	2031 revenue
Subscription data, platforms and workflows	$4.016B	5.6%	6% Q2 subscription growth	ACV about 6%; Kensho Data high-single to low-double digit	6.0%	$5.374B
Recurring variable	$0.645B	11.2%	Not disclosed on recast basis	No numeric guide	4.5%	$0.804B
Non-subscription	$0.192B	(0.3%)	Not separately disclosed	Smaller-product remediation	1.0%	$0.202B
Market Intelligence total	$4.853B	6.0% old taxonomy	6% Q2 segment growth	About 6% organic ACV	5.62% weighted	$6.380B

Subscription base CAGR matches latest subscription and ACV signals, modestly exceeds 5.6% history, and assumes Kensho Data, AI-ready APIs and With Intelligence grow faster than mature desktops. It is balanced by seat optimization, procurement pressure and upfront renewal timing. The path is 6.5%, 6.2%, 6.0%, 5.8% and 5.6%.

Recurring variable slows from an 11.2% two-year CAGR to 4.5% because recent recast growth is undisclosed and activity sensitivity makes extrapolation unsafe. Its path is 3.0%, 4.0%, 4.5%, 5.0% and 6.0%. Non-subscription grows 0%, 0%, 1%, 2% and 2%, reflecting pruning without assuming one-time work becomes recurring.

Bull case

Product type	TTM modeling base	2-year historical CAGR	Latest disclosed trend	Bull change versus base	Bull CAGR TTM to TTM+5y	2031 revenue
Subscription data, platforms and workflows	$4.016B	5.6%	6% Q2 subscription growth	AI distribution and With Intelligence cross-sell succeed	8.5%	$6.039B
Recurring variable	$0.645B	11.2%	Not disclosed on recast basis	Strong activity and machine consumption	7.0%	$0.905B
Non-subscription	$0.192B	(0.3%)	Not separately disclosed	Projects support enterprise deployments	3.0%	$0.223B
Market Intelligence total	$4.853B	6.0% old taxonomy	6% Q2 segment growth	Sustained share gains and monetized AI	8.10% weighted	$7.166B

Bull requires evidence beyond current growth. Subscription steps through 7.5%, 8.0%, 8.5%, 9.0% and 9.5% as APIs, MCP distribution and private-market cross-sell broaden wallet share. This matches the high-single to low-double-digit characterization for Kensho Data but assumes that product becomes large enough to move the base. It also assumes AI cohort advantages spread without mechanically applying the 60% relative uplift to all customers. Recurring variable remains below its 11.2% history at 7.0%. Non-subscription rises only 3.0%; the thesis is scalable data, not consulting.

Bear case

Product type	TTM modeling base	2-year historical CAGR	Latest disclosed trend	Bear change versus base	Bear CAGR TTM to TTM+5y	2031 revenue
Subscription data, platforms and workflows	$4.016B	5.6%	6% Q2 subscription growth	Seat compression and vendor consolidation	2.5%	$4.544B
Recurring variable	$0.645B	11.2%	Not disclosed on recast basis	Weak activity and tighter budgets	1.0%	$0.678B
Non-subscription	$0.192B	(0.3%)	Not separately disclosed	Product exits and deferrals	(2.0%)	$0.174B

Product type	TTM modeling base	2-year historical CAGR	Latest disclosed trend	Bear change versus base	Bear CAGR TTM to TTM+5y	2031 revenue
Market Intelligence total	$4.853B	6.0% old taxonomy	6% Q2 segment growth	AI substitution and disruption	2.14% weighted	$5.395B

Bear subscription growth is 4.0%, 3.0%, 2.5%, 2.0% and 1.0%. This is progressive slowdown, not sudden collapse. Clients rationalize seats and third-party agents aggregate sources; Kensho Data grows but cannot offset mature-platform pressure. Recurring variable follows 2%, 1%, 1%, 1% and 0%, while non-subscription declines through remediation.

9. Forward `Segment operating profit` margin assumptions

The recast anchor is $1.135 billion of `Pro forma recast operating profit` on $4.853 billion revenue, or 23.39%. To make product arithmetic explicit, the anchor is allocated at 25.28% to subscription, 15.0% to recurring variable and 12.0% to non-subscription. These allocations reproduce the disclosed total within rounding; they are not issuer-reported product margins.

Product type	TTM modeling revenue	Anchor margin allocation	Anchor profit	Bear 2031 margin	Base 2031 margin	Bull 2031 margin
Subscription data, platforms and workflows	$4.016B	25.28%	$1.015B	22.0%	28.0%	32.0%
Recurring variable	$0.645B	15.0%	$0.097B	12.0%	18.0%	22.0%
Non-subscription	$0.192B	12.0%	$0.023B	5.0%	12.0%	16.0%
Market Intelligence blended	$4.853B	23.39%	$1.135B	20.20%	26.23%	30.24%

Base margin is 284 basis points above the anchor. Roughly half comes from fixed-cost leverage across normalization, cloud infrastructure, support and sales as revenue grows 5.62% annually. The remainder comes from integrating With Intelligence, rationalizing smaller products, reducing duplicated platforms after the Energy transfer and shifting toward APIs. The model still funds AI inference, governance, security, development and private-data collection. It stays below recent adjusted margins and does not cross accounting bases.

Bull margin is 685 basis points above the anchor. It requires strong subscription mix, higher pricing for AI-ready entitlements, better cross-sell, internal AI productivity and integration synergies. Distribution through customer agents and cloud environments must add usage without proportionate service cost. Data-rights and content costs must not absorb the price uplift. A 30% statutory segment margin is feasible for scaled information services but is not earned because Q2 adjusted margin was 36%.

Bear margin is 319 basis points below the anchor. Revenue grows, but concessions, seat compression and consolidation reduce leverage. S&P keeps spending on AI, data quality, cloud security and integration. Organizational change raises duplication and retention costs, while product pruning creates transition expense. Management cannot fully flex investment without damaging the moat.

10. Segment rollup and reconciliation

Case	Product type	2031 revenue	2031 `Segment operating profit` margin	2031 `Segment operating profit`
Bear	Subscription data, platforms and workflows	$4.544B	22.0%	$1.000B
Bear	Recurring variable	$0.678B	12.0%	$0.081B
Bear	Non-subscription	$0.174B	5.0%	$0.009B
Bear	**Market Intelligence total**	**$5.395B**	**20.20%**	**$1.090B**
Base	Subscription data, platforms and workflows	$5.374B	28.0%	$1.505B
Base	Recurring variable	$0.804B	18.0%	$0.145B
Base	Non-subscription	$0.202B	12.0%	$0.024B
Base	**Market Intelligence total**	**$6.380B**	**26.23%**	**$1.674B**
Bull	Subscription data, platforms and workflows	$6.039B	32.0%	$1.932B
Bull	Recurring variable	$0.905B	22.0%	$0.199B

Case	Product type	2031 revenue	2031 Segment operating profit margin	2031 Segment operating profit
Bull	Non-subscription	$0.223B	16.0%	$0.036B
Bull	**Market Intelligence total**	**$7.166B**	**30.24%**	**$2.167B**

Product revenues and profits sum to segment totals within rounding. Blended margin is total product profit divided by revenue. No corporate expense, equity income, interest, tax, NCI, Mobility result or Energy-transferred revenue appears here. Those items are handled elsewhere in statutory and equity bridges.

At 25% bear, 55% base and 20% bull, probability-weighted 2031 revenue is $6.291 billion and `Segment operating profit` is $1.626 billion. Weighted margin is 25.85%; it is not a simple average. Base receives the majority weight because subscription growth and organic ACV have held near 6% while renewals improved directionally. Bear is weighted above bull because absolute retention and realized pricing remain undisclosed and AI substitution plus reorganization create credible downside; bull is lowest because segment-wide evidence for AI monetization, With Intelligence cross-sell and Kensho scale is not yet disclosed.

11. Key risks and wildcards

[Bear] AI interface substitution. A generic enterprise agent may become the research starting point and call S&P only when needed. This can reduce desktop seats, increase price transparency and transfer bargaining power to orchestration. S&P's defense is governed distribution through APIs and MCP, but success may preserve data revenue while changing unit economics.

[Bull] AI distribution expansion. Deterministic, cited retrieval can make datasets consumable by more machines and workflows than named seats. If query volume, premium entitlements and use cases monetize faster than inference and content costs, machine distribution expands the market.

[Bear/Base] Renewal and pricing opacity. Management discloses ACV and directional renewal improvement but not absolute retention or realized price. It is difficult to distinguish durable pricing from expansion, upfront timing and new sales. Bull needs absolute retention or stronger cohort proof.

[Bear] Reorganization execution. Product transfers, the new Kensho Data & Platforms and Enterprise Solutions structure, With Intelligence integration and product remediation create concurrent sales, leadership, systems and customer-contact changes. Renewals can be lost during handoffs.

[Bull/Base] Private-markets cross-sell. With Intelligence can add allocator intentions, mandates, fund and private-wealth data to company and transaction datasets. Success depends on freshness, verified relationships and adoption, not merely loading another dataset. Separate revenue and retention would validate the thesis.

[Bear] Private-markets competition. PitchBook, Preqin, MSCI/Burgiss, DealCloud and specialists compete for the same workflows. Customers may prefer best-of-breed tools and use S&P only for public-company or credit data. Breadth alone does not guarantee payment.

[Bear/Base] Vendor consolidation. Institutions centralize procurement and identify overlapping feeds. Embedding makes S&P sticky but creates large renewal negotiations. A lost master-data mandate or bundle discount can outweigh many wins.

[Bear] Data-rights and content cost. Estimates, news, pricing and alternative datasets may involve licenses and usage restrictions. AI increases the number and form of outputs, raising entitlement complexity and supplier bargaining.

[Base/Bull] Kensho Data scaling. The high-single to low-double-digit statement and faster AI-customer ACV are encouraging, but named-product revenue is undisclosed. Kensho accelerates the segment only when its scale is sufficient and distribution does not cannibalize platform access.

[Bear/Base] Cybersecurity, privacy and governance. Institutions require secure, permissioned and explainable data. A breach, mapping error or hallucinated output could trigger remediation and damage trust. Governance spending is permanent.

[Bear/Base] Cyclical customer budgets. Banks, asset managers and private-market firms can reduce hiring, seats and project work during weak cycles. Subscription softens volatility but does not eliminate budget pressure.

[Bull] Workflow convergence. If S&P connects public and private company data, fund and allocator intelligence, transactions, credit, estimates and customer data in one governed environment, the product becomes more useful than any isolated dataset. This is the clearest route to retention and wallet share.

Summary

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	$5.395B	Segment operating profit	20.20%	$1.090B	25%
Base	$6.380B	Segment operating profit	26.23%	$1.674B	55%
Bull	$7.166B	Segment operating profit	30.24%	$2.167B	20%

Market Intelligence is a durable, mostly recurring data franchise, but its moat is migrating from desktop interface toward trusted data, provenance and enterprise integration. Base assumes current 6% ACV and subscription growth remain sustainable, With Intelligence and Kensho improve mix gradually, and statutory segment margin rises through scale while funding AI and data investment. Bull requires machine distribution and private-markets cross-sell to produce genuine incremental demand and pricing. Bear does not require financial data to collapse; it requires only that generic AI commoditize the interface, procurement consolidate vendors and reinvestment stay high while growth slows.

Appendix B2 - Ratings

Ratings — Segment Deep Dive

Company: S&P Global Inc. Ticker: SPGI Run ID: `pulse-cio-20260908T100217+0800` Forecast anchor: TTM ended 2026-06-30 Forecast horizon: 2031-06-30, exactly 5.0 years Currency: USD billions unless stated otherwise Exact forecast profit metric: `Segment operating profit` Exact current continuing-company anchor label: `Pro forma recast operating profit`

This appendix is a forward operating analysis of Ratings only. S&P Global's own historical dollars, growth rates, accounting classifications, and management commentary come exclusively from the DR-cleared `data_package.md`; they are not re-extracted here. External context is limited to current S&P Global official material and SEC sources, consistent with the run's source rule. The statutory bridge file hashes to `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`, exactly matching the QFR/DR seal recorded in the data package and gate manifest. The common segment profit basis is therefore locked as `Segment operating profit`.

0. Segment boundary and taxonomy note

Ratings is stable across the historical and forward perimeter. The July 1, 2026 Mobility separation and the July 2026 transfer of 451 Research, Maritime & Trade, and supply-chain products between Market Intelligence and Energy do not change Ratings revenue taxonomy. The data package states that Ratings and Indices are unchanged by the recast [data_package §1, rows 45-59]. The continuing-company overlay does, however, revise expense allocations: statutory Ratings TTM `Segment operating profit` is $3.336 billion, while the forecast-ready continuing-company amount is $3.326 billion on the issuer's exact `Pro forma recast operating profit` label [data_package §3a, rows 144-184]. I use the $3.326 billion pro forma recast amount as the current margin anchor and retain `Segment operating profit` as the terminal forecast metric. No Mobility revenue, Mobility profit, corporate-unallocated cost, equity-method income, interest, tax, or noncontrolling-interest claim is placed inside Ratings.

1. What this segment actually is

Ratings is a trust-and-workflow business embedded in debt capital formation. Its primary customer at the transaction point is an issuer, arranger, or borrower that wants a public or private opinion about creditworthiness. Its economically important end users are broader: fixed-income investors, banks, insurance companies, regulators, investment committees, index providers, and risk teams use the rating, related research, and surveillance to decide whether a security is eligible, how much capital it consumes, how it should be monitored, and how it compares with peers. The product is not merely a letter grade. It is a standardized credit opinion supported by published criteria, issuer information, analyst judgment, committee governance, documentation, ongoing monitoring, and an institutional reputation accumulated across cycles.

The revenue model has two disclosed streams. Transaction revenue is earned when Ratings issues a rating on new corporate or government debt, structured-finance debt, or a bank loan. It is point-in-time revenue and depends on billed issuance, product mix, fee schedules, and market share. Non-transaction revenue includes surveillance of outstanding ratings, annual fees under relationship-based pricing programs, entity credit ratings, and research and analytics at Crisil. Surveillance is performed through the contract term and recognized over time. The 2025 Form 10-K also says non-transaction revenue includes an intersegment royalty for Ratings content distributed by Market Intelligence. These descriptions establish why issuance must be modeled separately from the recurring installed base. They also show that non-transaction is not a pure software subscription: it includes labor-intensive credit monitoring and an internal royalty as well as annual fees. The official description is available in the [2025 Form 10-K](https://www.sec.gov/Archives/edgar/data/64040/000006404026000013/spgi-20251231.htm).

Go-to-market is principally direct and relationship-led. Large issuers and arrangers interact repeatedly with ratings agencies because they refinance, issue in different currencies, access different markets, or bring structured vehicles to market. That repetition lets S&P Global combine relationship pricing with issue-specific fees. Smaller and private-market customers can enter through entity ratings, credit estimates, and specialized analytical products. Crisil extends the franchise into India and global research and analytics. Geographic coverage matters because the value of the rating rises when investors recognize the methodology across jurisdictions; the franchise spans U.S. and international markets, which reduces dependence on any single domestic issuance pool without eliminating global capital-market cyclicality.

Pricing is therefore neither a simple percentage of debt issued nor a flat seat license. A customer may pay transaction fees on new issuance, annual relationship fees, surveillance fees, and product-specific charges. Improved contract terms supported both transaction and non-transaction growth in 2024 and 2025, according to the 10-K. The attraction of the model is that the economic value to an issuer can be much larger than the fee: a rating may broaden investor eligibility, support index inclusion, improve price discovery, or satisfy internal and regulatory mandates. The danger is that this value can tempt a modeler to assume unlimited price. Regulators scrutinize fee structures and conflicts, issuers can solicit several agencies, and competitors can discount. My base case assumes pricing modestly above cost inflation, not perpetual double-digit realized price.

Private credit expands the addressable workflow but does not automatically reproduce public-bond economics. Direct lenders, private-credit funds, business-development companies, limited partners, insurers, and banks need independent credit opinions, portfolio transparency, fund-finance analysis, credit estimates, and ratings on securitizations of private loans. Growth in private credit expands the range of investment vehicles and liquidity risks, creating a credible demand vector for monitoring and analytical work but also higher surveillance intensity and reputational downside if defaults expose weak underwriting. The opportunity should be modeled as a contributor to both transaction and non-transaction growth, not as a separate invented revenue line.

2. Current economics

Ratings is the highest-dollar profit contributor among the continuing divisions. The historical statutory bridge reports FY2025 revenue of $4.724 billion and `Segment operating profit` of $3.013 billion, a 63.8% margin [data_package §3, Ratings rows 91-94]. Statutory TTM revenue is $5.068 billion and `Segment operating profit` is $3.336 billion [data_package §0a row 37 and §3a row 149]. For forecasting, the continuing-company overlay reports $3.326 billion of Ratings `Pro forma recast operating profit` [data_package §3a row 174], producing a 65.63% current recast margin and supplying the forecast-ready anchor for terminal `Segment operating profit`.

The stream mix matters more than the single margin. FY2025 transaction revenue was $2.470 billion, or 52.3% of Ratings revenue, and non-transaction revenue was $2.254 billion, or 47.7% [data_package §4 rows 213-214]. Transaction grew only 6.2% in FY2025 after growing 63.2% in FY2024; non-transaction grew 10.3% after 7.2%. That divergence shows why a five-year forecast cannot extrapolate the latest consolidated 17% quarterly growth. Q2 FY2026 transaction revenue grew 25%, whereas non-transaction grew 8% [data_package §4 rows 227-228]. The quarter was described as a record result and came after strong refinancing and AI-related financing activity. It is evidence of franchise strength, but it is also a high-cycle comparison point.

Current metric	Value	Basis and source
TTM Ratings revenue	$5.068B	Statutory segment total [data_package §0a, row 37]
TTM Segment operating profit	$3.336B	Sealed statutory bridge [data_package §3a, row 149]
Forecast-ready TTM Pro forma recast operating profit	$3.326B	Continuing recast [data_package §3a, row 174]
Forecast-ready TTM pro forma recast operating profit margin	65.63%	$3.326B divided by $5.068B
FY2025 transaction revenue	$2.470B	Issuance-linked [data_package §4, row 213]
FY2025 non-transaction revenue	$2.254B	Surveillance and annual fees [data_package §4, row 214]
Latest reported quarter revenue	$1.339B	Q2 FY2026 [data_package §5, row 260]
Latest reported quarter revenue growth	17%	Q2 FY2026 [data_package §5, row 260]
Latest transaction growth	25%	Q2 FY2026 [data_package §4, row 227]
Latest non-transaction growth	8%	Q2 FY2026 [data_package §4, row 228]

Capital intensity is low in the conventional property-and-equipment sense, but the business is not costless. It requires experienced analysts, criteria teams, data and workflow systems, model governance, cybersecurity, regulatory controls, legal defense, and management of conflicts between commercial and analytical personnel. The 2025 10-K says segment profit growth was supported by revenue and lower incentive costs, but partly offset by compensation, headcount, strategic investment, and legal costs. These costs are mostly expensed rather than capitalized. The segment can therefore report a very high accounting margin while still needing substantial recurring human-capital and compliance reinvestment.

The present earnings level reflects both recurring scale and elevated transaction conditions. The four most recent division revenue points were $1.240 billion, $1.187 billion, $1.302 billion, and $1.339 billion, with year-on-year growth of 12%, 12%,

13%, and 17% [data_package §5 rows 257-260]. Adjusted margins over those quarters ranged from 61.9% to 68.5%, but those are explicitly non-GAAP adjusted margins and are context only. The forecast margin uses the `Pro forma recast operating profit` anchor. The correct reading is that mid-60s economics are currently demonstrated, while upper-60s quarterly adjusted margins are not a clean statutory run rate.

3. Unit economics

Revenue-to-profit mechanism

Transaction revenue has exceptionally high incremental economics once the analytical platform, criteria, systems, and regional network are in place. A new bond or CLO requires analytical work, committee time, data handling, documentation, and monitoring setup, but the cost does not scale dollar-for-dollar with issuance par value or fee revenue. When billed issuance rises, revenue can grow faster than analyst capacity and many central costs. That operating leverage explains why Ratings Segment operating profit rose 45% in 2024 as revenue rose 31%, then rose 11% in 2025 as revenue rose 8% [data_package §3 rows 91-94]. It also explains the reverse: if issuance closes abruptly, compensation and infrastructure cannot be removed as quickly as transaction revenue falls.

Non-transaction revenue begins with the installed base of rated entities and securities. Each new rating can seed years of surveillance and annual-fee relationships, although the exact contract varies. The stream is economically more stable because monitoring persists while debt remains outstanding and revenue is recognized across the service period. It is not perfectly fixed. Defaults, redemptions, issuer exits, fee renegotiation, internalization by sophisticated customers, and competition can reduce the base. Surveillance also consumes analyst time. Nonetheless, an expanding stock of rated debt and private-market credit estimates supports a larger recurring pool even in years when new issuance normalizes.

Pricing contributes through contract terms rather than a disclosed stand-alone price metric. The data package confirms that absolute renewal pricing is a true non-disclosure [data_package §10 row 400]. Consequently, this model does not treat an isolated customer price anecdote from another division as Ratings pricing. Instead, base non-transaction growth of 6% combines low-to-mid-single-digit installed-base growth, modest contract improvement, Crisil expansion, and some private-market uptake. The bull case assumes stronger adoption and pricing but only 8% annual growth. The bear case still allows 4% because surveillance and annual-fee revenue should be more resilient than new issuance, but it is not immune to customer attrition or regulatory pressure.

Cost structure and reinvestment

The largest controllable cost is compensation. Ratings needs sector specialists, sovereign and structured-finance analysts, quantitative staff, committee chairs, criteria experts, sales staff separated from rating decisions, legal personnel, compliance personnel, and technology teams. Incentive compensation moves with performance, providing some cyclical buffer, while base salaries and scarce-specialist costs are fixed over short periods. Strategic investment in private markets and AI creates near-term expense before revenue. AI can lower document-processing and surveillance burden, but final accountability, validation, explainability, and committee governance prevent a simple labor-elimination thesis.

Regulatory expense is a structural cost of the moat. S&P Global Ratings is registered with the SEC as an NRSRO, and the SEC can censure, suspend, limit, or revoke registration in specified circumstances. U.S. rules address conflicts, internal controls, methodology transparency, performance disclosure, and recordkeeping. EU rules add registration, inspection, liability, rotation in some resecuritizations, pricing requirements, cyber resilience, and other procedural controls. The 2025 10-K also flags the EU ESG Ratings Regulation and U.K. oversight of ESG rating providers. These rules raise costs, but a scaled incumbent can spread them across a large revenue base. They are therefore both barrier and risk.

Legal and reputation costs are volatile. A credit-rating error can lead to investor claims, regulatory inquiry, remediation, methodology review, and lost mandates. In September 2024 the SEC charged six rating agencies with significant electronic-recordkeeping failures; S&P Global Ratings admitted the facts in its order and agreed to a $20 million penalty plus a compliance consultant. In 2022 the SEC separately charged it with conflict-of-interest violations in a structured-finance rating process. These are not large relative to segment profit, but they demonstrate that compliance failures are not hypothetical. A severe methodology or conflict failure could harm franchise economics well beyond the fine through mandate loss and higher required controls. Sources: [SEC 2024 recordkeeping action](https://www.sec.gov/newsroom/press-releases/2024-114) and [SEC 2022 conflict action](https://www.sec.gov/newsroom/press-releases/2022-205).

What moves margin

Margin rises when transaction revenue increases faster than analyst and platform cost, when pricing exceeds wage inflation, when surveillance uses common data and automation efficiently, when high-value structured or corporate issuance has favorable mix, and when incentive/legal costs are benign. Margin falls when issuance drops, mix shifts to lower-fee products, compensation is sticky, private-market expansion needs new analysts before scale, legal expense rises, or regulation requires duplicated local infrastructure. The model therefore does not assign an independent margin to transaction and non-transaction products because the issuer does not disclose product-level profit. Both streams share analysts, methodology, data, governance, and overhead. A fabricated product margin would create false precision. Instead, the scenario's blended Segment operating profit margin captures the operating-leverage consequence of the product revenue mix.

4. Competitive dynamics

The principal global competitors are Moody's Investors Service and Fitch Ratings. DBRS Morningstar, KBRA, and specialized or locally supported agencies compete in selected categories and geographies. Competition occurs on analytical quality, reputation, investor acceptance, methodology, service responsiveness, sector expertise, geographic reach, price, and the ability to rate complex or novel structures. Nontraditional competition includes banks, asset managers, private-equity sponsors, technology companies, and large investors that develop internal credit models. Internal models can substitute for some research and screening, but they do not fully replace a public rating recognized across thousands of investors and embedded in mandates and indices.

The SEC's June 2026 NRSRO statistics provide a useful scale marker. At December 31, 2025, S&P had 1,077,798 outstanding ratings out of 2,192,543 across all NRSROs, or 49.2% by simple count. Moody's had 684,055, or 31.2%, and Fitch had 274,291, or 12.5%. These percentages are not revenue shares and should not be read as exclusive issue shares because one instrument can carry multiple ratings, categories have different fee pools, and the SEC warns that its statistics are based on NRSRO filings. They nevertheless show the scale difference between the three largest networks and smaller agencies. The [SEC NRSRO statistics](https://www.sec.gov/data-research/statistics-data-visualizations/nationally-recognized-statistical-rating-organizations-nrsros) are the current primary-source benchmark.

Competition is more intense within particular products than the total count suggests. The SEC's 2025 staff report shows that for U.S. CLOs issued in 2025, Fitch covered 50.9% of issuance, while S&P and Moody's each covered 47.0%. Shares exceed 100% because deals may use more than one agency. S&P's CLO share fell from 52.5% in 2024, while Fitch's rose from 45.3%. This is a concrete warning against treating S&P's overall scale as an unassailable share position. Structured finance is contestable mandate by mandate, and a competitor can gain through criteria, service, or commercial execution. Source: [SEC 2025 NRSRO staff report](https://www.sec.gov/files/2025-ocr-staff-report-compliant-4-24-26.pdf).

Pricing power is strongest where investor recognition and workflow entrenchment matter most. Large global issuers value broad distribution and comparability; arrangers value agencies with established structured-finance criteria; investors and indices often refer to ratings from the large agencies. The SEC staff report notes that some fixed-income index inclusion rules specify Fitch, Moody's, or S&P, reinforcing demand. Yet regulatory objectives often include reducing mechanistic reliance on ratings and increasing competition. Issuers can use multiple agencies strategically, compare preliminary feedback, or direct mandates toward agencies perceived as more responsive. That tension caps pricing: the franchise can improve terms over time, but aggressive pricing or any perception that commercial considerations influence analysis can damage trust.

Private credit changes the competitive field. Public NRSRO status is valuable when a financing seeks broad distribution or insurer recognition, but private lenders also possess proprietary borrower data and internal underwriting teams. Specialist providers can offer point-in-time estimates more cheaply. S&P's advantage is that private credit can be linked to established methodologies, default studies, credit estimates, CLO ratings, and surveillance. Its disadvantage is that opaque information, amendments, payment-in-kind interest, and sponsor influence can make private loans expensive to monitor and reputationally hazardous. The base case treats private markets as a helpful extension, not a new monopoly, because the DR-cleared package does not disclose a private-credit revenue base.

5. Moat at the segment level

Ratings has a strong segment-level moat, but it is institutional rather than technological. The core asset is cumulative acceptance of the rating language and process. An investor can compare an S&P rating across issuers, sectors, countries, and cycles because criteria, committees, default studies, and surveillance are organized as a coherent system. An issuer values this recognition because the rating travels with the security. A new entrant can hire analysts and build models; it cannot quickly reproduce decades of performance data, global distribution, thousands of issuer relationships, regulatory registrations,

and user familiarity.

Network effects are indirect but real. More rated issuers create more comparable data and broader investor familiarity. More investors using the scale increases issuer demand. A larger installed base generates surveillance relationships, recurring fees, and analytical learning. The SEC's outstanding-rating counts show the result of this accumulated scale. The high margin is therefore supported by an information-and-recognition network, not only by current issuance volume.

Regulation strengthens and constrains the moat simultaneously. Registration, examinations, recordkeeping, internal controls, and methodology governance create fixed costs that are easier for a global incumbent to absorb. Some mandates and indices recognize a narrow set of agencies, reinforcing incumbency. But the same regulation seeks to manage conflicts, encourage competition, and reduce overreliance. A material compliance breach can turn a barrier into a liability. The moat depends on maintaining analytical independence even though issuers often pay the fee.

The business also has switching frictions rather than absolute switching costs. An issuer does not lose its entire financing ability by changing agency, but investors may demand ratings from familiar agencies, existing debt needs continuing surveillance, and multi-agency precedents create inertia. For complex structured products, the arranger's models, data tapes, documentation, and timetable become aligned with agency criteria and processes. That makes service reliability and methodology stability commercially valuable.

Durability over five to ten years is high under the base case. Debt issuance, refinancing, surveillance, and credit-risk assessment persist across macro regimes. AI is more likely to automate document extraction, monitoring, and research drafting than to eliminate the need for an accountable rating opinion. Private markets broaden the need for standardized risk signals. However, a twenty-year extrapolation is less certain. Regulation could reduce ratings reliance, decentralized data and powerful investor models could shift value away from agency opinions, and repeated reputation failures could erode the acceptance network. The moat is strong enough to defend attractive margins, not strong enough to justify assuming share, price, and margin rise every year.

6. Historical growth rates reproduced from the data package

The data package provides three issuer-disclosed dollar observations for transaction and non-transaction revenue and five observations for total Ratings revenue. No figures below are back-solved. The requested “three-year CAGR” is calculated from FY2023 to FY2025 across two annual intervals; labeling the interval avoids implying a three-year compounding span.

Product or sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	FY2023-FY2025 CAGR	Most recent YoY	Data package cite
Ratings total	$3.332B [§3 row 91]	$4.370B [§3 row 91]	$4.724B [§3 row 91]	19.07% [calculated from §3 row 91]	17% in Q2 FY2026 [§5 row 260]	data_package §3 rows 89-94; §5 row 260
Transaction	$1.425B [§4 row 213]	$2.326B [§4 row 213]	$2.470B [§4 row 213]	31.66% [calculated from §4 row 213]	25% in Q2 FY2026 [§4 row 227]	data_package §4 rows 213 and 227
Non-transaction	$1.907B [§4 row 214]	$2.044B [§4 row 214]	$2.254B [§4 row 214]	8.72% [calculated from §4 row 214]	8% in Q2 FY2026 [§4 row 228]	data_package §4 rows 214 and 228

Ratings total history	FY2021	FY2022	FY2023	FY2024	FY2025	Data package cite
Revenue	$4.097B [§3 row 91]	$3.050B [§3 row 91]	$3.332B [§3 row 91]	$4.370B [§3 row 91]	$4.724B [§3 row 91]	data_package §3, Ratings revenue row 91
YoY	n/a [§3 row 92]	(25.6%) [§3 row 92]	9.2% [§3 row 92]	31.2% [§3 row 92]	8.1% [§3 row 92]	data_package §3, Ratings YoY row 92
Segment operating profit	$2.629B [§3 row 93]	$1.672B [§3 row 93]	$1.864B [§3 row 93]	$2.707B [§3 row 93]	$3.013B [§3 row 93]	data_package §3, Ratings profit row 93
Segment operating profit margin	64.2% [§3 row 94]	54.8% [§3 row 94]	55.9% [§3 row 94]	61.9% [§3 row 94]	63.8% [§3 row 94]	data_package §3, Ratings margin row 94

Arithmetic checks pass. Transaction: $1.425B × 1.6323 = $2.326B and $2.326B × 1.0619 = $2.470B. Non-transaction: $1.907B × 1.0718 = $2.044B and $2.044B × 1.1027 = $2.254B. Total: $3.332B × 1.3115 = $4.370B and $4.370B × 1.0810 = $4.724B. All are within the required 2% tolerance. The FY2021-FY2025 total revenue CAGR is only 3.62%, much lower than the FY2023-FY2025 19.07% rebound, because FY2021 was an issuance peak and FY2022 a trough. This full-cycle contrast is the central normalization constraint.

7. Management guidance from data package Section 6

Management did not provide a numeric five-year Ratings revenue or margin target in the cleared package. The available guidance is qualitative and must be interpreted conservatively.

Data package row	Verbatim fragment	Management topic	Forecast interpretation
§6 row 288	“particular strength”	High yield and loans	Broad issuance strength supports the current level but remains market-sensitive.
§6 row 289	“similar rates in 2026”	Revenue mix	Balanced transaction and non-transaction growth is a near-term anchor, not a five-year CAGR promise.
§6 row 290	“issuance was resilient”	Volatility	The franchise retained volume under stress, supporting share durability.
§6 row 291	“$11 trillion in rated debt”	Refinancing wall	A large maturity pool supports multi-year activity, but maturities can be pulled forward or extended.
§6 row 292	“record results”	Benchmark strength	Record transaction volume should be normalized rather than annualized.
§6 row 293	“credit ratings, research, and analytics”	Perimeter	Research and surveillance support a recurring revenue floor.
§6 row 294	“Ratings”	Taxonomy	The Mobility recast does not transfer Ratings revenue.
§6 row 295	“Non-transaction revenue”	Composition	Annual fees and surveillance must be modeled separately from issuance.

The external credit-market backdrop is consistent with both resilience and normalization. S&P Global Ratings reported that U.S. corporate bond issuance rose 56% through midyear 2026, helped by AI capital spending, but also said momentum could slow as issuers had moved ahead of refinancing needs. Even excluding more than $200 billion of hyperscaler issuance, activity was broad based. New direct lending fell sharply in Q2, showing that private markets are not a straight-line offset. The same official analysis placed the U.S. nonfinancial corporate maturity peak at $1.02 trillion in 2029. These facts support a healthy multi-year volume pool while arguing against carrying Q2's 25% transaction growth into the base case. Source: [S&P Global Ratings U.S. corporate credit outlook, midyear 2026](https://www.spglobal.com/ratings/en/regulatory/article/us-corporate-credit-outlook-midyear-2026-ai-affordability-and-the-middle-east-shape-credit-trajectory-s101697382).

8. Forward growth assumptions

Anchor method and data gap

The data package discloses exact TTM total Ratings revenue of $5.068 billion, but not TTM transaction and non-transaction dollars. This is a real limitation: `[DATA GAP: TTM transaction and non-transaction revenue dollars are not separately disclosed in the DR-cleared package]`. To preserve a reconstructable two-line forecast without pretending to have historical TTM product dollars, I allocate the $5.068 billion TTM total using the issuer-disclosed FY2025 mix: 52.286% transaction and 47.714% non-transaction. That produces analytical anchors of $2.6499 billion and $2.4181 billion, which sum exactly to $5.0680 billion. The allocation is a `JUDGMENT`, not a reported historical split. Because Q2 FY2026 transaction growth of 25% exceeded non-transaction growth of 8%, the FY2025 mix proxy likely understates the TTM transaction share. Retaining it is slightly conservative for Bull, where transaction growth is higher, but mildly generous for Base and Bear, where non-transaction growth is higher; synthesis must not treat either product anchor as disclosed TTM data. The proxy is used consistently across all scenarios.

Base case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Base CAGR TTM to 2031	Concise justification
Transaction	31.66%	25% Q2 FY2026	Similar growth rates across streams	3.98%	Record issuance normalizes; refinancing, AI capex, CLOs, and private markets sustain low-single-digit cycle growth.
Non-transaction	8.72%	8% Q2 FY2026	Similar growth rates across streams	6.00%	Surveillance base, annual fees, contract terms, Crisil, and private-credit monitoring outgrow mature public issuance.

The base transaction cadence is 0%, 3%, 5%, 6%, and 6%. It deliberately falls from the latest 25% because the starting TTM already includes four strong quarters and because management called the Q2 result a record. The zero first year does not assume demand disappears; it assumes pull-forward and difficult comparisons offset refinancing and secular debt growth.

Growth then returns as the maturity wall peaks toward 2029 and the installed private-market ecosystem expands. Non-transaction grows 6% each year, below its 8.72% FY2023-FY2025 CAGR and latest 8% quarterly rate. This is consistent with recurring installed-base growth plus modest price and new services, while allowing competition and labor-intensive surveillance to constrain acceleration.

Bull case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Bull CAGR TTM to 2031	Concise justification
Transaction	31.66%	25% Q2 FY2026	Similar growth rates across streams	8.39%	AI infrastructure, refinancing, CLOs, and cross-border debt remain strong; S&P defends share and private ratings scale.
Non-transaction	8.72%	8% Q2 FY2026	Similar growth rates across streams	8.00%	Pricing, surveillance additions, Crisil, and private-credit monitoring sustain the recent rate.

The bull transaction cadence is 8%, 10%, 10%, 8%, and 6%. Even this case does not extend 25% growth. It assumes that AI-related capital spending broadens beyond hyperscalers, refinancing occurs without a recessionary market closure, bank-loan and structured-finance volumes remain strong, and S&P regains or holds key mandates. Non-transaction compounds at 8%, effectively maintaining the latest pace. That requires a growing stock of rated debt, good retention, contract improvement, and monetization of private-market surveillance without a regulatory price cap.

Bear case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Bear CAGR TTM to 2031	Concise justification
Transaction	31.66%	25% Q2 FY2026	Similar growth rates across streams	(2.66%)	Issuance pull-forward reverses, recession closes speculative markets, and structured-finance share pressure persists.
Non-transaction	8.72%	8% Q2 FY2026	Similar growth rates across streams	4.00%	Surveillance and annual fees cushion the decline, but defaults, redemptions, price resistance, and competition slow growth.

The bear transaction cadence is (15%), (5%), 2%, 3%, and 3%. The first two years represent a capital-markets closure after a record starting period, not structural disappearance of ratings. The later recovery is deliberately weak because some refinancing was already completed, private credit keeps loans outside public markets, and smaller agencies win selected mandates. Non-transaction grows 4% each year. This is not a heroic floor: it assumes the installed base remains valuable but loses some entities to redemption and default, while compliance and service demands constrain price realization.

The year-by-year paths address the apparent gap between 25% current transaction growth and low-single-digit base compounding. The deceleration has specific causes: a record starting quarter, 56% U.S. bond-issuance growth through midyear 2026, issuance pulled forward ahead of volatility, and a maturity schedule that peaks later rather than increasing smoothly. The model therefore does not rely on a vague “maturation” claim.

9. Forward `Segment operating profit` margin assumptions

Case	Current margin	2031 margin	Change	Mechanism
Bear	65.63%	59.00%	(663 bps)	Transaction contraction, sticky analyst cost, compliance investment, legal exposure, and weaker fee mix overwhelm incentive flexibility.
Base	65.63%	66.00%	37 bps	Modest pricing and automation roughly offset wage, compliance, and private-market investment; cycle mix normalizes.
Bull	65.63%	69.00%	337 bps	Strong issuance creates operating leverage, recurring revenue scales, and automation improves surveillance productivity.

The base case is intentionally almost flat. Current economics already capture strong issuance and recent productivity. It would be easy to infer that every incremental revenue dollar produces a very high margin and push the segment into the low 70s, but that ignores compensation, regulatory controls, legal reserves, new-product investment, and the need to maintain analytical quality. A 66% terminal margin assumes S&P can preserve price and automate parts of the workflow without starving the franchise.

The bear decline exceeds 100 basis points because the mechanism is explicit and historically observed. In FY2022, Ratings revenue fell 25.6% and margin fell from 64.2% to 54.8% [data_package §3 rows 91-94]. The bear is less severe at the terminal date than that trough because non-transaction revenue is larger, the model includes a partial volume recovery, and management can flex incentive cost. Yet 59% remains a plausible five-year endpoint if issuance disappoints, share pressure persists in structured finance, and compliance cost rises.

The bull expansion also exceeds 100 basis points and requires several conditions together. Transaction revenue must grow above 8% annually across the period, non-transaction must hold 8%, legal costs must remain contained, and headcount productivity must improve. The 69% margin is below a frictionless incremental-economics result because Ratings still needs analysts and controls. It is an upside case, not a new normal embedded in the base.

No transaction or non-transaction product margin is shown because S&P Global does not disclose profit by stream. The blended margin is applied to the exact segment total on the sealed basis. Corporate Unallocated expense, equity in unconsolidated subsidiaries, interest, taxes, and NCI remain for synthesis and are not hidden in these margins.

10. Segment rollup and arithmetic tie-out

Product-level terminal rollup

Case	Product	Analytical TTM anchor	Five-year CAGR	2031 revenue	Share of 2031 revenue
Bear	Transaction	$2.650B	(2.66%)	$2.315B	44.0%
Bear	Non-transaction	$2.418B	4.00%	$2.942B	56.0%
Base	Transaction	$2.650B	3.98%	$3.220B	49.9%
Base	Non-transaction	$2.418B	6.00%	$3.236B	50.1%
Bull	Transaction	$2.650B	8.39%	$3.964B	52.7%
Bull	Non-transaction	$2.418B	8.00%	$3.553B	47.3%

Year-by-year revenue cadence

Case	TTM 2026	2027	2028	2029	2030	2031
Bear total revenue	$5.068B	$4.767B	$4.755B	$4.903B	$5.077B	$5.258B
Base total revenue	$5.068B	$5.213B	$5.446B	$5.746B	$6.091B	$6.456B
Bull total revenue	$5.068B	$5.473B	$5.969B	$6.509B	$7.030B	$7.517B

Exact segment rollup on `Segment operating profit`

Case	Transaction revenue	Non-transaction revenue	Segment revenue	Segment operating profit margin	Segment operating profit	Revenue rollup residual
Bear	$2.315B	$2.942B	$5.258B	59.00%	$3.102B	$0.000B
Base	$3.220B	$3.236B	$6.456B	66.00%	$4.261B	$0.000B
Bull	$3.964B	$3.553B	$7.517B	69.00%	$5.187B	$0.000B

The rollup is fully reconstructable. Bear revenue is $2.315479 billion plus $2.942032 billion, or $5.257510 billion before display rounding; multiplied by 59% it produces $3.101931 billion of Segment operating profit. Base is $3.220045 billion plus $3.236011 billion, or $6.456056 billion; at 66% it produces $4.260997 billion. Bull is $3.964263 billion plus $3.553034 billion, or $7.517297 billion; at 69% it produces $5.186935 billion. Display rounding explains the final one-million differences between some visible sums and the unrounded calculations; the residual is zero at model precision.

The implied total revenue CAGRs are 0.74% Bear, 4.96% Base, and 8.20% Bull. These rates are deliberately much lower than the 19.07% FY2023-FY2025 rebound. The base terminal revenue mix is almost balanced even though transaction starts above half, because recurring non-transaction compounds faster. The bear becomes majority recurring, which cushions profit

but does not prevent margin compression because the lost transaction volume has high incremental contribution. The bull keeps transaction above half and therefore earns the highest operating leverage.

Scenario probabilities are 25% Bear, 55% Base, and 20% Bull. The weight on Bear reflects a record-cycle starting point, event risk, and observable mandate competition. The higher Base weight reflects the $11 trillion refinancing pool, resilient issuance, a large surveillance base, and industry concentration. Bull receives 20% because sustained high-single-digit transaction growth and 69% margin are possible but require unusually favorable financing, share, pricing, and execution simultaneously. These probabilities are segment-model inputs, not security-level return probabilities unless synthesis adopts them consistently.

11. Key risks and wildcards

Issuance-cycle reversal — Bear. Transaction revenue can fall faster than debt outstanding because issuance timing is optional. Borrowers pre-fund when markets are open, extend maturities, use cash, or move to bank and private channels. The FY2022 revenue decline of 25.6% demonstrates that even a dominant franchise is cyclical. Q2 FY2026's 25% transaction growth and the “record results” description increase the risk that the anchor is above mid-cycle.

Refinancing wall conversion — Base and Bull. Management's $11 trillion rated-debt reference is a stock of potential activity, not guaranteed billed issuance. Conversion depends on rates, spreads, maturities, callable structures, acquisition financing, and investor risk appetite. Strong 2026 issuance may reduce later needs. The base assumes activity is redistributed across the horizon; the bull assumes refinancing combines with new AI and infrastructure capital formation.

Private-credit adoption — Bull with Bear tail. Credit estimates, fund ratings, asset-backed finance, and private-loan securitization could widen the addressable market. But private lenders may keep underwriting internal, disclose less, or prefer specialist providers, while concentration in low-rated borrowers can increase surveillance cost and reputation risk. The DR-cleared package does not quantify the resulting revenue base, so the model keeps the upside inside the existing transaction and non-transaction streams. Strong volume without adequate controls could destroy rather than create value.

Structured-finance share pressure — Bear. The SEC staff report's 2025 U.S. CLO data show S&P at 47.0% of issuance, down from 52.5%, while Fitch rose to 50.9%. A few points of mandate share can matter when market volume is high. The model assumes no major secular share loss in Base; persistent losses are embedded in Bear transaction growth and margin.

Pricing and issuer-pay conflict — Bear and Base. Relationship pricing and improved contract terms support revenue, but the issuer-pay model creates an inherent perception problem. Aggressive commercial pressure can trigger conflict investigations; fee rules or rotation could limit pricing. The 2022 SEC case shows that attempts by commercial employees to influence analytical employees can become an enforcement issue. Base pricing is therefore modest, and Bear includes weaker realization plus higher controls.

Regulatory cost and activity restriction — Bear. SEC, ESMA, U.K., cyber-resilience, and ESG-rating regimes can add local governance, documentation, technology, and liability cost. The 2025 10-K notes that regulators can censure, limit, suspend, or revoke NRSRO registration in specified cases and that new rules may affect remuneration and demand. Ordinary compliance is manageable at scale; a severe control failure or methodology breach could reduce mandates and compress margin well beyond the direct fine.

Reputation and methodology failure — Bear. The product's value is trust. A rating failure in a systemically important sector, perceived ratings shopping, slow downgrade cycle, manipulated model output, or undisclosed criteria change could weaken the recognition network. Litigation can also make expense volatile. This risk is nonlinear: the direct cost may be small, while the lost reputation affects years of transaction and surveillance relationships.

AI productivity versus disintermediation — Bull and Bear. AI can extract covenants, summarize filings, detect changes, draft surveillance materials, and improve analyst throughput. Those benefits support Bull margin. At the same time, investors and lenders can build internal models on alternative data, reducing demand for ancillary research. AI errors, bias, explainability rules, or misuse of confidential information add regulatory risk. The durable product is an accountable opinion with governance; any strategy that treats AI output as a replacement for that accountability weakens the moat.

Analyst quality and compensation — Base and Bear. High margins depend on retaining specialized analysts while preserving independence. Wage inflation, scarce structured-finance expertise, or poor culture can raise cost. Cutting too deeply after an issuance downturn can create delayed surveillance and methodology problems. Base holds margin roughly flat because productivity offsets reinvestment; Bear assumes sticky cost and additional controls.

Crisil and international exposure — Base and Bull with foreign-exchange noise. International reach and Crisil broaden the installed base, but local regulation, government-supported agencies, sanctions, data localization, and currency movements can affect reported growth. The model does not add a separate FX tailwind. Sustained international entity ratings and research growth support non-transaction revenue; government preference for local agencies is a Bear risk.

Intersegment royalty and perimeter transparency — Base. Non-transaction includes the royalty charged to Market Intelligence for Ratings content. This is real segment revenue but eliminated on consolidation. Synthesis must preserve the issuer's intersegment elimination separately; it must not treat every Ratings revenue dollar as external consolidated revenue without the appropriate elimination. This appendix forecasts the issuer's disclosed segment revenue and profit basis, leaving consolidation mechanics to the sealed bridge and synthesis.

Summary

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	$5.258B	Segment operating profit	59.00%	$3.102B	25%
Base	$6.456B	Segment operating profit	66.00%	$4.261B	55%
Bull	$7.517B	Segment operating profit	69.00%	$5.187B	20%

The central conclusion is that Ratings is a high-quality, high-margin franchise sitting on an unusually strong transaction anchor. The recurring surveillance and annual-fee stream, regulatory status, investor acceptance, large installed base, and private-market extension support durable mid-single-digit base growth. They do not remove issuance cyclicality or the consequences of reputation failure. A credible base case therefore normalizes transaction growth to 3.98%, lets non-transaction grow 6%, and holds Segment operating profit margin near current at 66%. The bull requires sustained financing and share execution; the bear is a genuine cycle case with a two-year transaction contraction and a 59% terminal margin. The output is deliberately less flattering than extrapolating Q2, while still recognizing that a scaled ratings network can compound through a full credit cycle.

Appendix B3 - Energy

Energy — Segment Deep Dive

Company: S&P Global **Forecast anchor:** TTM ended June 30, 2026 **Forecast horizon:** June 30, 2031, exactly 5.0 years **Forecast profit basis:** `Segment operating profit` **Forward perimeter:** the continuing-company Energy division after the July 1, 2026 Mobility separation and the issuer's July 2026 product-and-cost recast

0. Segment boundary and taxonomy note

The economic franchise is continuous, but its reporting perimeter is not. Statutory FY2021-FY2025 and TTM historicals describe the pre-separation Energy segment. Effective July 1, 2026, S&P Global transferred 451 Research, Maritime & Trade, and supply-chain products from Market Intelligence into Energy and revised expense allocations. The issuer's FY2025 adjusted-as-recast product view adds $226 million of revenue to Energy, taking it from $2.299 billion to $2.525 billion before the continuing-company elimination; the four recast quarters through Q2 2026 total $2.585 billion of Energy revenue and $1.039 billion of `Pro forma recast operating profit` [data_package §1, taxonomy paragraph; §3a, continuing-company overlay; §5, Energy rows]. Historical comparisons below retain the sealed statutory taxonomy. The forward model starts from the continuing recast perimeter and forecasts the common sealed basis, `Segment operating profit`. It does not mix the non-GAAP adjusted margins in §5 into that profit measure, and it leaves Corporate Unallocated and equity in income to the consolidated synthesis.

1. What the Energy segment actually is

Energy is an information-and-benchmark business sold into physical commodity markets, energy producers, traders, refiners, utilities, shipping participants, financial institutions, governments, and industrial companies. It is not primarily a bet on owning oil, gas, metals, or power assets. Its core product is trusted information that makes fragmented markets legible: independent price assessments, benchmark data, news, forward curves, fundamental supply-and-demand data, forecasts, research, geospatial and asset intelligence, workflow software, and advisory access.

The revenue engine has four economically different parts.

Subscriptions to data, benchmarks, research, and workflow products. Customers sign contracts for access to Platts prices and market content, CERA research, upstream datasets, workflow applications, data feeds, and APIs. The package disclosed $2.016 billion of subscription revenue in FY2025, 87.7% of the old-taxonomy Energy total [data_package §4, Energy Subscription row]. This category combines especially durable benchmark access with more contestable upstream research and software. A trading desk that embeds Platts symbols into contracts, risk systems, and valuation processes faces a higher switching cost than a strategy team consuming a research report through a browser.

Usage-based royalties. Certain contracts and market activities pay royalties when Platts-linked data or benchmarks are used. FY2025 usage royalties were $120 million [data_package §4, Energy Usage royalties row]. The revenue is recurring in franchise origin but variable in period outcome: benchmark adoption, traded activity, and customer usage matter. It should therefore compound faster than a static subscription only when end-market use broadens, not merely because list prices rise.

Events, advisory, consulting, and other non-subscription work. The package groups this as Non-subscription / Transaction and disclosed $163 million in FY2025 [data_package §4, Energy Non-subscription / Transaction row]. It includes advisory engagements and events such as CERAWeek. Events can carry attractive sponsorship economics when attendance and executive relevance are high, but they require venues, production, sales, travel, and human content. Consulting depends on project demand and billable experts. This revenue is less repeatable and less scalable than benchmark subscriptions.

Transferred products. The post-spin Energy perimeter adds 451 Research, Maritime & Trade, and supply-chain products from Market Intelligence [data_package §1, July 2026 recast paragraph]. These assets broaden the addressable workflow from commodity pricing into technology, vessels, cargoes, trade flows, ports, logistics, and supply-chain risk. S&P Global describes 451 Research as covering technology adoption and investment through analyst research, surveys, forecasts, company tracking, and briefings; it tracks more than 5,000 enterprise technology companies. Maritime offerings combine vessel movement, port, freight, commodity-flow, and risk data, with near-real-time APIs and workflow tools. Those are useful adjacencies, but they do not automatically inherit Platts' benchmark status. Their economics must be modeled as a lower-margin, integration-stage product group until cross-sell and platform consolidation show up in retention and profit.

The go-to-market model is enterprise sales rather than mass consumer distribution. Contracts are negotiated with trading, risk, procurement, strategy, operations, geoscience, and data-engineering teams. The best products are embedded into customers' systems through APIs, streaming, bulk delivery, cloud platforms, and desktop tools. S&P Global's Energy delivery pages describe direct access through desktop, cloud, feeds, APIs, streaming, and bulk channels. Its AI-ready offering now includes structured and pre-vectorized data, licensing for internal AI use, major-cloud delivery, Microsoft Copilot integration, REST APIs, and MCP connectivity ([Energy delivery platforms](https://www.spglobal.com/energy/en/products-solutions/delivery), [machine-to-machine delivery](https://www.spglobal.com/energy/en/products-solutions/delivery/machine-to-machine-delivery), [AI-ready Energy data](https://www.spglobal.com/energy/en/products-solutions/ai)). These routes move the product closer to the customer's workflow and make interface changes less threatening if S&P Global remains the licensed data layer.

2. Current economics

The sealed historical metric is `Segment operating profit`. FY2025 old-taxonomy Energy revenue was $2.299 billion, up 7.3%, and segment operating profit was $943 million, a 41.0% margin [data_package §3, Energy table]. The statutory TTM values were $2.353 billion of revenue and $975 million of segment operating profit, a 41.4% margin [data_package §0a, Energy revenue row; §3a, TTM bridge]. For forecasting, however, the issuer's continuing-company recast is the correct perimeter: $2.585 billion of TTM revenue and $1.039 billion of `Pro forma recast operating profit`, or 40.2% [data_package §3a, continuing-company overlay; §5, Energy rows]. The 120-basis-point gap between 41.4% and 40.2% is principally a perimeter and allocation issue, not proof of an abrupt deterioration in the original Energy franchise.

Current-period measure	Value	Basis and source
FY2025 revenue	$2.299B	Old statutory taxonomy [data_package §3, Energy Revenue row]
FY2025 growth	7.3%	Old statutory taxonomy [data_package §3, Energy YoY row]
FY2025 Segment operating profit	$0.943B	Sealed common basis [SEC 2025 Form 10-K, Note 12; data_package §3, Energy profit row]
FY2025 Segment operating profit margin	41.0%	Sealed common basis [data_package §3, Energy margin row]
Statutory TTM revenue	$2.353B	Pre-July taxonomy [data_package §0a, five-year KPI table, Energy revenue row]
Statutory TTM Segment operating profit	$0.975B	Sealed TTM bridge [SEC Q2 2026 Form 10-Q, Note 12; data_package §3a, TTM bridge, Energy line]
Continuing-recast TTM revenue	$2.585B	Sum of four recast quarters [data_package §5, Energy rows]
Continuing-recast TTM pro forma recast operating profit	$1.039B	Forecast-ready equivalent [SEC July 2026 recast Exhibit 99.1; data_package §3a, overlay]
Continuing-recast TTM profit margin	40.2%	$1.039B divided by $2.585B; calculation
Q2 FY2026 revenue growth	3%	Recast basis [data_package §5, Energy Q2 row]
Q2 FY2026 adjusted margin	47.5%	Context only; not forecast metric [data_package §5, Energy Q2 row]

The recent growth mix is the central issue. Platts or price-assessment growth slowed from 7% in Q3 2025 to 8% in Q4, 6% in Q1 2026, and 4% in Q2. Upstream or CERA growth moved from negative 2% to a slight rise, then negative 5%, then positive 1% [data_package §4, Energy growth-only rows]. Management repeatedly described a business still being stabilized and said commercial changes could take several quarters [data_package §6, Energy commentary rows 1-3]. The current 3% division growth rate is therefore below its FY2023-FY2025 subscription trajectory, and the model does not extrapolate the double-digit historical segment CAGR created by the IHS Markit combination.

Capital intensity is low at the consolidated company level: FY2025 capex was $195 million on $15.336 billion of revenue, and TTM capex was $156 million [data_package §2, consolidated historicals]. Energy-specific capex is not separately disclosed. That is a genuine limitation: the segment needs substantial reinvestment in editorial coverage, data acquisition, software, cyber security, geospatial normalization, AI tooling, and platform migration, but most of that cost is expensed rather than recorded as physical capex. Consequently, a 40% segment profit margin does not mean a maintenance-free asset. It means the franchise monetizes proprietary content at attractive incremental economics after funding a large expert and technology base.

3. Unit economics

The unit of value is not a report download; it is a trusted decision input. For a Platts benchmark, S&P Global pays market reporters, editors, methodology and compliance staff to gather bids, offers, trades, and other market information, normalize it, apply a documented methodology, and publish an assessment. Once the process is operating, the same assessment can be delivered to many subscribers and licensed into contracts, feeds, risk models, and trading systems. That creates high incremental margins. It also creates a reputational fixed cost: the company must keep specialists in many commodities and geographies even when a particular market is quiet.

Platts' methodology is a meaningful cost and moat bundle. The company states that its Market on Close process combines extensive data gathering with specialist judgment, while its index methodology uses transactional data, often from mid- or back-office sources, to construct tested volume-weighted averages. Methodologies are public, periodically reviewed, and changed through market consultation. The relevant benchmark administrator is regulated in Europe, and named assessments including Dated Brent, JKM LNG, Dubai-related markets, and refined products sit inside formal benchmark-governance processes ([Platts methodology](https://www.spglobal.com/commodity-insights/en/pricing-benchmarks/our-methodologies), [assessment methodologies](https://www.spglobal.com/commodity-insights/en/pricing-benchmarks/our-methodology/assessment-methodologies), [benchmark statements](https://www.spglobal.com/commodity-insights/en/pricing-benchmarks/our-methodology/methodology-specifications/benchmark-statements)). Those functions are labor- and governance-intensive, but each additional licensed user or contract reference carries limited delivery cost.

Subscription economics depend on retention, seat and entitlement expansion, content breadth, and price. The data package does not disclose an Energy-wide gross or net retention rate. It does disclose that customers using AI products had Energy growth about twice that of other customers and retention more than 500 basis points higher in Q1; by Q2 their ACV growth was about three times the comparison cohort [data_package §4, AI-customer KPI row]. These are cohort signals, not permission to lift the whole book's growth rate. They suggest that properly licensed, machine-readable delivery can expand wallet share. They also warn that the interface layer is shifting from a proprietary desktop toward customer-selected AI systems.

Usage royalties have even stronger incremental economics because they leverage an assessment that is already produced for subscribers. Royalties can nonetheless be volatile: if a benchmark loses contract relevance, a venue changes its reference, or trading migrates to a rival price, the loss can be nonlinear. Base-case royalty growth therefore follows benchmark adoption and activity, not the spot price level of the underlying commodity.

Events and consulting behave differently. Sponsorship, ticket, and advisory revenue can rise sharply when geopolitical disruption or energy-transition investment raises the value of expert convening. Yet conferences have direct venue and production costs, while consulting uses scarce expert time. S&P Global calls CERAWeek a premier global energy conference and lists a broad calendar including APPEC and methodology events ([Energy events](https://www.spglobal.com/energy/en/events)). The franchise can support strong pricing, but the profit margin is structurally lower than a data-feed royalty and more vulnerable to travel disruption, sponsorship budgets, and event timing.

The transferred products start with lower modeled economics. Maritime and supply-chain tools require ingesting AIS, ports, customs, trade, and risk data; 451 Research requires analyst coverage, surveys, forecasting, and customer briefings. They can gain scale when distributed through Energy's commercial channel, but integration costs and duplicative platforms reduce near-term leverage. The model assigns them a 20.3% analytical TTM segment-profit margin solely to make the four-part product bridge reconcile to the issuer's $1.039 billion recast profit. This is not issuer disclosure. The profit allocation deliberately gives the highest margin to usage royalties, a high but lower margin to subscriptions, a low margin to events, and a lower-than-core margin to transfers.

Margin can improve through four mechanisms: recovery in Upstream/CERA renewals; mix toward machine-to-machine delivery and royalties; cross-sell of maritime and supply-chain datasets into commodity customers; and cost leverage after platform consolidation. Margin can fall if renewal concessions persist, research products need heavy refresh, transferred assets duplicate sales and engineering cost, or customers demand broader AI rights without commensurate price. Because the current recast margin is already about 40%, the base case assumes only 300 basis points of five-year expansion, not an automatic return to the 53.8% FY2021 margin that preceded the IHS Markit perimeter.

4. Competitive dynamics

Energy competes in several overlapping markets, and the competitor depends on the product.

In commodity price reporting, the closest global rival is Argus Media. Argus publishes independent, transparent commodity assessments, uses market-specific methodologies, consults industry participants, draws data from producers, consumers, intermediaries, and trading platforms, and subjects its benchmark work to control and audit. That is the same institutional problem Platts solves, so customers can and often do consume both datasets ([Argus methodology](https://www.argusmedia.com/en/methodology)). Fastmarkets is a strong price-reporting competitor in metals, agriculture, forest products, and carbon, with publicly available specifications, consultation, peer review, and a regulated benchmark administrator ([Fastmarkets methodology](https://www.fastmarkets.com/methodology/)). ICIS is relevant in chemicals and energy price intelligence. Exchanges such as ICE and CME can also create transaction-derived reference prices, while governments and industry bodies publish free statistics.

Platts' defense is incumbent market convention. A benchmark used in physical contracts, transfer pricing, valuation, and risk systems has a network effect: producers, consumers, traders, brokers, auditors, and regulators all benefit from using the same reference. S&P Global cites Dated Brent as the leading physical light crude assessment, Dubai as a long-standing Asian crude reference, and JKM as a major LNG benchmark ([Platts established benchmarks](https://investorfactbook.spglobal.com/sp-global-commodity-insights/platts-core-established-benchmarks-and-emerging-price-assessments/)). Replacing the publisher involves more than buying a cheaper dataset; counterparties must revise contract language, validate history, change models, retrain users, and accept basis differences. That supports pricing and renewal durability. It does not create a monopoly. Argus can become the preferred marker in particular commodity and regional niches, and exchanges can challenge assessments where transparent liquidity develops.

In upstream data and software, competition is fiercer and less protected by benchmark convention. Wood Mackenzie's Lens Upstream offers asset and company valuation, scenario modeling, portfolio optimization, and integrated commercial and technical data across thousands of assets and companies. Lens Subsurface covers geology, reservoirs, wells, benchmarking, and AI-assisted analogue identification ([Wood Mackenzie Lens Upstream](https://www.woodmac.com/lens/upstream/), [Lens Subsurface](https://www.woodmac.com/lens/subsurface/)). Enverus markets a purpose-built energy analytics and AI platform spanning upstream, midstream, power, land, and emissions, supported by more than two decades of data ([Enverus PRISM](https://www.enverus.com/products/prism/)). Rystad Energy and BloombergNEF are relevant in market intelligence, energy transition, and strategy. Specialized regional datasets and customers' own data lakes compete at the workflow layer.

CERA Titan is S&P Global's answer to this pressure. The company says the platform unifies more than 100 years of upstream intelligence, over 7 million wells, over 10 million leases and parcels, and more than 100 daily updates. It places mapping at the center of the workflow and uses proactive AI to surface changes and next steps rather than waiting for manual search ([CERA Titan](https://www.spglobal.com/energy/en/products-solutions/upstream-midstream-oil-gas/cera-titan)). The scale is meaningful, but the commercial proposition must still prove itself in renewals. Customers compare user experience, local data quality, modeling flexibility, integration, and analyst access—not just record count. Management's own stabilization language and the recent Upstream/CERA growth of negative 5% in Q1 and positive 1% in Q2 show that product depth has not yet translated into a clean growth cycle [data_package §4 and §6, Energy rows].

In maritime and trade intelligence, competitors include Kpler, Vortexa, LSEG, Bloomberg, and specialist AIS and customs-data firms. S&P Global can combine vessel and cargo flows with Platts pricing, freight, bunkers, forecasts, ports, company data, and supply-chain risk. Its product covers more than 500 unique crude grades plus many other commodities ([Shipping and Commodity Flows](https://www.spglobal.com/energy/en/products-solutions/shipping/shipping-market-insights)). The transferred assets become more valuable only if that adjacency produces an integrated, paid workflow.

There is no reliable, package-supported segment-wide market-share percentage. `[DATA GAP: No independently verifiable total-addressable-market or Energy-wide share statistic is disclosed in the data package or the cited official competitive sources.]` Market share is fragmented by benchmark, commodity, geography, and workflow. The right monitoring evidence is benchmark adoption, retention, ACV growth, data-licensing expansion, specific competitive wins or losses, and the growth trajectory of CERA/Titan—not a false precision percentage.

5. Moat at the segment level

The segment has a real moat, but it is uneven.

Platts benchmark assessments are the strongest asset. Their protection comes from recognized methodologies, contributor and market-participant networks, long histories, contract references, audit and compliance infrastructure, specialist editorial judgment, and institutional habit. A new entrant can scrape news or train a model on public data; it cannot instantly create a trusted closing process accepted by both sides of thousands of physical transactions. The value rises when

counterparties independently choose the same marker. This is a network-effect and process-trust moat rather than a patent moat.

Historical and normalized data add a second layer. Energy decisions require continuous series with consistent units, locations, specifications, ownership, asset hierarchies, and corporate linkages. S&P Global's upstream pages describe coverage of more than 7 million wells, over 1,000 well attributes, more than 200 countries, and over 12,000 quality-control checks ([Upstream data](https://www.spglobal.com/energy/en/products-solutions/upstream-midstream-oil-gas/upstream-data)). Historical depth matters for valuations, analogues, forecasts, and AI training. Customers could rebuild subsets, but doing so across commodities and geographies is expensive and slow.

Workflow integration raises switching costs. API, feed, cloud, and machine-to-machine delivery put data inside customers' models and applications. S&P Global's decision to offer pre-vectorized data and explicit AI licensing is strategically important. It lets customers replace the user interface without replacing the underlying dataset. The durable position in an AI world is not necessarily owning the chat box; it is owning the lawful, current, auditable source that the model must query. If Energy prices that right intelligently, AI is an entitlement expansion opportunity.

Expert communities reinforce the data. CERA research and CERAWeek connect industry executives, policymakers, analysts, and customers. That produces relationships, market feedback, and brand authority that can support sales and product development. Yet expert opinion is less defensible than an embedded contract benchmark. High-quality free research, consulting firms, former-industry experts, and AI-assisted synthesis can substitute for some narrative content.

Transferred assets have potential but unproven moat uplift. AIS and customs sources are available to multiple vendors; 451 Research faces Gartner, IDC, Omdia, and specialist research; supply-chain tools face logistics platforms and customer-built systems. The moat improves only if the recast produces a unique cross-commodity product and measurable cross-sell.

Over five to ten years, the moat should remain strongest in contract-referenced Platts assessments and weakest in generic commentary and interfaces. The threat is not that a foundation model independently recreates Dated Brent tomorrow. The threat is that customers access rival and internal datasets through a neutral AI layer, reducing desktop engagement, price visibility, and bundle control. S&P Global's response—machine-ready content, APIs, connectors, data licenses, and source-linked ChatAI—addresses the interface risk. The residual risks are commercial: whether entitlements are priced correctly, whether output can be audited, and whether customers use AI to unbundle high-margin packages.

6. Historical growth rates reproduced from the data package

All S&P Global historical figures in this section come directly from the DR-cleared data package. The controlling primary-source locators are the SEC 2023 and 2025 Forms 10-K, Note 12, for the annual segment series and the SEC Q2 2026 earnings exhibit for the latest recast growth; the exact live URLs and D/DR archives are in the data-package source index. No product dollar is back-solved. The three product rows use the finest dollar-disclosed taxonomy available. Named-product revenue for Platts, CERA, Titan, CERAWeek, 451 Research, Maritime & Trade, and individual supply-chain products is not separately disclosed.

Product / sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	FY2023-FY2025 CAGR	Most recent YoY	Data package cite
Energy total	$1.946B [data_package §3, Energy Revenue row]	$2.142B [data_package §3, Energy Revenue row]	$2.299B [data_package §3, Energy Revenue row]	8.7% [data_package §3, Energy Revenue row; calculation]	3% in Q2 FY2026 recast [data_package §5, Energy Q2 row]	§3 Energy table; §5 Energy Q2 row
Subscription	$1.707B [data_package §4, Energy Subscription row]	$1.873B [data_package §4, Energy Subscription row]	$2.016B [data_package §4, Energy Subscription row]	8.7% [data_package §4, Energy Subscription row; calculation]	Platts 4%; Upstream/CERA 1% [data_package §4, Energy growth-only rows]	§4 Energy Subscription and growth-only rows
Non-subscription / Transaction	$0.158B [data_package §4, Energy Non-subscription row]	$0.166B [data_package §4, Energy Non-subscription row]	$0.163B [data_package §4, Energy Non-subscription row]	1.6% [data_package §4, Energy Non-subscription row; calculation]	Not separately disclosed [DATA GAP]	§4 Energy Non-subscription row
Usage royalties	$0.081B [data_package §4, Energy Usage royalties row]	$0.103B [data_package §4, Energy Usage royalties row]	$0.120B [data_package §4, Energy Usage royalties row]	21.7% [data_package §4, Energy Usage royalties row; calculation]	Not separately disclosed [DATA GAP]	§4 Energy Usage royalties row

Arithmetic checks pass within the mandatory 2% tolerance. Energy total: $1.946B × 1.101 = $2.143B versus $2.142B reported; $2.142B × 1.073 = $2.298B versus $2.299B reported. Subscription: $1.707B × 1.097 = $1.873B; $1.873B × 1.076 = $2.015B versus $2.016B reported. Non-subscription: $0.158B × 1.051 = $0.166B; $0.166B × 0.982 = $0.163B. Usage

royalties: $0.081B × 1.272 = $0.103B; $0.103B × 1.165 = $0.120B. Rounding explains the sub-$2 million differences. There are no estimated historical rows and therefore no back-solve tie-outs.

The longer segment record is distorted by the IHS Markit merger perimeter: revenue increased from $1.012 billion in FY2021 to $1.685 billion in FY2022, then $1.946 billion, $2.142 billion, and $2.299 billion through FY2025 [data_package §3, Energy table]. Segment operating profit was $0.544 billion, $0.591 billion, $0.704 billion, $0.845 billion, and $0.943 billion, while the margin moved from 53.8% to 35.1%, 36.2%, 39.4%, and 41.0% [data_package §3, Energy profit and margin rows]. The 2021-2022 jump is a taxonomy event, not organic unit growth. The post-merger improvement from 35.1% to 41.0% is evidence of integration leverage, but the July 2026 transfers reset the forward margin anchor to 40.2%.

7. Management guidance and commentary from data package §6

The package contains no quantified full-year Energy revenue or margin guide. Every relevant forward fragment is reproduced below, with the interpretation constrained to the cited row.

Data package row	Verbatim fragment	Topic	Modeling interpretation
§6 Energy row 1, Q3 FY2025 CFO	“stabilize the business”	Upstream	Recovery was not proven; the base case requires a gradual rather than immediate rebound.
§6 Energy row 2, Q4 FY2025 CFO	“several quarters”	Timing	Commercial changes have a lag, so 2026-2027 growth remains below the five-year steady state.
§6 Energy row 3, Q1 FY2026 CFO	“could take several quarters”	Headwinds	Renewal pressure can outlast one reporting period; the bear case extends concessions.
§6 Energy row 4, Q2 FY2026 CEO	“headwinds are cyclical”	Iran and renewals	Management sees recoverability, but the forecast separates cyclical recovery from permanent share gains.
§6 Energy row 5, Q2 release CEO	“four core divisions”	Focus	Energy has greater strategic weight after Mobility, supporting investment but raising execution accountability.
§6 Energy row 6, 2025 10-K	“benchmark prices for the energy”	Platts	Benchmark subscriptions and royalties are modeled separately from consulting.
§6 Energy row 7, July 2026 recast	“Platts”	New line	The forward product view retains Platts as the core franchise while adding transferred products.
§6 Energy row 8, Q2 10-Q	“Sales usage-based royalties”	Variable revenue	Royalties are not treated as fixed subscriptions and receive their own growth and margin assumptions.

The practical anchor is qualitative: management expects stabilization but has acknowledged delayed renewal and upstream pressure. The data-package forecast-driver ledger characterizes bear, base, and bull as prolonged pressure, 6%-8% recovery, and benchmark upside, respectively [data_package §3a, Energy driver row]. The 6%-8% language is an upstream modeling rule from the cleared ledger, not a company-wide numeric guide and not presented as management guidance.

8. Forward growth assumptions

TTM product-anchor construction

The continuing-recast TTM total is disclosed, but its product mix is not. To avoid inventing named-product revenue, the model allocates the $2.353 billion old-taxonomy TTM total in the same proportions as the three FY2025 disclosed categories: 87.69% subscription, 5.22% usage royalties, and 7.09% non-subscription. This produces analytical TTM anchors of $2.063 billion, $0.123 billion, and $0.167 billion. The residual $0.232 billion between continuing-recast TTM revenue of $2.585 billion and old-taxonomy TTM revenue of $2.353 billion is labeled Transferred products. It is added exactly once: the subscription, royalty, and non-subscription anchors sum to the old-taxonomy $2.353 billion and exclude that Market Intelligence transfer, while the four anchors together sum to the recast $2.585 billion. This allocation is a transparent modeling estimate; only the total and FY2025 mix are issuer-disclosed [data_package §1, §3a, §4, and §5].

Base case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Base CAGR TTM to 2031-06-30	Concise justification
Subscriptions	8.7%	Platts 4%; Upstream/CERA 1%	No numeric guide; stabilization language	6.0%	Recovery is gradual; AI-ready delivery, pricing, Platts durability, and Titan offset mature core growth.
Usage royalties	21.7%	Not disclosed [DATA GAP]	No numeric guide	5.0%	Historical growth normalizes sharply; benchmark use expands but activity is variable.
Events / consulting	1.6%	Not disclosed [DATA GAP]	No numeric guide	3.0%	CERAWeek relevance supports price and sponsorship, while consulting remains project-driven.
Transferred products	Not comparable	Recast division 3%	No numeric guide	5.0%	Maritime and supply-chain adjacency aids cross-sell; integration and 451 competition cap growth.

The base subscription path is 4.5%, 5.5%, 6.0%, 6.5%, and 7.5% across the five forecast years. Its 6.0% geometric CAGR sits below the 8.7% FY2023-FY2025 subscription CAGR because current Platts and CERA growth has decelerated, but it allows recovery as renewal changes, CERA Titan, machine-ready delivery, and cross-sell mature. This is more defensible than jumping immediately from the recent 1%-4% product signals to the cleared ledger's 6%-8% recovery range.

Usage royalties grow 3%, 4%, 5%, 6%, and 7%. The 5.0% CAGR is deliberately far below the 21.7% historical CAGR; a $120 million line can remain volatile, and the data package supplies no current royalty-growth rate. Events and consulting grow 2.0%, 2.5%, 3.0%, 3.5%, and 4.0%, consistent with their 1.6% recent CAGR and the continuing strategic importance of CERAWeek. Transferred products grow 3%, 4%, 5%, 6%, and 7% as cross-sell builds after a slow integration start.

Bear case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Bear CAGR TTM to 2031-06-30	Concise justification
Subscriptions	8.7%	Platts 4%; Upstream/CERA 1%	No numeric guide; several-quarter pressure	3.0%	Price flexibility persists, Titan adoption is slow, and rival upstream platforms take workflow share.
Usage royalties	21.7%	Not disclosed [DATA GAP]	No numeric guide	1.0%	Benchmark use is resilient but weak volumes and selective substitution limit expansion.
Events / consulting	1.6%	Not disclosed [DATA GAP]	No numeric guide	Approximately 0.0%	Sponsorship and project budgets weaken before a late recovery.
Transferred products	Not comparable	Recast division 3%	No numeric guide	2.0%	Integration absorbs attention and maritime / technology research remain crowded.

The bear subscription path is 2%, 2%, 3%, 4%, and 4%, a 3.0% CAGR. It does not assume collapse because contract-referenced Platts assessments retain high switching costs, but it treats Upstream/CERA pressure as partly structural. Royalties move negative 2%, 0%, 1%, 2%, and 4%, yielding about 1.0% annualized. Events and consulting move negative 5%, negative 2%, 0%, 2%, and 5%, leaving the endpoint almost unchanged from TTM. Transfers grow 0%, 1%, 2%, 3%, and 4%. The bear case therefore represents a weak commercial recovery rather than commodity-price deflation mechanically reducing all revenue.

Bull case growth

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Bull CAGR TTM to 2031-06-30	Concise justification
Subscriptions	8.7%	Platts 4%; Upstream/CERA 1%	No numeric guide; cyclical framing	8.0%	Titan renewals, AI entitlements, price, and Platts expansion restore the historical cadence.
Usage royalties	21.7%	Not disclosed [DATA GAP]	No numeric guide	8.0%	New benchmarks and broader contract and data usage sustain high-single-digit growth.

Product	FY2023-FY2025 CAGR	Latest YoY	Management FY+1 guide	Bull CAGR TTM to 2031-06-30	Concise justification
Events / consulting	1.6%	Not disclosed [DATA GAP]	No numeric guide	5.0%	Energy security, power, data-center demand, and transition complexity lift attendance and advisory work.
Transferred products	Not comparable	Recast division 3%	No numeric guide	8.0%	Commodity-flow integration creates differentiated cross-sell and higher retention.

The bull subscription path is 6%, 7%, 8%, 9%, and 10%, producing an 8.0% CAGR. This is not a return to merger-driven growth; it is a commercial success case in which CERA Titan and AI-ready licensing convert the installed data estate into greater wallet share. Usage royalties grow 5%, 6.5%, 8%, 9.5%, and 11%. Events and consulting grow 3%, 4%, 5%, 6%, and 7%. Transfers grow 6%, 7%, 8%, 9%, and 10%. The acceleration requires customer evidence: improving Energy ACV, better retention, material Titan adoption, and cross-sell, not merely favorable commodity headlines.

Scenario and product	Year 1 growth	Year 2 growth	Year 3 growth	Year 4 growth	Year 5 growth	Five-year CAGR
Bear subscriptions	2.0%	2.0%	3.0%	4.0%	4.0%	3.0%
Bear royalties	(2.0%)	0.0%	1.0%	2.0%	4.0%	1.0%
Bear events / consulting	(5.0%)	(2.0%)	0.0%	2.0%	5.0%	approximately 0.0%
Bear transferred products	0.0%	1.0%	2.0%	3.0%	4.0%	2.0%
Base subscriptions	4.5%	5.5%	6.0%	6.5%	7.5%	6.0%
Base royalties	3.0%	4.0%	5.0%	6.0%	7.0%	5.0%
Base events / consulting	2.0%	2.5%	3.0%	3.5%	4.0%	3.0%
Base transferred products	3.0%	4.0%	5.0%	6.0%	7.0%	5.0%
Bull subscriptions	6.0%	7.0%	8.0%	9.0%	10.0%	8.0%
Bull royalties	5.0%	6.5%	8.0%	9.5%	11.0%	8.0%
Bull events / consulting	3.0%	4.0%	5.0%	6.0%	7.0%	5.0%
Bull transferred products	6.0%	7.0%	8.0%	9.0%	10.0%	8.0%

9. Forward Segment operating profit margin assumptions

The exact forecast metric is `Segment operating profit`. The historical common metric remains unchanged. The forward TTM anchor uses the issuer's $1.039 billion `Pro forma recast operating profit` solely because it is the continuing-company equivalent after product transfers and revised allocations [data_package §3a]. It is not a non-GAAP adjusted margin.

The product-level TTM margins below are analytical allocations, not issuer disclosures. At displayed $1 million rounding, they reconcile to the disclosed recast profit: subscription $0.895 billion, royalties $0.080 billion, events/consulting $0.017 billion, and transfers $0.047 billion, totaling $1.039 billion. The implied 43.4%, 65.0%, 10.0%, and 20.3% margins reflect the relative economics discussed above.

Product	Analytical TTM revenue	Analytical TTM Segment operating profit margin	Bear 2031 margin	Base 2031 margin	Bull 2031 margin	Main mechanism
Subscriptions	$2.063B	43.4%	41.0%	46.0%	49.0%	Renewal concessions versus Titan, AI entitlement, pricing, and platform leverage.
Usage royalties	$0.123B	65.0%	58.0%	66.0%	70.0%	Activity and benchmark mix; little incremental delivery cost when adoption grows.
Events / consulting	$0.167B	10.0%	5.0%	13.0%	18.0%	Venue, sponsorship, staffing, utilization, and advisory mix.
Transferred products	$0.232B	20.3%	16.0%	25.0%	31.0%	Integration cost versus cross-sell and platform consolidation.

Product	Analytical TTM revenue	Analytical TTM Segment operating profit margin	Bear 2031 margin	Base 2031 margin	Bull 2031 margin	Main mechanism
Energy total	$2.585B	40.2%	37.5%	43.2%	46.6%	Revenue-weighted outcome on the exact Segment operating profit basis.

Bear margin. The 37.5% endpoint is 270 basis points below the recast TTM anchor. Subscriptions fall 240 basis points as multi-year discounts and price flexibility persist while Titan and AI-ready products require investment. Royalty margin falls because the company carries the benchmark infrastructure despite weak variable revenue. Events run near break-even after venue and staffing commitments. Transferred-product margin falls to 16% because systems, data rights, and sales coverage remain duplicative. This is a serious but not catastrophic impairment: the Platts core still earns attractive economics.

Base margin. The 43.2% endpoint is about 300 basis points above the anchor. Subscriptions expand to 46% through normal pricing, improving renewals, migration to shared delivery, and better distribution economics. Royalties hold near their current analytical margin. Events recover to 13% on sponsorship and attendance. Transfers reach 25% as common sales, cloud, data, and support functions remove duplication. The gain is restrained relative to the FY2021 old-taxonomy margin of 53.8%, because the current perimeter contains more software, research, maritime, and supply-chain activity.

Bull margin. The 46.6% endpoint is about 640 basis points above the anchor and therefore demands specific mechanisms. Titan must lift retention and pricing, AI-ready licensing must create paid entitlements rather than free bundled features, and transferred products must be consolidated into a scalable platform. Royalties must outgrow the division, while CERAWeek and consulting gain operating leverage. The model does not exceed 49% for subscriptions or 31% for transfers, acknowledging continuing product-development and data costs.

10. Segment rollup built bottom-up

The model compounds each analytical TTM product anchor through the exact five-year horizon using the annual paths in §8. It then applies the corresponding 2031 product margin from §9. No corporate cost, equity income, financing, tax, or Mobility item is allocated here.

Case	Product	2031 revenue	Segment operating profit margin	2031 Segment operating profit
Bear	Subscriptions	$2.392B	41.0%	$0.981B
Bear	Usage royalties	$0.129B	58.0%	$0.075B
Bear	Events / consulting	$0.166B	5.0%	$0.008B
Bear	Transferred products	$0.256B	16.0%	$0.041B
Bear	Energy total	$2.943B	37.5%	$1.105B
Base	Subscriptions	$2.761B	46.0%	$1.270B
Base	Usage royalties	$0.157B	66.0%	$0.103B
Base	Events / consulting	$0.193B	13.0%	$0.025B
Base	Transferred products	$0.296B	25.0%	$0.074B
Base	Energy total	$3.407B	43.2%	$1.472B
Bull	Subscriptions	$3.030B	49.0%	$1.485B
Bull	Usage royalties	$0.180B	70.0%	$0.126B
Bull	Events / consulting	$0.213B	18.0%	$0.038B
Bull	Transferred products	$0.341B	31.0%	$0.106B
Bull	Energy total	$3.764B	46.6%	$1.755B

Rollup check	Bear	Base	Bull
Sum of product revenue	$2.943B	$3.407B	$3.764B
Reported segment revenue in model	$2.943B	$3.407B	$3.764B
Revenue residual	$0.000B	$0.000B	$0.000B
Sum of product Segment operating profit	$1.105B	$1.472B	$1.755B
Reported segment profit in model	$1.105B	$1.472B	$1.755B

Rollup check	Bear	Base	Bull
Profit residual	$0.000B	$0.000B	$0.000B
Revenue-weighted margin	37.5%	43.2%	46.6%

Every case ties within 0.1%, comfortably inside the required 1% tolerance. From the $2.585 billion recast TTM anchor, total Energy revenue CAGRs are 2.6% bear, 5.7% base, and 7.8% bull. From the $1.039 billion recast profit anchor, Segment operating profit CAGRs are 1.2%, 7.2%, and 11.1%. The profit asymmetry matters: in the bear case, fixed content and integration costs make profit grow more slowly than revenue; in the bull case, royalties and platform leverage produce meaningful incremental margin.

The probability set is 25% bear, 55% base, and 20% bull. It gives the greatest weight to a gradual recovery but retains a larger downside probability than upside because current Upstream/CERA evidence is weak, the reporting perimeter changed immediately after the anchor date, and no numeric Energy guide exists. The probability-weighted 2031 revenue is approximately $3.36 billion and probability-weighted Segment operating profit approximately $1.44 billion. Those weighted amounts are context for synthesis, not a fourth operating scenario.

11. Key risks and wildcards

Bear — renewal weakness becomes structural. Management calls the headwinds cyclical, but repeated references to stabilization and several quarters show that the issue is not resolved. If customers consolidate vendors, reduce upstream exploration budgets, or move workflows to Wood Mackenzie, Enverus, Rystad, or internal systems, low-single-digit growth could persist beyond the model's early years. Monitor Energy ACV, gross and net renewal evidence, CERA/Titan conversion, and competitive displacements.

Bear — AI unbundles the interface and the bundle. A customer-controlled assistant can query multiple feeds, compare Platts with Argus or exchange data, summarize research, and distribute answers without many direct users. That can pressure seats and make generic commentary substitutable. The countermeasure is explicit machine-use licensing and superior source data. The risk becomes acute if S&P Global grants broad AI rights inside existing contracts without charging for higher usage.

Base and bull — AI turns data rights into a new entitlement. Energy's AI-ready products provide vectorized content, metadata, cloud delivery, APIs, connectors, and explicit use rights. If legal and compliance teams insist on authoritative licensed grounding, the vendor can monetize consumption by models rather than by human seats. The package's AI-customer cohort signals support this direction but do not quantify whole-book adoption [data_package §4, AI-customer KPI row].

Bear — benchmark substitution or methodology failure. A major assessment can lose relevance if physical flows change, contributors withdraw, liquidity migrates to an exchange, or a methodology fails to adapt. A correction, manipulation concern, regulatory finding, or conflict-of-interest perception could damage trust. The risk is low-frequency but high-impact because benchmark reputation is shared across products.

Base and bull — new benchmark formation. Energy transition, battery materials, carbon, hydrogen, LNG, biofuels, power, and shipping create markets that need common reference prices. Platts already publishes across many of these categories. Successful assessments can develop network effects and later generate subscriptions and royalties. Failure is cheap at the product level but success can compound for decades.

Bear and base — commodity-cycle exposure is indirect but real. Platts prices are useful in both high and low commodity-price environments, so revenue should not track spot prices mechanically. However, low producer cash flow can cut upstream software, research, consulting, sponsorship, and exploration budgets; weak trading activity can reduce royalties. Conversely, volatility and geopolitical disruption can raise demand for benchmarks, news, risk, and events. The portfolio has both cyclical budget exposure and countercyclical information value.

Bear — price flexibility resets customer expectations. The package notes that Energy offered affected customers price flexibility amid conflict [data_package §4, Pricing evidence row]. Targeted flexibility may protect relationships, but repeated concessions can lower the future renewal base and weaken the proof of pricing power. The model's bear subscription margin incorporates this risk.

Bear and base — recast integration obscures accountability. Moving 451 Research, Maritime & Trade, and supply-chain products can improve strategic fit, but it creates a new baseline at the same time Mobility leaves the company. Allocation

changes can make margins look better or worse without equivalent cash economics. Investors need recast-basis growth, renewal, and profit evidence over several quarters. The model keeps the exact statutory profit basis and does not substitute adjusted quarterly margins.

Bull — integrated maritime, price, and supply-chain intelligence creates a differentiated workflow. Combining vessel location, cargo identity, trade flow, port risk, freight, benchmark value, and fundamental forecasts could answer high-value trading and procurement questions in one platform. This would raise retention and cross-sell. The thesis requires actual product integration rather than a reporting transfer.

Bear — 451 Research dilutes strategic coherence. Technology research can inform data-center power demand, AI infrastructure, and digital-energy workflows, but much of its coverage competes outside commodity intelligence. If the Energy channel cannot create adjacency, the business may remain a lower-growth, analyst-intensive asset and depress the transferred-product margin.

Base and bull — CERA Titan repairs Upstream economics. Titan's unified map, data history, and proactive AI address a real customer pain point: too much fragmented upstream information and too many disconnected tools. The scale of wells, leases, and updates supports differentiation. The model requires a slow initial adoption curve in base and an acceleration only in bull. Product-launch activity alone is not evidence; renewal rates, paid users, cross-sell, and price realization are.

Bear — product-development reinvestment is underestimated. S&P Global does not disclose Energy R&D separately; product-development costs are embedded in segment expense [data_package §10]. Data normalization, cloud migration, cyber security, AI evaluation, licensing governance, editorial staffing, and user-interface modernization are recurring requirements. A margin target that ignores them would be false operating leverage.

All cases — regulation can strengthen or burden the moat. Benchmark regulation, audit, and governance raise entry barriers and customer trust, but they also impose cost and liability. AI regulation and data-licensing disputes could restrict model usage or require more traceability. Strong governance should favor established vendors, while a significant compliance failure would disproportionately damage Platts.

All cases — no product-level dollar disclosure. Investors cannot independently observe the revenue of Platts, CERA, Titan, CERAWeek, or individual transferred products. That limits precision and allows mix changes to hide inside reported Energy growth. The scenario model is therefore built from disclosed revenue types, with transferred revenue isolated only as an analytical residual.

Ending scenario summary

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	$2.943B	Segment operating profit	37.5%	$1.105B	25%
Base	$3.407B	Segment operating profit	43.2%	$1.472B	55%
Bull	$3.764B	Segment operating profit	46.6%	$1.755B	20%

Energy earns a qualified segment moat: Platts assessments are deeply embedded; CERA, Titan, events, and transferred workflows are more contestable. The base case requires renewal normalization, mid-single-digit subscription growth, and modest recast-perimeter leverage while fully funding editorial, data, compliance, and product development.

Appendix B4 - Indices

S&P Global Indices — Segment Deep Dive

Production ER2 refresh: 2026-09-08 **Forecast anchor:** TTM ended 2026-06-30 **Forecast horizon:** 2031-06-30, exactly 5.0 years **Exact forecast profit metric:** `Segment operating profit` **Currency:** USD billions unless stated otherwise

This appendix uses the DR-cleared [data package](C:/Users/Admin/OneDrive/GPT/ER%202.0/S&P%20Global/data_package.md) as the sole source for S&P Global historical figures and management commentary. The sealed statutory bridge was independently validated before the model was built; its SHA-256 is `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`, matching the QFR and DR manifest. External sources are used only for business mechanics and competitive context. Forecasts are judgments, not company guidance.

0. Segment boundary and taxonomy note

Indices is a stable continuing division. The July 2026 Mobility separation and continuing-company recast moved 451 Research, Maritime & Trade, and supply-chain products between Market Intelligence and Energy, but did not transfer revenue into or out of Indices [data_package §1, taxonomy paragraph and FY2025 statutory-segment table, Indices row]. Historical Indices revenue and `Segment operating profit` can therefore be compared without a recent product-perimeter restatement. The statutory TTM bridge contains $1.392 billion of Indices `Segment operating profit`; for the forward continuing-company perimeter, this appendix starts from the issuer's $1.378 billion Indices **pro forma recast operating profit** overlay [data_package §3a, TTM bridge, Indices row; continuing-company overlay, Indices row]. That $14 million perimeter difference is not smoothed away. The projection metric remains `Segment operating profit`; the pro forma recast amount is the continuing-company starting measurement of that operating-profit basis, not non-GAAP adjusted profit.

1. What this segment actually is

S&P Global's Indices division is principally S&P Dow Jones Indices, a benchmark intellectual-property, calculation, governance, data, and licensing business. It does not manage the exchange-traded funds or mutual funds that track its benchmarks. It designs or administers methodologies, maintains constituent and corporate-action machinery, calculates index levels, distributes data, and licenses the right to use its names and outputs in investment products, derivatives, research, and client workflows. The product is thus a trusted rulebook and operating system for measuring markets, not a pool of investment capital.

The customers are institutional. Asset managers license benchmarks for ETFs, mutual funds, separately managed accounts, insurance products, and structured products. Exchanges license indices as underlyings for futures and options. Banks use them in over-the-counter derivatives and structured notes. Asset owners, consultants, advisers, and data users subscribe to index files, analytics, and benchmarking data. Product sponsors also hire S&P DJI to calculate or govern bespoke indices. Distribution is direct to these institutions and through exchange, asset-manager, data-vendor, and regional index partnerships.

There are three disclosed revenue engines:

- **Asset-linked fees.** Customers pay royalties tied mainly to assets under management in investment vehicles based on S&P DJI benchmarks. Revenue moves with market appreciation or decline, net inflows and outflows, launches and closures, product and contract mix, and effective fee tiers. The disclosed $6.35 trillion of ETF AUM at Q2 FY2026 is the most immediate scale marker [data_package §6, Indices commentary, Q2 FY2026 row].
- **Sales usage-based royalties.** Exchanges and other venues pay royalties linked mainly to trading volume in futures, options, and related exchange-traded derivatives. Contracts traded, product mix, and royalty schedules matter more than market direction. Volatility can increase hedging and speculative volume even when falling markets reduce AUM-linked revenue.
- **Subscription revenue.** Data, standard benchmark packages, custom-index design, calculation, administration, and delivery generate recurring contractual revenue. Economics depend on renewals, pricing, expanded use, new launches, customized solutions, and data breadth. S&P DJI says it calculates more than 10,000 custom headline indices for more than 150 clients on the same infrastructure used for flagships ([S&P DJI Custom Index Solutions](https://www.spglobal.com/spdji/en/custom-indices/solutions/)).

The engines are complementary. Asset-linked fees monetize long-duration pools of capital. Derivative royalties monetize trading intensity around the benchmark ecosystem. Subscriptions monetize data and operating infrastructure regardless of daily market direction. That produces more resilience than a pure basis-point fee on passive AUM, but it does not eliminate market sensitivity because asset-linked fees are about two-thirds of revenue.

2. Current economics

FY2025 Indices revenue was $1.850 billion, up 13.6%, and `Segment operating profit` was $1.271 billion, a 68.7% margin [data_package §3, Indices table, Revenue, YoY, Segment operating profit, and Margin rows]. Statutory TTM revenue was $2.012 billion and TTM segment profit $1.392 billion [data_package §0a, KPI table, Indices row; §3a TTM bridge, Indices row]. For forecasting, the continuing-company overlay supplies $1.378 billion of Indices pro forma recast operating profit, equivalent to a 68.5% starting margin on the $2.012 billion revenue anchor [data_package §3a, continuing-company overlay, Indices row; calculation].

Momentum entering the forecast is stronger than the five-year assumptions. Quarterly revenue growth accelerated from 11% in Q3 FY2025 to 14% in Q4, 17% in Q1 FY2026, and 20% in Q2 FY2026 [data_package §5, four Indices rows]. Adjusted margins were 70.3%, 68.3%, 73.0%, and 71.5%, but are context only and do not replace the exact segment-profit basis. In the latest two quarters, both asset-linked fees and exchange-traded derivatives grew 18% and then 22% year over year [data_package §4, growth-only table, two Indices rows]. Management's "record results" wording says the run rate is strong but warns against capitalizing a peak cadence permanently [data_package §6, Q2 release row].

FY2025's disclosed mix was $1.206 billion of asset-linked fees, $0.324 billion of usage royalties, and $0.320 billion of subscriptions [data_package §4, product table, three Indices rows]. For a reconstructable TTM model, this appendix allocates the disclosed $2.012 billion total to $1.322 billion asset-linked, $0.354 billion derivative royalties, and $0.336 billion subscription revenue. These are **model allocations**, not historical disclosures. They preserve FY2025's mix while allowing the two market-sensitive lines' recent acceleration to lift their shares modestly. The allocations sum exactly to the disclosed TTM total.

Capital intensity is low physically. The segment needs no factories, branches, funded balance sheet, or investment portfolio. Its important reinvestment is expensed: index research, methodology development, data acquisition, corporate-action operations, benchmark administration, technology resilience, cyber controls, legal and regulatory support, and client coverage. That permits high incremental margins, but "asset light" is not "cost free." S&P DJI must calculate and govern correctly every day across time zones and asset classes. A serious calculation or governance error could impair the franchise more than one year of saved expense would help it.

External scale evidence is substantial but must not be confused with fee-bearing ETF AUM. S&P DJI's August 2026 survey estimated that, at year-end 2025, $23.35 trillion was indexed or benchmarked to the S&P 500 and $31.93 trillion to the full S&P DJI family. Of the S&P 500 total, $15.74 trillion was classified as indexed exposure, including ETP, non-ETP, and derivative notional ([S&P DJI 2025 Annual Survey of Assets](https://www.spglobal.com/spdji/en/documents/index-news-and-announcements/spdji-indexed-asset-survey-2025.pdf)). These are ecosystem reach, not the contractual fee denominator. The $6.35 trillion ETF AUM disclosure is the cleaner current fee-pool marker.

3. Unit economics

3.1 Asset-linked fees

The core identity is average eligible AUM multiplied by an effective royalty rate. Average AUM changes with underlying returns, currency, subscriptions and redemptions, launches and closures, and client/product mix. Effective fees may step down at contractual breakpoints. Lower-fee large-cap products can grow faster than specialized products. A new thematic product may carry better economics but less scale. A sponsor can pressure its index provider when the sponsor itself faces fee pressure.

The model does not equate S&P 500 returns one-for-one with asset-linked revenue. Base assumes approximately 5% annual market appreciation, roughly 3% flows and new-product contributions, and about 0.5 percentage point of fee-tier and mix leakage, with launch and non-ETF licensing benefits yielding an 8.5% five-year asset-linked CAGR. This is below the latest 22% quarterly growth and below the market-led surge, while allowing passive penetration to continue as fee yield compresses.

Bear contains an explicit first-year shock rather than a falsely smooth low CAGR. Asset-linked revenue falls 15% in year one, then recovers 10%, 9%, 6%, and 5%; the five-year CAGR is about 2.5%. Flows to low-cost index products may remain

positive through a correction but cannot fully offset a large decline in average market levels. Bull assumes broader global passive adoption, strong markets, durable inflows, and wins in fixed income, private markets, retirement, direct indexing, and newer assets. Growth begins at 18% and falls to 10%, producing 13.0% over five years.

The fee pool has concentration risk. The S&P 500 is the dominant U.S. large-cap benchmark, so much value depends on one powerful ecosystem of fund sponsors, exchanges, and end-investors. Concentration is also the moat: a liquid benchmark attracts products and hedging, which creates liquidity and awareness, attracting more products. The incremental cost of another dollar tracking an existing index is negligible, but economics are shared with licensees through negotiated tiers.

3.2 Exchange-traded-derivative royalties

Derivative royalty revenue is contracts traded multiplied by contract economics, subject to exchange arrangements and mix. Structural drivers include increased use of options for income and hedging, short-dated products, institutional futures, international hours, retail participation, new expiries and contract sizes, and cross-asset innovation. Cyclical drivers include realized and implied volatility, directional conviction, macro uncertainty, and event intensity.

The line provides a real but imperfect natural hedge. Falling markets reduce asset-linked AUM; the same shock can increase futures and options volume as investors hedge or reposition. Management explicitly called this a “natural hedge” and cited “volatile periods” [data_package §6, Q4 FY2025 and Q1 FY2026 rows]. It is not guaranteed: a low-volatility bear market, exchange concessions, product substitution, or movement toward unlicensed instruments could leave both lines weak. Nor should 22% Q2 growth be treated as steady state.

Base uses 8.0% growth, beginning at 12% and falling to 6%. Bear uses 3.9%, with initial volatility strength followed by a modest decline and low-single-digit normalization. Bull assumes product proliferation and sustained volume, beginning at 18% and falling to 8%, for 11.9% annually. Royalties remain more volatile than subscriptions but less directly tied to equity-market level than asset-linked fees.

3.3 Data and custom-index subscriptions

Subscriptions are the smallest line but the cleanest contractual hedge against market levels. The unit is a licensed data package, benchmark entitlement, or custom calculation and administration mandate. Growth comes from pricing, additional datasets, more entities and desks, new mandates, expanded geography, and more complex administration. Costs include research, engineering, onboarding, daily calculation, corporate actions, data delivery, governance, and support.

Custom work is not uniformly high moat. A bespoke index becomes sticky once embedded, but design and calculation include specialists and lower-cost challengers. S&P’s edge combines design, underlying data, infrastructure, recognized governance, and the “Calculated by S&P Dow Jones Indices” association. Its custom platform covers more than 33,000 securities in 96 countries ([S&P DJI Custom Index Solutions](https://www.spglobal.com/spdji/en/custom-indices/solutions/)). Scale lowers unit cost and makes global support credible.

Base subscription CAGR is 9.0%. That exceeds the FY2023-FY2025 7.5% CAGR because custom solutions, private-market benchmarks, direct indexing, and data use augment renewal pricing, but it stays below current segment growth. Bear is 4.5%, reflecting price resistance, in-sourcing, and slower launches. Bull is 12.0%, requiring scalable custom and subscription success rather than simply charging more for identical files.

3.4 Expense structure and operating leverage

Starting product margins are analytical because product-level profit is not disclosed. They are calibrated so profit contributions equal the $1.378 billion continuing-company anchor: 74% for asset-linked fees, 78% for derivative royalties, and 36.8% for subscriptions. Royalty businesses have very low marginal fulfillment costs after the benchmark exists. Subscription/custom requires more engineering, implementation, data, governance, and service. Shared segment costs are included; corporate unallocated expense and statutory bridge items are not.

Fixed infrastructure creates leverage when revenue grows, but strategic investment, compensation inflation, data licensing, cyber resilience, and regulation absorb some. A 70%-plus margin is plausible; a straight march toward 80% would underwrite chronic underinvestment. Base reaches 70.4%, only about 190 basis points above the 68.5% continuing anchor over five years.

4. Competitive dynamics

Competitors include MSCI, FTSE Russell, Nasdaq, Bloomberg, Morningstar, Solactive, STOXX/Qontigo, ICE Data Indices, CRSP, and exchange- or asset-manager-owned capabilities. Competition differs by use. Iconic benchmarks compete on brand, acceptance, liquidity, methodology, and history. Custom and thematic indices compete on speed, flexibility, data, service, and price. Fixed-income and private-market indices require capabilities distinct from liquid-equity benchmarks.

S&P DJI appears strongest in ETF assets, especially U.S. equity. S&P's 2025 research, citing Morningstar Direct, said ETFs tracking S&P DJI indices represented 33.8% of ETF assets, versus 11.3% for FTSE Russell and 9.5% for MSCI ([S&P DJI, "Redefining the Role of Index Providers"](https://www.spglobal.com/spdji/en/research/article/redefining-the-role-of-index-providers/)). Because this is company-authored analysis, exact shares are indicative rather than an independently audited series. The durable point is the unusual size and liquidity of the S&P 500 ecosystem.

Competitors are healthy. MSCI's FY2025 Index run rate grew 16.2%, including 25.6% in asset-based-fee run rate and 9.4% in subscription run rate; it disclosed that higher AUM was partly offset by lower average basis-point fees ([MSCI FY2025 Results](https://ir.msci.com/news-releases/news-release-details/msci-reports-financial-results-fourth-quarter-and-full-year-2025)). Q1 2026 Index revenue grew 17.7%, with asset-based fees up 26.6% and subscriptions up 9.0% ([MSCI Q1 2026 Earnings Release](https://ir.msci.com/static-files/457c5d7f-922f-4013-845f-1dd9a64c299c)). These support the industry tailwind but show S&P cannot rely on incumbency alone.

FTSE Russell reported 7.3% organic growth in 2025 and recurring revenue composed of £630 million subscriptions and £324 million asset-based fees. It cited passive expansion, custom solutions, and private-market benchmarks, while noting quieter mandate renewals limited price realization ([LSEG 2025 Annual Report](https://www.lseg.com/content/dam/lseg/en_us/documents/investor-relations/annual-reports/lseg-annual-report-2025.pdf)). Index demand is structural, but renewal calendars and bargaining constrain pricing.

Pricing power is strongest where an index is a coordination standard. Replacing the S&P 500 under a large ETF or derivative risks investor confusion, trading-friction changes, tax consequences, tracking-history loss, prospectus work, and liquidity fragmentation. The royalty can be small relative to ecosystem value. Pricing is weaker for new or custom indices before they develop assets, volume, or recognition.

Self-indexing is the clearest structural substitution risk. Asset managers, exchanges, banks, and fintechs can build proprietary benchmarks or commission low-cost agents, lowering license expense and differentiating products. Direct indexing can shift exposure from pooled funds to separately held securities. S&P's own page says direct indexing ended 2023 at $615.3 billion and was projected to reach $1.1 trillion by 2028, while arguing its benchmarks can remain the starting universe ([S&P DJI Direct Indexing](https://www.spglobal.com/spdji/en/landing/topic/direct-indexing/)). It is both a threat to traditional ETF fee pools and an opportunity to license IP and data into personalized portfolios.

The equilibrium is bifurcated. Scale and liquidity reinforce a few flagships. The long tail of custom, thematic, and white-label indices is more contestable, pressuring price and development cycles. S&P must use flagship economics to innovate without assuming every new index inherits the S&P 500 moat.

5. Moat at the segment level

The moat is strong but concentrated. **Brand and institutional trust** matter: "S&P 500" is a market category as much as a product. Asset owners, advisers, media, regulators, exchanges, and investors share a common understanding that cannot be recreated with a mathematically similar portfolio.

Liquidity creates a network effect. Funds, futures, options, structured products, and institutional portfolios refer to the same benchmark. More assets and volume reduce spreads and improve hedging. Better liquidity attracts users, reinforcing status. S&P's survey estimated $23.35 trillion indexed or benchmarked to the S&P 500 and $31.93 trillion across the family. These are not fee measures, but reveal the coordination network.

Switching costs are real. A fund sponsor changing benchmarks alters legal documents, communications, systems, performance histories, and often holdings. Exchange derivatives face a harder coordination problem because open interest and liquidity reside in a specific contract. Institutional users build risk, performance, compliance, and reporting workflows around identifiers, files, and rebalancing.

Governance and operational credibility are barriers. Index decisions move capital. Methodology, eligibility, corporate actions, data integrity, conflicts, and resilience must withstand scrutiny. S&P DJI's 2025 IOSCO review covered separation of index governance from commercial activities and oversight of policies and controls ([S&P DJI IOSCO Principles Review](https

://www.spglobal.com/spdji/en/index-announcements/article/sp-dow-jones-indices-completes-its-annual-review-of-adherence-with-iosco-principles-for-financial-benchmarks-2025/)). Review cannot eliminate error, but a credible framework is necessary for adoption.

Scale and scope lower innovation cost. S&P can reuse data, corporate-action infrastructure, calculation engines, distribution, research, and relationships across many indices and assets. Its 2025 investor day identified globalization of passive indexing, AI-personalized asset-management solutions, private markets, alternatives, and digital assets as priorities, while reporting $27.7 trillion indexed or benchmarked at year-end 2024 ([S&P Global 2025 Investor Day](https://investorday2025.spglobal.com/static-files/000e16a1-8951-4d4e-acbd-11c23bf633e4)).

Limitations matter. New custom indices lack automatic network effects. Sponsors can negotiate or self-index. Passive expense-ratio pressure encourages lower index costs. Flagship concentration makes governance incidents consequential. Technology cheapens calculation, so the moat rests on trusted IP, governance, distribution, and liquidity—not arithmetic.

Over five to ten years, the moat should protect above-average margins in flagship royalties. Erosion is likely gradual through tiers, mix, and competition, not sudden commoditization. Bear nevertheless assumes self-indexing and bargaining reduce leverage. Bull requires extension of governance and distribution into private markets, fixed income, alternatives, direct indexing, and scalable custom solutions.

6. Historical growth rates reproduced from the data package

The product table provides three fiscal years. “Three-year-series CAGR” is the mathematical CAGR from FY2023 to FY2025, two compounding intervals; the label avoids overstating the period. Every dollar cell cites the exact data-package row. Product YoY checks are calculations on those disclosed rows, not new sources.

Product / sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	Three-year-series CAGR	Most recent YoY	Data package cite
Indices total	$1.403B [§3 Indices/Revenue]	$1.628B [§3 Indices/Revenue]	$1.850B [§3 Indices/Revenue]	14.8% [same row calculation]	20% Q2 FY2026 [§5 Indices Q2]	§3 Revenue and YoY rows; §5 Q2 row
Asset-linked fees	$0.859B [§4 Indices/Asset-linked]	$1.046B [§4 Indices/Asset-linked]	$1.206B [§4 Indices/Asset-linked]	18.5% [same row calculation]	22% Q2 FY2026 [§4 growth-only row]	§4 product and growth-only tables
Sales usage-based royalties	$0.267B [§4 Indices/Usage royalties]	$0.290B [§4 Indices/Usage royalties]	$0.324B [§4 Indices/Usage royalties]	10.2% [same row calculation]	22% ETD Q2 FY2026 [§4 ETD row]	§4 product and growth-only tables
Subscription / custom indices	$0.277B [§4 Indices/Subscription]	$0.292B [§4 Indices/Subscription]	$0.320B [§4 Indices/Subscription]	7.5% [same row calculation]	[DATA GAP: Q2 product YoY not disclosed]	§4 product table; §10 gaps

Arithmetic tie-outs pass the 2% rule:

- Total: $1.403B × 1.160 = $1.627B versus $1.628B; $1.628B × 1.136 = $1.849B versus $1.850B.
- Asset-linked: $0.859B × 1.218 = $1.046B; $1.046B × 1.153 = $1.206B.
- Usage royalties: $0.267B × 1.086 = $0.290B; $0.290B × 1.117 = $0.324B.
- Subscription/custom: $0.277B × 1.054 = $0.292B; $0.292B × 1.096 = $0.320B.

No product history is back-solved. Acceleration is normalized because asset-linked and derivative revenue benefited from favorable markets, flows, and activity, while management called Q2 a record.

7. Management guidance and commentary from data package §6

Management provided no numeric full-year Indices or product growth guide in the cleared package. Available anchors are qualitative or KPI based. The absence is retained as `[DATA GAP: no numeric Indices FY+1 revenue or segment-profit guide]`; forecasts are judgments.

Data package row	Verbatim fragment	Topic	Interpretation
§6 Indices, Q3 FY2025; Eric Aboaf	“Data & Custom Subscriptions”	Product breadth	Contractual data and custom work reduce dependence on market levels.
§6 Indices, Q4 FY2025; Eric Aboaf	“volatile periods”	ETD	Derivatives may strengthen when stress pressures AUM-linked fees.
§6 Indices, Q1 FY2026; Eric Aboaf	“natural hedge”	ETD volume	The hedge is economic, not exact; ETD gets a different bear path.

Data package row	Verbatim fragment	Topic	Interpretation
§6 Indices, Q2 FY2026; Martina Cheung	“$6.35 trillion”	ETF AUM	Scale is exceptional, but the fee base is market sensitive.
§6 Indices, Q2 release; Martina Cheung	“record results”	Benchmarks	Normalize rather than extend peak growth mechanically.
§6 Indices, 2025 10-K	“valuation and index benchmarks”	Perimeter	Licensing, calculation, and governance define the business.
§6 Indices, July 2026 recast	“Indices”	Taxonomy	No product transfer changed the division.
§6 Indices, Q2 10-Q	“Asset-linked fees”	Driver	Forecast AUM, flows, markets, mix, and fee yield separately.

8. Forward growth assumptions

8.1 TTM model allocation

These are transparent allocations of disclosed $2.012 billion TTM revenue, not additional historical disclosure. They sum exactly to the anchor.

Product	Modeled TTM anchor	Share of TTM	Historical reference	Latest signal
Asset-linked fees	$1.322B	65.7%	18.5% FY2023-FY2025 CAGR	22% Q2 YoY
ETD royalties	$0.354B	17.6%	10.2% usage-royalty CAGR	22% Q2 YoY
Subscription / custom	$0.336B	16.7%	7.5% FY2023-FY2025 CAGR	[DATA GAP: Q2 n/d]
Segment total	$2.012B	100.0%	14.8% FY2023-FY2025 CAGR	20% Q2 YoY

8.2 Base case

Product	Historical CAGR	Latest YoY	Management FY+1 guide	Base CAGR TTM to 2031	Concise justification
Asset-linked fees	18.5%	22%	No numeric guide; $6.35T ETF AUM	8.5%	Normalize markets and flows; penetration and launches offset fee-tier leakage.
ETD royalties	10.2%	22%	Qualitative natural hedge	8.0%	Volume and breadth grow, but peak volatility and activity normalize.
Subscription / custom	7.5%	n/d	Qualitative breadth emphasis	9.0%	Pricing plus custom, private-market, direct-indexing, and data wins.

Asset-linked growth is 15%, 10%, 7%, 6%, and 5% over the five intervals, explicitly decelerating from Q2’s 22%. It assumes normalized mid-single-digit market appreciation, positive flows, expansion, and modest fee/mix leakage. ETD is 12%, 8%, 7%, 7%, and 6%. Subscription is 10%, 9%, 9%, 9%, and 8%. Base does not require five more years of records.

8.3 Bear case

Product	Historical CAGR	Latest YoY	Management FY+1 guide	Bear CAGR TTM to 2031	Concise justification
Asset-linked fees	18.5%	22%	No numeric guide	2.5%	A 15% first-year decline is followed by incomplete recovery and fee pressure.
ETD royalties	10.2%	22%	Natural hedge, not guarantee	3.9%	Stress lifts hedging, then low volatility and concessions slow growth.
Subscription / custom	7.5%	n/d	No numeric guide	4.5%	Self-indexing, slower launches, and procurement limit renewal price.

Asset-linked changes negative 15%, positive 10%, 9%, 6%, and 5%. It is a drawdown followed by recovery that does not regain the premium path. ETD is 10%, negative 2%, 4%, 4%, and 4%, recognizing initial volatility benefit. Subscription/custom is 5%, 5%, 5%, 4%, and 3.5%. Self-indexing affects new business more than installed flagships.

8.4 Bull case

Product	Historical CAGR	Latest YoY	Management FY+1 guide	Bull CAGR TTM to 2031	Concise justification
Asset-linked fees	18.5%	22%	No numeric guide; record AUM	13.0%	Strong markets, passive flows, globalization, and adjacencies sustain premium growth.
ETD royalties	10.2%	22%	Natural hedge and ecosystem	11.9%	New contracts, expiries, regions, and assets compound on trading demand.
Subscription / custom	7.5%	n/d	Breadth highlighted	12.0%	Scalable custom, private markets, direct indexing, and AI-assisted design.

Asset-linked is 18%, 14%, 12%, 11%, and 10%; ETD is 18%, 14%, 11%, 9%, and 8%; subscription/custom is 13%, 12%, 12%, 12%, and 11%. Bull requires product execution across global, fixed-income, private-market, alternative, retirement, and personalized-index uses, not favorable equity beta alone.

8.5 Explicit year-by-year deceleration check

Product and case	2027-06-30	2028-06-30	2029-06-30	2030-06-30	2031-06-30	Five-year CAGR
Asset-linked bear	(15.0%)	10.0%	9.0%	6.0%	5.0%	2.5%
Asset-linked base	15.0%	10.0%	7.0%	6.0%	5.0%	8.5%
Asset-linked bull	18.0%	14.0%	12.0%	11.0%	10.0%	13.0%
ETD bear	10.0%	(2.0%)	4.0%	4.0%	4.0%	3.9%
ETD base	12.0%	8.0%	7.0%	7.0%	6.0%	8.0%
ETD bull	18.0%	14.0%	11.0%	9.0%	8.0%	11.9%
Subscription bear	5.0%	5.0%	5.0%	4.0%	3.5%	4.5%
Subscription base	10.0%	9.0%	9.0%	9.0%	8.0%	9.0%
Subscription bull	13.0%	12.0%	12.0%	12.0%	11.0%	12.0%

Comparable evidence supports normalization rather than collapse. MSCI's FY2025 asset-based-fee run rate grew 25.6% but subscription run rate 9.4%; FTSE Russell organic growth was 7.3%. S&P base converges toward subscription and mid-cycle industry rates rather than extrapolating the market-sensitive surge.

9. Forward `Segment operating profit` margin assumptions

The exact metric is `Segment operating profit`. Product margins are calibrated analyst allocations, not issuer disclosures. Corporate unallocated expense, equity income, interest, tax, and NCI stay outside the segment margin.

Product	TTM calibrated margin	Bear 2031	Base 2031	Bull 2031	Mechanism
Asset-linked fees	74.0%	70.0%	75.6%	77.0%	Fee tiers, bargaining, mix, and fixed infrastructure.
ETD royalties	78.0%	74.0%	79.5%	82.0%	High incremental margins; exchange terms and investment constrain.
Subscription / custom	36.8%	40.0%	41.0%	44.0%	Pricing and reuse, offset by design, data, governance, support.
Segment blended	68.5%	65.4%	70.4%	72.5%	Revenue-weighted product margins.

Bear, 65.4%. The 310-basis-point decline is mechanism-specific. Lower asset-linked revenue meets a fixed global operation. Licensees negotiate, low-fee flagships take mix, and S&P continues cyber, governance, data, private-market, and custom spending. ETD and subscriptions prevent a larger collapse.

Base, 70.4%. The 190-basis-point gain reflects revenue faster than shared technology, governance, and support cost, tempered by merit increases, data cost, investment, and regulation. It remains below a simplistic high-70s assumption.

Bull, 72.5%. The 400-basis-point gain requires scale and successful reuse. It does not assume custom revenue has flagship royalty economics; subscription/custom reaches 44%. Product and control investment keeps the total below the theoretical mature-license incremental margin.

10. Segment rollup built bottom-up

Bear case rollup

Product	2031 revenue	Margin on `Segment operating profit`	2031 profit contribution
Asset-linked fees	$1.500B	70.0%	$1.050B
ETD royalties	$0.429B	74.0%	$0.317B
Subscription / custom	$0.419B	40.0%	$0.168B
Segment total	$2.348B	65.4%	$1.535B

Bear check: $1.500B + $0.429B + $0.419B = $2.348B. Profit sums to $1.535B; $1.535B ÷ $2.348B = 65.38%. Residuals are zero within rounding.

Base case rollup

Product	2031 revenue	Margin on `Segment operating profit`	2031 profit contribution
Asset-linked fees	$1.992B	75.6%	$1.506B
ETD royalties	$0.520B	79.5%	$0.413B
Subscription / custom	$0.517B	41.0%	$0.212B
Segment total	$3.028B	70.4%	$2.131B

Base check: unrounded revenue sums to $3.028B and profit to $2.131B; $2.131B ÷ $3.028B = 70.36%. The displayed component sum differs by $0.001B from rounding, below 1%.

Bull case rollup

Product	2031 revenue	Margin on `Segment operating profit`	2031 profit contribution
Asset-linked fees	$2.432B	77.0%	$1.873B
ETD royalties	$0.622B	82.0%	$0.510B
Subscription / custom	$0.592B	44.0%	$0.260B
Segment total	$3.646B	72.5%	$2.643B

Bull check: $2.432B + $0.622B + $0.592B = $3.646B. Profit sums to $2.643B; $2.643B ÷ $3.646B = 72.49%. Residuals are zero within rounding.

The 25% bear / 55% base / 20% bull weights are deliberately non-uniform. Base receives the highest weight because 11%-20% recent quarterly growth and management's record-results language support durability, while its 8.5% modeled CAGR already normalizes that peak. Bear exceeds bull because two-thirds asset-linked exposure, fee-tier leakage, self-indexing, and CME's senior minority claim make adverse market and bargaining outcomes more probable than the bull's joint requirement of favorable markets plus adjacency execution. At those weights, probability-weighted 2031 revenue is $2.982 billion and segment profit $2.084 billion, a 69.9% weighted margin. This is an expectation, not a fourth case.

NCI treatment and parent-retained economics

S&P consolidates S&P Dow Jones Indices LLC while CME Group owns 27%. The June 2026 $5.022 billion redeemable NCI balance relates to that interest, and CME can put at least 20% of its stake to SPGI generally at fair value [data_package §8, NCI discussion]. Reported `Segment operating profit` is a 100%-consolidated metric. It must **not** be cut 27% inside this rollup. The downstream statutory and parent bridge deducts NCI once, after operating income and tax, with its complete accounting treatment.

For visibility only, 27% of terminal Indices segment profit is $0.414 billion bear, $0.575 billion base, and $0.714 billion bull, leaving $1.121 billion, $1.556 billion, and $1.929 billion notionally aligned with SPGI’s 73% ownership before corporate, interest, and tax. These are not GAAP NCI forecasts because legal-entity taxable income, other items, distributions, and redemption-value accounting can differ. **Synthesis handoff:** use the gross consolidated segment-profit outputs of $1.535 billion bear, $2.131 billion base, and $2.643 billion bull; do not substitute the 73%-ownership diagnostics. Deduct the

independently modeled NCI claim exactly once on the downstream post-tax bridge. The diagnostic must not be added to segment expense or deducted twice.

The put matters even without exercise. Higher fair value raises the cost of buying the minority position; redeemable NCI is a senior equity claim outside ordinary common equity. Distributions reduce cash available to SPGI holders. Strong Indices performance increases both SPGI's value and CME's claim. Treating all earnings as parent-owned overstates retained economics; haircutting segment profit before the statutory bridge understates consolidated operations. The correct sequence is consolidate first, deduct NCI once later.

11. Key risks and wildcards

Market beta and flow reversal — Bear. About two-thirds of the anchor is asset-linked. Sustained market decline reduces average AUM. Positive passive flows cushion but cannot fully offset a major fall. Currency moves international AUM and reported revenue.

Fee compression and bargaining — Bear/Base. Fund sponsors compete on expense ratio and scale. Tiers can lower effective yield, making revenue elasticity to AUM less than one. MSCI's lower average basis-point fee is relevant evidence. Base includes leakage; bear adds renegotiation and low-fee mix.

Self-indexing and calculation commoditization — Bear. Sponsors, exchanges, and banks can own IP or use lower-cost calculators. Threat is greatest in custom and thematic products without embedded AUM or liquidity, weaker for the S&P 500. A move into scaled core products would make bear too mild.

Derivative normalization — Bear/Base. Recent 22% growth may reflect active markets, short-dated options, or product cycles. Volatility helps only if it generates licensed volume. Regulation, exchange terms, competing contracts, or low volatility can weaken royalties.

Benchmark governance failure — Bear. A calculation error, flawed corporate action, cyber outage, conflict, or controversial methodology could damage trust. Operational loss could be dwarfed by reputational and switching consequences. This warrants sustained control spend and caps margin.

Regulation — Bear. Administrator rules, competition scrutiny, data restrictions, or transparency mandates could raise cost or constrain practices. Compliance can also favor incumbents, but severe intervention or an incident would not.

Flagship concentration — Bear/Base. S&P 500 scale is moat and concentration. Revenue can depend on a few sponsors and exchanges despite diversified end-investors. Contract-level concentration is not disclosed in the package.

Private markets, fixed income, retirement, alternatives — Bull. S&P can carry methodology, data, governance, and distribution into less penetrated assets. Private-market benchmarks could become standards, but data quality, valuation frequency, and incumbents make success uncertain. Bull requires monetization, not announcements.

Direct indexing — Bear/Bull. Personalized portfolios can bypass pooled ETFs and shrink a traditional fee pool. They can also use S&P benchmarks, constituent data, and custom methods, creating licensing revenue. The outcome depends on whether S&P owns the reference layer or the platform self-indexes.

AI-enabled design — Bull/Bear. AI can speed prototyping and maintenance, expanding custom demand and leverage. It also lowers competitor costs and enables in-sourcing. Governance, explainability, source data, and audit trails are more defensible than idea generation.

CME minority interest and put — Bear/Base. The 27% claim reduces parent-retained value and the fair-value put can require capital. Better performance increases the minority claim. Valuation must carry redeemable NCI, not treat distributions as discretionary common dividends.

Margin underinvestment — Bear disguised as Bull. A margin above bull could be negative if achieved by weakening research, resilience, controls, or support. Sustainable expansion comes from scale and reuse, not impaired governance.

12. Scenario conclusion

Base underwrites a high-quality but not invulnerable franchise. Revenue compounds at 8.5%, far below current 20% segment growth and 22% asset/ETD growth. Margin rises 190 basis points to 70.4% through scale, while reinvestment prevents an unrealistic leap. Bear is not catastrophic: flagships remain intact, but an AUM shock, fee pressure, self-indexing, and fixed costs reduce five-year growth to 3.1% and margin to 65.4%. Bull requires strong markets plus real adjacencies, producing 12.6% segment growth and 72.5% margin.

Ownership is the key distinction. The table forecasts 100% consolidated `Segment operating profit`. CME's 27% interest is a separate NCI claim, not buried in product margins. That preserves compatibility with the sealed bridge and prevents both overstatement of parent-retained economics and double deduction.

Case	Segment TTM+5y Revenue	Exact profit metric	Segment TTM+5y Profit Margin	Segment TTM+5y Profit	Probability
Bear	$2.348B	Segment operating profit	65.4%	$1.535B	25%
Base	$3.028B	Segment operating profit	70.4%	$2.131B	55%
Bull	$3.646B	Segment operating profit	72.5%	$2.643B	20%

Open data gaps: `[DATA GAP: no numeric Indices FY+1 revenue or segment-profit guide]`; `[DATA GAP: Q2 FY2026 subscription/custom growth not separately disclosed]`; contract-level asset-fee schedules, index-family revenue, customer concentration, and product-level profit margins are not disclosed in the data package and are modeled through explicit assumptions.

Appendix B5 - Mobility

S&P Global Mobility — Segment Deep Dive

Company: S&P Global Ticker: SPGI Historical segment: Mobility Forecast horizon: TTM ended 2026-06-30 to 2031-06-30, exactly 5.0 years Run ID: `pulse-cio-20260908T100217+0800` Historical profit basis: `Segment operating profit` Continuing-SPGI treatment after 2026-07-01: zero retained Mobility revenue and zero retained Mobility profit Trade execution authorized: No

This appendix uses the DR-cleared `data_package.md` and the QFR-sealed `statutory_bridge.json` as the only sources for S&P Global's historical Mobility dollars, historical growth rates, accounting classifications, and management commentary. The sealed bridge SHA-256 is `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`; all ten residuals are zero, and the data package states `STATUTORY_BRIDGE_STATUS: VERIFIED — CLEARED FOR FORECASTING`. External official sources are used only to understand the business, completed separation, post-separation capital structure, competitive landscape, and the market value of the security already distributed to pre-spin SPGI holders. Nothing in the external work alters the historical bridge.

0. Segment boundary and taxonomy note

Mobility is an historical S&P Global reportable segment through the TTM period ended June 30, 2026, but it is not part of S&P Global's continuing perimeter after July 1, 2026. The clean disclosed series begins in FY2022 after the IHS Markit combination; FY2021 is unavailable on the present segment taxonomy. FY2025 revenue was $1.747 billion and `Segment operating profit` was $378 million. The sealed TTM bridge includes $1.810 billion of Mobility revenue and $385 million of `Segment operating profit`, because the spin had not occurred by the June 30 anchor. The July 1 distribution then transferred 100% of Mobility Global to SPGI holders one-for-one and left S&P Global with no ownership interest. Therefore the only correct continuing-SPGI forecast is $0 revenue and $0 `Segment operating profit` from Mobility in bear, base, and bull cases. The standalone operating scenarios below are a value-transfer reference for the distributed security; they are not continuing SPGI earnings.

The taxonomy also changes at the new company. Mobility Global reports its business around CARFAX and B2B, whereas S&P Global's historical disclosure groups revenue by subscription and transaction type. Those taxonomies answer different questions. This appendix reproduces only the S&P Global revenue-type history from the cleared data package, then uses those same revenue types for the forecast so the arithmetic stays connected to the sealed historical base. CARFAX and B2B are discussed as economic engines, not inserted as invented historical financial lines.

1. What this segment actually is

Mobility is an automotive information utility wrapped in consumer brands, dealer workflows, enterprise data products, and forecasting software. It does not manufacture vehicles, own dealer inventory, or take auto-credit risk. It collects fragmented vehicle and market events, cleans and links them, adds proprietary analytics, and sells the result back into decisions across the vehicle lifecycle. Those decisions include product planning, sourcing, pricing, incentives, sales leads, inventory acquisition, used-car merchandising, financing, insurance, service retention, recalls, residual values, and technology road maps.

The customer map is unusually broad. CARFAX serves consumers, franchised and independent dealers, service shops, lenders, insurers, and other finance-and-insurance firms. Its Vehicle History Reports reduce information asymmetry in used-car transactions. Advantage helps dealers acquire and price inventory and present a trusted history report at sale. Car Listings pairs inventory exposure with free reports and history-based values. CARFAX For Life and Car Care use maintenance and ownership events to support service reminders, loyalty, and reputation. The economic sale is therefore not merely a PDF report: it is greater buyer confidence, higher lead conversion, better inventory selection, and more service-lane retention.

The B2B portfolio serves original equipment manufacturers, suppliers, dealer groups, financial institutions, insurers, media firms, and investors. Polk Automotive Solutions supplies registration, vehicles-in-operation, ownership, loyalty, and market information. automotiveMastermind uses predictive analytics and marketing automation to identify likely buyers and help dealers and OEMs activate customers. Market Scan supplies payment, pricing, incentive, and digital-retailing intelligence. Strategy and planning products provide production, sales, powertrain, component, supply-chain, and technology forecasts

across markets. The products can arrive through files, APIs, dashboards, software modules, or managed workflows.

Mobility Global's official Form 10/A describes the scale behind those offerings. As of December 31, 2025, the company said its contributory network exceeded 177,000 sources, its products supported more than 40,000 dealer customers, and its data and forecasts covered the top 40 global automakers representing 96% of global production. CARFAX alone said it held more than 38 billion vehicle-history records, supported by more than 92,000 dealers and service shops, 6,300 police agencies, and 36 OEMs. It also reported more than 53 million Car Care audience members, about 23 million monthly average unique U.S. web and app visitors, and more than 28 million monthly average report views. These figures are operating context from the [Mobility Global Form 10/A](https://www.sec.gov/Archives/edgar/data/2090312/000110465926066592/tm2528763-9_1012ba.htm), not additions to S&P Global's historical financial tables.

The revenue model is mostly recurring. In FY2025, subscription revenue was $1.422 billion, about 81.4% of Mobility revenue, and transaction revenue was $325 million, about 18.6% [data_package §4, Mobility Subscription row and Mobility Transaction row]. Subscription contracts monetize continuing access to vehicle data, reports, listings, forecasts, analytics, and workflow tools. Pricing may be per account, dealer rooftop, module, feed, API entitlement, report allowance, market, or enterprise contract. Transaction revenue includes one-time datasets, projects, advisory work, and automotive activity-linked sales. The subscription-heavy mix reduces but does not eliminate exposure to dealer economics, auto production, marketing budgets, recalls, and vehicle transactions.

Go-to-market differs by customer. CARFAX has a consumer pull strategy reinforced by direct brand marketing and web traffic, then monetizes dealer and institutional customers that value this audience and trust. Dealer products require field sales, onboarding, workflow integration, and measurable return on investment. OEM and supplier products require longer enterprise sales, data-validation work, and domain specialists who can explain forecasts. Data partnerships are a further commercial function: the product needs a steady flow of title, accident, service, auction, registration, ownership, and production events, often under contractual rights and compliance constraints.

2. Current economics

The FY2025 and TTM economics are attractive but materially below the margins of S&P Global's Ratings and Indices franchises. FY2025 Mobility revenue was $1.747 billion, up 8.6%, while `Segment operating profit` was $378 million and the corresponding margin was 21.6% [data_package §3, Mobility table, FY2025 column]. The sealed TTM anchor is $1.810 billion of revenue and $385 million of `Segment operating profit`, a 21.27% margin [data_package §0a, KPI table, Mobility row; data_package §3a, TTM bridge, Mobility segment operating profit row]. TTM revenue grew 3.6% from FY2025 simply because it replaces the first half of 2025 with the first half of 2026; it is not a full-year growth rate.

The last four reported quarters were $445 million, $444 million, $454 million, and $468 million of revenue for Q3 FY2025 through Q2 FY2026 [data_package §5, Mobility quarterly rows]. Q2 revenue grew 7%. The Q2 statutory margin was 22.2%, while the earlier quarterly margin figures in the package include old adjusted bases and must not be blended as if they were all statutory. The stable point is the sealed TTM `Segment operating profit` margin of 21.27%.

Subscription is the main growth engine. It rose from $1.169 billion in FY2023 to $1.299 billion in FY2024 and $1.422 billion in FY2025, a 10.3% two-interval CAGR. Transaction revenue moved from $315 million to $310 million and then $325 million, only a 1.6% two-interval CAGR [data_package §4, Mobility rows]. That contrast is important: the business has compounded by increasing recurring dealer and manufacturing data revenue, not by relying on episodic auto-market transactions.

The package discloses dealer and manufacturing growth, but not their dollar revenue. Dealer growth was 10% in Q3 FY2025, 10% in Q4, and 9% in Q1 FY2026; Q2 was not disclosed. Manufacturing growth was negative 3%, positive 1%, and positive 5% over the same three quarters; Q2 was not disclosed [data_package §4, Mobility Dealer and Manufacturing growth-only rows]. Dealer products were therefore the faster recent engine, while manufacturing improved from contraction. The absence of dollar splits prevents a clean dealer/manufacturing rollup, so this appendix does not manufacture one.

Capital intensity is low in physical terms but higher in economic terms than capex alone suggests. S&P Global's consolidated FY2025 capex was $195 million, only 1.3% of revenue, yet segment capex is not disclosed [data_package §7, capital allocation table]. Mobility invests through product development, data engineering, cloud infrastructure, cybersecurity, data-source relationships, brand advertising, and acquired intangible assets. Much of that spending runs through operating expense. A simple capex-to-revenue comparison therefore understates the cost of keeping the data fresh and the workflows competitive.

The separation changes the cost and financing profile. Mobility Global's Q2 2026 10-Q shows $2.0 billion principal of notes issued in three tranches: $650 million at 5.050% due 2029, $650 million at 5.450% due 2031, and $700 million at 6.050% due 2036. It had $186 million of cash at June 30 and a $500 million revolver available from July 1, implying roughly $1.814 billion of net funded debt before leases and other adjustments. The note proceeds funded a $2.0 billion dividend to S&P Global. These are post-separation capital-structure facts from the [Mobility Global Q2 2026 10-Q](https://www.sec.gov/Archives/edgar/data/2090312/000209031226000014/mbgl-20260630.htm); they do not alter the sealed SPGI operating history.

3. Unit economics

Mobility's unit economics begin with source acquisition. Vehicle records do not arrive as one standardized database. They come from governments, police reports, dealers, service shops, OEMs, auctions, insurers, finance companies, registration systems, consumer interactions, and other industry participants. Each source may have different identifiers, formats, latency, error rates, contractual restrictions, and privacy obligations. Mobility spends to negotiate access, ingest the data, map it to a vehicle or entity, clean duplicates, resolve conflicts, and maintain lineage.

The second layer is enrichment. A raw VIN, accident note, service record, listing, or registration becomes more valuable when linked to ownership, mileage, equipment, location, pricing, repair, recall, and market information. The company applies rules, statistical models, AI, and human domain expertise to infer history, condition, likely demand, residual value, production, technology content, or buyer propensity. The Form 10/A says AI and machine learning already help decode service events, ingest difficult PDFs and images, assess accident damage, and automate data processing and delivery. This is a credible productivity use because the proprietary input data remain the scarce asset.

The third layer is distribution. A normalized dataset can be sold many times through reports, feeds, APIs, dashboards, and software. That creates high incremental gross economics after the data and platform are in place. However, the incremental margin is not infinite. Every new market can require local data rights, normalization, regulation, language, sales coverage, and product adaptation. Dealer workflows require support and integration. Consumer traffic requires brand and marketing spend. OEM forecasts require analysts and model maintenance. Cybersecurity and availability are essential because customers place operational decisions on the data.

CARFAX's strongest loop is B2B2C. A dealer pays because consumers recognize and trust the report, and because showing a report can increase confidence and conversion. Consumers visit because dealer listings and reports are useful. Dealers and service shops contribute events that improve the history file. A deeper history improves accuracy, which reinforces the brand and brings more consumer traffic. This loop supports retention and pricing better than a standalone low-cost report database. It also lets CARFAX extend into listings, values, service reminders, and loyalty without starting from zero trust.

The pricing equation is based on customer return, not data volume alone. For a dealer, the relevant value can be fewer bad acquisitions, faster inventory turns, higher gross profit, more qualified leads, and more service visits. For an OEM, the value can be better launch planning, fewer incentive mistakes, improved allocation, and a more accurate view of technology and component demand. For a lender or insurer, it can be better collateral or claims decisions. A product can sustain price increases when the annual fee is small relative to these avoided costs and when switching introduces data discontinuities.

Retention is likely supported by recurring contracts and workflow embedding, but the cleared data package does not provide an absolute Mobility gross-retention rate, net-retention rate, or renewal-pricing series. The only safe conclusion is directional: FY2025 subscription growth of 9.5%, sequentially positive dealer growth, and the Form 10/A's description of embedded products suggest a healthy book, but they do not prove a specific renewal percentage. `[DATA GAP: Mobility gross retention, net retention, renewal pricing, ACV, and churn are not separately disclosed in the cleared data package.]`

Margins improved materially before separation. `Segment operating profit` margin rose from 17.5% in FY2023 to 19.4% in FY2024 and 21.6% in FY2025 [data_package §3, Mobility table, Margin row]. Over those two intervals, revenue increased $263 million while segment operating profit increased $118 million, implying about a 44.9% incremental margin. This demonstrates scale leverage, but it should not be extrapolated mechanically. Standalone public-company expense, debt-service constraints, duplicate systems, and TSA exit costs can absorb some of the leverage. Also, `Segment operating profit` excludes the later newco financing burden, so it is not a proxy for net income.

Margin upside comes from faster subscription growth, price realization, data reuse across products, cloud and ingestion automation, cross-sell, European scale, and reduced manual delivery. Margin downside comes from dealer churn, OEM procurement pressure, higher data-source fees, consumer acquisition cost, privacy compliance, cyber investment, platform

migration, and duplication of corporate functions. The base case assumes subscription economics fund modest expansion while standalone costs prevent the business from reaching benchmark-like margins.

4. Competitive dynamics

Mobility competes in several overlapping categories rather than a single market. The closest vehicle-history competitor is Experian AutoCheck. Low-cost NMVTIS-based products and other aggregators can serve price-sensitive buyers. The differentiation problem is not whether a rival can generate a report; it is whether that report has comparable source breadth, accident and auction data, consumer recognition, dealer integration, and decision utility. Experian's official AutoCheck materials cite meaningful auction coverage and a large vehicle-history database, so it is a substantial competitor rather than a fringe substitute. CARFAX's response is brand trust, breadth of events, and its dealer-consumer loop.

Dealer workflows face a more formidable ecosystem competitor in Cox Automotive. Cox combines Autotrader, Kelley Blue Book, Manheim, Dealertrack, Dealer.com, vAuto, VinSolutions, and Xtime. Cox says its automotive assets draw on 2.3 billion online interactions a year and serve more than 45,000 clients. Its advantage is bundling: marketplace traffic, valuation, inventory, wholesale auctions, financing, CRM, websites, and service tools can share first-party data and one commercial relationship. The [Cox Automotive overview](https://www.coxenterprises.com/what-we-do/automotive) makes clear why a dealer might accept a suite even when a point solution is individually weaker.

J.D. Power overlaps in OEM, dealer, valuation, customer experience, pricing, incentive, finance, and insurance analytics. Its official business site reports more than 16,000 franchise dealerships in its network and offers data, analytics, vehicle values, retail intelligence, and workflow products. That creates direct pressure on B2B planning and dealer solutions. The [J.D. Power automotive business site](https://www.jdpower.com/business) also demonstrates that brand authority in automotive decision support is not unique to Mobility.

Other competitors include OEM captive analytics, dealer management and CRM vendors, digital-retailing tools, marketing agencies, GlobalData, specialized production forecasters, insurance-data vendors, auction platforms, and consulting firms. New point solutions can focus on EV batteries, software-defined vehicles, autonomous systems, incentive optimization, or dealership AI. These specialists can move faster than a broad platform in a narrow domain.

The competitive structure varies by product. CARFAX vehicle history is a branded category with relatively high consumer pull. Car Listings competes against larger marketplaces and must sustain traffic quality. Service-retention tools compete with dealer CRMs, DMS-linked products, and OEM programs. automotiveMastermind competes in crowded customer-data and marketing-automation categories where dealers expect provable incremental sales. Polk registration and vehicle-in-operation datasets are more infrastructure-like because customers need continuity and comparability. Forecasting has high domain barriers but is exposed to model-error scrutiny and internal OEM alternatives.

Pricing power is therefore uneven. CARFAX can price on trust and conversion, provided dealers continue to believe consumers expect the brand. Polk and planning products can price on workflow continuity and the cost of wrong decisions. Dealer marketing software faces procurement scrutiny and bundle discounts. Consulting and one-time data transactions face the least durable pricing. The forecast respects this hierarchy by placing most growth and margin expansion in the subscription line rather than the transaction line.

Customer consolidation is a two-sided risk. Large dealer groups and OEMs have more bargaining power, can demand integrations, and may rationalize vendors. At the same time, a larger customer can deploy a workflow across more rooftops or markets, increasing account value and raising the cost of replacement. Mobility needs to convert enterprise scale into broader module penetration rather than concede all benefits through discounting.

5. Moat at the segment level

Mobility has a real but not invulnerable moat. It is strongest where proprietary data, brand, contribution networks, and workflow embedding reinforce one another. A competitor can buy public title records or scrape listings, but replicating decades of service, accident, ownership, auction, production, and forecast history across jurisdictions is expensive and slow. The Form 10/A says some data access is exclusive and that even public-source acquisition can be costly relative to monetization. Data accumulated over time is especially difficult to recreate because a new entrant cannot go back and observe every historical event.

CARFAX adds a consumer-brand moat. Its reported 96% in-market awareness and 50% unaided awareness make the name a shorthand for vehicle history. Dealers can use that recognition at the moment of sale, so a report is both information and a trust signal. The brand alone would be vulnerable if data quality deteriorated, while the database alone would be less

monetizable without consumer trust. Their combination is the moat.

The contributor network is another barrier. Dealers and service shops send events because they obtain reports, listings, insights, or customer-retention benefits. Those events improve the data, which improves the product and attracts more users. Police agencies and OEM relationships add sources that may not be easy for a new entrant to secure. Network effects are not absolute—contributors can often work with several providers—but the installed network lowers marginal acquisition cost and increases record density.

B2B switching costs are more operational than contractual. An OEM that changes production or registration data vendors must reconcile series, definitions, coverage, and forecast differences. Teams need retraining and models need validation. Dealers that embed lead scoring, reports, listings, and service reminders in daily workflows face disruption when switching. These costs support retention, but they do not prevent change if a rival provides a clearly superior bundle or if procurement mandates vendor consolidation.

The moat is weaker in software layers that sit above the data. Generic AI can draft narratives, query databases, summarize trends, and build simple prediction tools. Dealer marketing automation and digital retailing are crowded. OEMs own increasingly rich connected-vehicle and first-party customer data. Cox can combine marketplace, CRM, DMS-adjacent, auction, finance, inventory, and service data. Mobility must keep the proprietary data layer indispensable and make its workflows open enough to integrate with customer systems.

The separation is itself a moat test. Focus can improve product investment and management accountability. However, S&P Global previously supplied shared IT, finance, HR, legal, procurement, cybersecurity, and capital. The July 2026 separation agreements provide transition services generally for up to 18 months, at reasonably apportioned fully loaded cost, according to the [Mobility separation completion 8-K](https://www.sec.gov/Archives/edgar/data/2090312/000110465926080006/tm2619098d1_8k.htm). Mobility's Q2 2026 10-Q separately estimates $75 million-$110 million of non-recurring expenditure to establish standalone infrastructure and replace TSA services, and says ongoing public-company costs will exceed the corporate costs historically allocated to Mobility. Those newco costs do not belong in continuing SPGI's Mobility contribution, which is zero; they constrain the standalone transition path and make the terminal margin expansion scenarios more demanding. The new company must reproduce those capabilities without distracting product teams or weakening service. If margins expand after the TSA rolls off, the moat is monetizable. If recurring growth remains healthy but profit stalls, standalone dis-synergies may have been structurally underestimated.

Over five years, the most defensible pieces should remain CARFAX history and brand, Polk registration and vehicles-in-operation data, and deeply embedded planning workflows. The least defended pieces are generic consulting, undifferentiated data resale, and software features that can be bundled by broader dealer platforms. The segment deserves a moderate-to-strong moat assessment, not the near-regulatory moat attributed to Ratings or Indices.

6. Historical growth rates

The table reproduces the cleared data package rather than re-deriving or replacing its financial history. FY2023-FY2025 is a three-year observation window with two compounding intervals. FY2022 Mobility total exists but is affected by the post-merger boundary; product-type dollars are provided only from FY2023. Named CARFAX, dealer, manufacturing, automotiveMastermind, Polk, and Market Scan revenues are not separately disclosed.

Product / sub-segment	FY2023 revenue	FY2024 revenue	FY2025 revenue	Three-year-window CAGR	Most recent YoY	Data package cite
Mobility total	$1.484B [§3, Mobility Revenue row, FY2023]	$1.609B [§3, Mobility Revenue row, FY2024]	$1.747B [§3, Mobility Revenue row, FY2025]	8.5% [§3, Mobility Revenue row, calculated over two intervals]	7% in Q2 FY2026 [§5, Mobility Q2 row]	data_package §3 Mobility table; §5 Mobility quarterly table
Subscription	$1.169B [§4, Mobility Subscription row, FY2023]	$1.299B [§4, Mobility Subscription row, FY2024]	$1.422B [§4, Mobility Subscription row, FY2025]	10.3% [§4, Mobility Subscription row, calculated over two intervals]	9.5% in FY2025 [§4, Mobility Subscription row]	data_package §4 product and sub-segment table
Transaction	$0.315B [§4, Mobility Transaction row, FY2023]	$0.310B [§4, Mobility Transaction row, FY2024]	$0.325B [§4, Mobility Transaction row, FY2025]	1.6% [§4, Mobility Transaction row, calculated over two intervals]	4.8% in FY2025 [§4, Mobility Transaction row]	data_package §4 product and sub-segment table
Dealer	[DATA GAP: dollars not disclosed] [§4, Mobility Dealer row]	[DATA GAP: dollars not disclosed] [§4, Mobility Dealer row]	[DATA GAP: dollars not disclosed] [§4, Mobility Dealer row]	[DATA GAP: no dollar series]	9% in Q1 FY2026; Q2 n/d [§4, Mobility Dealer row]	data_package §4 growth-only table
Manufacturing	[DATA GAP: dollars not disclosed] [§4, Mobility Manufacturing row]	[DATA GAP: dollars not disclosed] [§4, Mobility Manufacturing row]	[DATA GAP: dollars not disclosed] [§4, Mobility Manufacturing row]	[DATA GAP: no dollar series]	5% in Q1 FY2026; Q2 n/d [§4, Mobility Manufacturing row]	data_package §4 growth-only table

Arithmetic tie-outs are exact within disclosed rounding. Mobility total: $1.484B × 1.084 = $1.609B, then $1.609B × 1.086 = $1.747B. Subscription: $1.169B × 1.111 = $1.299B, then $1.299B × 1.095 = $1.422B. Transaction: $0.315B × 0.984 = $0.310B, then $0.310B × 1.048 = $0.325B. All differences are below 0.1% and comfortably inside the required 2% check.

No values are back-solved. `[DATA GAP: a full three-interval clean current-taxonomy product history is unavailable; the disclosed three-year window has two intervals.]` That limitation is preferable to mixing pre-merger taxonomy or inventing named-product revenue.

7. Management guidance from the data package

The data package does not provide a numerical FY2026 Mobility revenue, margin, retention, dealer-count, CARFAX, B2B, or product guide. It provides eight separation-related fragments. Every one is reproduced below. They establish completion and perimeter treatment, not an operating growth target.

Data package row	Verbatim fragment	Topic	Interpretation
§6 Mobility; Q3 FY2025; Eric Aboaf	“on track”	Separation progress	Milestones were advancing before completion; this is not a growth guide.
§6 Mobility; Q4 FY2025; Mark Grant	“completion of the spin”	Guidance perimeter	Pre-spin consolidated guidance cannot be compared mechanically with post-spin SPGI.
§6 Mobility; Q1 FY2026; Eric Aboaf	“on track”	Timing	Management's confidence increased as the closing approached.
§6 Mobility; Q2 FY2026; Martina Cheung	“independent publicly traded company”	Completion	Continuing SPGI forecasts exclude Mobility after July 1.
§6 Mobility; Q2 release; Martina Cheung	“successfully launched Mobility Global”	Value transfer	The distributed security belongs in an equity bridge, not continuing earnings.
§6 Mobility; 2025 10-K	“full automotive value chain”	Historical business	Customer breadth supports resilience but does not set a forward CAGR.
§6 Mobility; July 2026 recast	“spin-off”	Recast basis	The official continuing-company overlay replaces Mobility in SPGI forecasts.
§6 Mobility; Q2 10-Q	“Mobility”	Statutory H1	Q2 and the sealed TTM correctly retain the segment historically.

The central management anchor is thus binary and completed: the business separated. The operating forecast must be analyst-built from the disclosed history and economics. `[DATA GAP: no numeric Mobility FY+1 guide, CARFAX guide, B2B guide, or standalone Segment operating profit target appears in data_package §6.]`

8. Forward growth assumptions

The standalone reference model compounds from the sealed $1.810 billion TTM base for exactly five years to June 30, 2031. The package does not disclose TTM subscription and transaction dollars, so the model applies the disclosed FY2025 mix—81.3967% subscription and 18.6033% transaction—to the TTM total. That yields modeled starting bases of $1,473.3 million and $336.7 million. These two lines sum exactly to $1.810 billion, but they are an allocation judgment, not issuer-reported TTM product values.

Base case growth

Product	Three-year-window historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5	Justification
Subscription	10.3%	9.5% FY2025	Not disclosed	6.8%	Dealer growth stayed high single digit, but maturity, procurement, and post-spin execution reduce the pace.
Transaction	1.6%	4.8% FY2025	Not disclosed	3.5%	Projects and activity-linked sales normalize above history but stay below recurring products.

Subscription decelerates from the 10.3% historical window and 9.5% latest fiscal-year rate to 6.8%. The specific causes are tougher dealer penetration, more difficult price comparisons against Cox bundles, slower manufacturing demand, and a larger revenue base. The assumption remains above nominal GDP because the data estate grows, workflows deepen, used-vehicle

information remains valuable, and CARFAX can expand service and listings adoption. Dealer growth of 9% in Q1 FY2026 supports a high-single-digit near-term premise, but the missing Q2 split argues against extrapolating 9% for five years.

Transaction revenue grows 3.5%, between the 1.6% historical CAGR and 4.8% FY2025 growth. The line benefits from a larger installed customer base, recall and marketing activity, and packaging of high-value datasets. It remains structurally slower and more cyclical because one-time projects are easier to defer and less embedded.

Bull case growth

Product	Three-year-window historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5	Justification
Subscription	10.3%	9.5% FY2025	Not disclosed	9.5%	Focused investment, pricing, Europe, data-network growth, and cross-sell preserve the latest pace.
Transaction	1.6%	4.8% FY2025	Not disclosed	5.5%	Healthy auto activity and premium analytics lift episodic demand above recent history.

The bull case assumes independence improves resource allocation rather than creating lasting dis-synergy. CARFAX sustains pricing and dealer adoption, B2B broadens technology and supply-chain coverage, and European consumer/dealer network effects become meaningful. AI agents reduce ingestion cost while the proprietary data remain the binding advantage. Subscription growth is capped at the latest FY2025 rate rather than exceeding it; this prevents the bull case from turning a mature data business into artificial hypergrowth.

Transaction growth reaches 5.5% because vehicle markets, recalls, marketing, consulting, and project activity are healthy. This is above history, so it requires both better industry conditions and improved productization. It is not simply a higher multiple on the same operating facts.

Bear case growth

Product	Three-year-window historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5	Justification
Subscription	10.3%	9.5% FY2025	Not disclosed	3.5%	Dealer stress, OEM budget cuts, bundles, and separation friction impair renewal, price, and cross-sell.
Transaction	1.6%	4.8% FY2025	Not disclosed	0.5%	Weak transactions, marketing, and consulting leave the activity-sensitive line nearly flat.

The bear case does not assume the database becomes worthless. Vehicle histories, registrations, service records, and forecasts remain necessary. Instead, growth compresses because dealers consolidate or close, affordability depresses transactions, OEMs reduce discretionary programs, and competitors bundle more aggressively. Subscription growth of 3.5% allows for some inflationary price and structural data demand while assuming weak net expansion.

The transaction line is nearly flat at 0.5%. That outcome is plausible when consulting, marketing, recall, and one-time data activity are weak. It also captures the risk that AI makes generic analytical projects easier to replicate even while proprietary data subscriptions remain sticky.

Year-by-year revenue path

Case	TTM 2026 base	2027-06	2028-06	2029-06	2030-06	2031-06	Five-year blended CAGR
Bear	$1,810M	$1,863M	$1,918M	$1,975M	$2,034M	$2,095M	3.0%
Base	$1,810M	$1,922M	$2,041M	$2,168M	$2,303M	$2,447M	6.2%
Bull	$1,810M	$1,969M	$2,141M	$2,330M	$2,535M	$2,759M	8.8%

The base path does not require a discontinuous slowdown. Blended growth moves from the latest 7% Q2 rate to a 6.2% five-year CAGR. The bull case remains below the historical subscription CAGR on a blended basis. The bear case assumes a meaningful but not catastrophic slowdown.

9. Forward `Segment operating profit` margin assumptions

The required metric is `Segment operating profit`, exactly as named in the sealed bridge. The starting TTM margin is 21.27%. Product-level margins are not disclosed, so the model assigns explicit terminal margins to subscription and transaction revenue and calculates a revenue-weighted total. These are modeling margins, not issuer disclosures and not adjusted EBITDA.

Case	Product	Current evidence	2031 `Segment operating profit` margin	Mechanism
Bear	Subscription	TTM segment margin 21.27%; product margin n/d	22.0%	Recurrence preserves economics, but public-company cost, data expense, and weak price absorb leverage.
Bear	Transaction	TTM segment margin 21.27%; product margin n/d	12.5%	Low utilization and discounting pressure activity-sensitive projects.
Base	Subscription	TTM segment margin 21.27%; product margin n/d	27.3%	Data reuse, pricing, workflow mix, and automation exceed standalone dis-synergy.
Base	Transaction	TTM segment margin 21.27%; product margin n/d	16.5%	Better productization lifts utilization, but lower recurrence constrains the ceiling.
Bull	Subscription	TTM segment margin 21.27%; product margin n/d	31.0%	Strong retention, cross-sell, AI productivity, and Europe scale create operating leverage.
Bull	Transaction	TTM segment margin 21.27%; product margin n/d	19.0%	Strong demand and premium analytics raise project contribution.

The bear blended margin falls to 20.43%, down 84 basis points. The subscription line still earns a better margin than the total because the assigned transaction margin is lower. Standalone corporate expense, vendor renegotiation, TSA exit, and slower revenue absorb platform leverage. This is a demanding but not distressed case.

The base blended margin rises to 25.53%, up 426 basis points, which exceeds the 100-basis-point explanation threshold. About four mechanisms must work. First, subscription becomes slightly more important because it grows faster. Second, each additional customer can reuse much of the same data and platform. Third, CARFAX's consumer pull supports price and dealer ROI. Fourth, AI and automation reduce manual ingestion and delivery. The offset is genuine: new public-company infrastructure and the loss of parent scale prevent a faster ramp.

The bull blended margin reaches 29.09%, up 782 basis points. This requires high renewal, price realization, Europe growth, and automation without major data-rights or cyber costs. It remains far below the margins of S&P's Ratings and Indices segments because Mobility must spend on consumer brand, sales coverage, dealer support, and domain-specific product development.

Interest expense is deliberately excluded. The $2.0 billion newco notes affect Mobility Global pretax income and equity value, not the historical `Segment operating profit` metric. Corporate/unallocated and statutory bridge lines for continuing SPGI are modeled once by Synthesis. This appendix does not hide debt expense inside product margins or allocate SPGI corporate costs into the separated segment.

10. Segment rollup and continuing-SPGI bridge

The standalone rollup is bottom-up from the modeled TTM revenue-type bases. Revenue compounds for five exact years, and profit equals terminal revenue multiplied by the assigned `Segment operating profit` margin. Rounded rows reconcile to the total within 0.1%.

Case	Product	Modeled TTM revenue	Five-year CAGR	2031 revenue	2031 `Segment operating profit` margin	2031 `Segment operating profit`
Bear	Subscription	$1,473.3M	3.5%	$1,749.8M	22.0%	$385.0M
Bear	Transaction	$336.7M	0.5%	$345.2M	12.5%	$43.2M
Bear	Standalone total	$1,810.0M	3.0%	$2,095.0M	20.43%	$428.1M
Base	Subscription	$1,473.3M	6.8%	$2,047.1M	27.3%	$558.9M

Case	Product	Modeled TTM revenue	Five-year CAGR	2031 revenue	2031 `Segment operating profit` margin	2031 `Segment operating profit`
Base	Transaction	$336.7M	3.5%	$399.9M	16.5%	$66.0M
Base	Standalone total	$1,810.0M	6.2%	$2,447.0M	25.53%	$624.8M
Bull	Subscription	$1,473.3M	9.5%	$2,319.3M	31.0%	$719.0M
Bull	Transaction	$336.7M	5.5%	$440.1M	19.0%	$83.6M
Bull	Standalone total	$1,810.0M	8.8%	$2,759.4M	29.09%	$802.6M

The historical-to-continuing bridge is separate and exact. The sealed statutory TTM includes $385 million of Mobility `Segment operating profit`. The continuing-company overlay removes Mobility after June 30. The July 1 completion 8-K confirms that S&P Global retained no ownership. Thus the standalone totals above do not flow into SPGI operating income.

Bridge stage	Revenue	Exact profit metric	Profit	SPGI ownership / treatment
FY2025 statutory history	$1,747M	`Segment operating profit`	$378M	Included in sealed historical perimeter
TTM ended 2026-06-30	$1,810M	`Segment operating profit`	$385M	Included in sealed historical bridge
Effective 2026-07-01	$0 retained	`Segment operating profit`	$0 retained	100% distributed; SPGI retains no ownership
2031 bear continuing SPGI	$0	`Segment operating profit`	$0	Standalone bear result excluded
2031 base continuing SPGI	$0	`Segment operating profit`	$0	Standalone base result excluded
2031 bull continuing SPGI	$0	`Segment operating profit`	$0	Standalone bull result excluded

The $2.0 billion separation dividend is also outside `Segment operating profit`. It is a financing and equity-bridge item. S&P Global said roughly $500 million was intended for debt retirement and expected roughly $2 billion of additional debt to support buybacks [data_package §7 and §8]. Synthesis must model the parent debt, cash, interest, repurchase, and share-count consequences explicitly; it cannot count the $2.0 billion as recurring free cash flow.

Stranded costs need the same discipline. The data package's official continuing overlay already contains the issuer's recast allocations and TSA pro forma adjustment. Its continuing TTM Corporate Unallocated line is a $4 million benefit, compared with negative $176 million in the historical five-segment statutory bridge, while the four continuing divisions sum to $6.878 billion of pro forma recast operating profit [data_package §3a, continuing-company perimeter overlay]. Those are issuer recast figures, not proof that all stranded cost vanished economically. Synthesis should start from the overlay and forecast the named corporate line once. This appendix does not create another dis-synergy plug.

11. Key risks and wildcards

Dealer and consumer cycle — bear. Vehicle affordability, used-car prices, interest rates, dealer profitability, inventory turns, and credit availability affect subscriptions, listings, leads, and one-time transactions. The business is more resilient than a dealer or lender because it owns no inventory or credit, but customers can still close, consolidate, or cut tools.

OEM and supplier budgets — bear and base. Production forecasts and registration data are important, yet discretionary consulting, marketing, and analytics can be delayed. Tariffs, supply-chain shocks, weak demand, or an uneven EV transition can reduce budgets even while increasing the need for insight.

Data-access and privacy — bear. A large share of the moat depends on continued access to vehicle, consumer, dealer, service, police, government, and OEM events. Privacy rules, vehicle-data regulation, partner renegotiation, or a source deciding to internalize data can raise cost or reduce coverage. This risk is more severe than ordinary software churn because missing history can permanently lower product quality.

Cybersecurity and trust — bear. Data corruption, outage, unauthorized access, or inaccurate reports could cause customer losses, claims, remediation expense, and brand damage. CARFAX's trust premium raises the cost of failure.

Competitive bundles — bear. Cox can combine marketplace traffic, websites, CRM, DMS-adjacent tools, finance, auctions, inventory, and service products. J.D. Power and Experian bring strong automotive data brands. A dealer may prefer a broader commercial stack even if CARFAX wins a narrow feature comparison.

AI productivity — bull and base. AI can decode unstructured service and accident information, link records, improve forecasts, automate delivery, and let customers query proprietary data more naturally. Those uses expand gross value and lower unit cost when the proprietary corpus remains controlled.

AI substitution and rights — bear. Third parties can use AI to analyze alternative or improperly obtained data, customers can build internal tools, and output may implicate third-party intellectual property. The Form 10/A explicitly warns that others could use its data with AI to create competing insights. The durable defense is data rights and record density, not the user interface alone.

Retention and pricing opacity — bear and base. The historical subscription growth is strong, but no absolute retention, churn, net renewal, or price realization is available in the cleared package. A slowdown could first appear in cohort metrics that outside investors cannot observe. The monitoring requirement is named-product or segment subscription growth, dealer count, and a disclosed renewal indicator if management begins reporting one.

Standalone cost and TSA exit — bear. Mobility relies on S&P Global for IT, finance, HR, and other services during a transition generally up to 18 months. It must replace these services without outages or duplicate expense. TSA fees can decline before permanent systems become efficient, producing a temporary cost overlap.

Debt and refinancing — bear. Newco has $2.0 billion of notes, including $650 million due in 2029 and another $650 million due at the forecast horizon in 2031. The stated coupons imply about $110 million of annual cash interest before debt amortization and revolver use. Debt constrains buybacks and acquisitions and makes standalone equity value more sensitive to operating performance.

Tax-free separation covenants — base and bear. The completion 8-K describes restrictions intended to preserve tax-free treatment, including limits on certain combinations, stock issuance, repurchases, and business changes for two years. These can reduce capital-allocation flexibility. A prohibited action that damages tax treatment could create material indemnification exposure.

International expansion — bull. Europe and other markets offer more sources, products, and consumer/dealer relationships. Success requires enough local record density and brand trust to create a loop comparable with North America. Costs arrive before network effects, so the bull case depends on disciplined sequencing.

Value-transfer misclassification — all cases. The biggest SPGI modeling error is not an operating assumption; it is perimeter double counting. An analyst can mistakenly retain Mobility earnings inside SPGI, add MBGL share value as a current distribution, count the $2.0 billion newco-funded dividend as recurring cash flow, and also credit debt-funded repurchases. Each item must appear once in the correct bridge.

12. Separation, capital structure, and shareholder-distribution bridge

The separation completed at 12:01 a.m. New York City time on July 1, 2026. Holders of record on June 15 received one MBGL share for each SPGI share. The distribution covered 100% of Mobility Global and left S&P Global with no ownership interest. The companies entered separation, tax, transition-services, and employee-matters agreements. Uncapped cross-indemnities generally assign Mobility liabilities to Mobility Global and retained-business liabilities to S&P Global. The tax agreement restricts certain transactions for two years and allocates tax responsibilities. These facts are stated in the official completion 8-K.

The post-spin capital structure transfers leverage with the asset. Mobility issued $2.0 billion of notes and paid a $2.0 billion dividend to S&P Global. The 2029, 2031, and 2036 maturities ladder refinancing risk but leave a meaningful near-horizon claim. Cash of $186 million at June 30 means the company began with net debt rather than surplus capital. The $500 million revolver provides liquidity, not equity value; undrawn capacity should never be added to cash.

For SPGI, there are two distinct separation benefits. The first is the $2.0 billion cash dividend, which is already reflected through parent cash/debt/capital-allocation choices and must be treated as a non-operating transaction. The second is the MBGL stock distributed directly to the pre-spin owners. S&P Global never received the public market value of those shares as cash. It transferred the security to shareholders.

The source-bound shareholder-distribution bridge below uses the official one-for-one ratio and live FMP stable market data fetched on September 8. Regular-way MBGL closed at $21.19 on July 1. Through September 4, the observed regular-way intraday low was $17.67, the observed high was $22.33, and the most recent completed-session close was $20.58. The corresponding FMP market capitalization was $6.067 billion, consistent with 294,821,320 distributed shares. These are market marks, not a discounted-cash-flow valuation. Source endpoints: [FMP MBGL

quote](https://financialmodelingprep.com/stable/quote?symbol=MBGL) and [FMP MBGL historical EOD](https://financialmodelingprep.com/stable/historical-price-eod/full?symbol=MBGL&from=2026-07-01&to=2026-09-04).

Distribution-value case	Illustrative weight	MBGL value per pre-spin SPGI share	Approximate aggregate value	Source-bound interpretation
Bear mark	25%	$17.67	$5.21B	Observed regular-way post-spin low
Base mark	55%	$20.58	$6.07B	September 4 current close and market cap
Bull mark	20%	$22.33	$6.58B	Observed regular-way post-spin high
Illustrative weighted mark	100%	$20.20	$5.96B	Weighted mark sensitivity; not an extra distribution
July 1 reference	n/a	$21.19	$6.25B	First regular-way close; historical transfer-date reference

The 25%/55%/20% weights in this mark-sensitivity table mirror the operating-scenario weights only to show a bounded value range; they are not probabilities that an already-completed distribution will occur. The distribution was stock, not cash, and its value at any measurement date is the MBGL market price times the one-for-one share entitlement. This bridge has a strict eligibility condition. It applies only to an investor who held SPGI through the June 15 record date and retained the distribution right through the relevant when-issued mechanics. A buyer of SPGI at the September 8 analysis date does not receive this already-completed distribution. Therefore VP and CS must set the forward SPGI distribution value from Mobility to $0 when the return clock starts from the current post-spin SPGI price. They may use the bridge to reconcile a pre-spin shareholder's historical wealth or a deliberately pre-distribution starting price, but not both.

MBGL's own $0.06 quarterly dividend declared in August belongs to owners of MBGL, not to continuing SPGI. It is neither an ordinary SPGI dividend nor an additional separation distribution. Likewise, the illustrative weighted $20.20 mark is one sensitivity estimate of the already-distributed share value; it is not added to the $21.19 transfer-date close, the $20.58 completed-session close, or the $2.0 billion cash dividend.

No-double-count checklist

Item	Correct location	Included in continuing SPGI earnings?	Included as ordinary SPGI distribution?	Count-once rule
Historical Mobility `Segment operating profit`	Sealed FY2025 and TTM bridge	Historical only	No	Remove after 2026-06-30
Standalone 2031 Mobility profit	MBGL reference model	No	No	Used only to discuss distributed asset economics
One-for-one MBGL shares	Shareholder-distribution bridge	No	No	Eligible only for pre-spin holders
$2.0B newco-funded dividend to SPGI	Parent cash, debt, and capital allocation bridge	No	No	Non-recurring financing item
SPGI repurchases funded with cash or debt	Share-count and net-debt bridge	Indirectly	No	Reconcile shares and financing once
TSA fees and stranded costs	Continuing corporate bridge	No segment allocation	No	Start from official recast and forecast once
MBGL $0.06 quarterly dividend	MBGL shareholder return	No	No	Exclude from SPGI return unless separately owned

Ending summary table

The mandated segment summary is shown on the continuing-SPGI basis because the separation completed. Standalone counterfactual economics appear in Section 10 and must not be inserted into these zeros. The 55% base weight reflects 7% Q2 revenue growth, an 81% subscription mix, and a standalone case that decelerates below recent subscription growth. Bear receives 25%, above bull's 20%, because the company must absorb $75 million-$110 million of TSA-exit build cost, ongoing public-company dis-synergy, and $2.0 billion of newco debt; bull additionally requires pricing, European expansion, AI productivity, and cross-sell to work together.

Case	Segment TTM+5 Revenue retained by SPGI	Exact profit metric	Segment TTM+5 Profit Margin retained by SPGI	Segment TTM+5 Profit retained by SPGI	Probability
Bear	$0	`Segment operating profit`	n/m on zero revenue	$0	25%
Base	$0	`Segment operating profit`	n/m on zero revenue	$0	55%
Bull	$0	`Segment operating profit`	n/m on zero revenue	$0	20%

Bottom line: the historical bridge is intact through June 30, 2026, and the separated asset has credible standalone growth and margin potential. But continuing S&P Global owns none of it. The correct 2031 SPGI contribution is zero in all cases. Any value credited for Mobility must pass through the source-bound shareholder-distribution or parent-financing bridge, with the starting-date eligibility test enforced.

Appendix S - Synthesis

S&P Global — Synthesis (Combined Earnings Model)

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This appendix consolidates the five final reviewed segment appendices into one continuing-S&P Global earnings model. Historical FY2025 and TTM results retain the five-segment statutory perimeter. The forward model uses the issuer's July 2026 recast and therefore includes Market Intelligence, Ratings, Energy, and Indices, while Mobility contributes zero continuing revenue and profit after its July 1, 2026 separation. The one-for-one MBGL distribution is a separate, eligibility-bound shareholder-wealth item for later valuation work, not continuing SPGI EPS or ordinary cash. The model uses only the DR-cleared package, sealed packets, and reviewed appendices; it performs no new source discovery and creates no balancing plug.

1. Anchors and sealed-input controls

- Today: 2026-09-08.
- Fiscal year end: December 31.
- Latest complete quarter: Q2 FY2026 ended 2026-06-30.
- TTM anchor: Q3 FY2025 + Q4 FY2025 + Q1 FY2026 + Q2 FY2026, ending 2026-06-30.
- Latest completed fiscal year for historical tie-out: FY2025 ended 2025-12-31.
- Horizon: 2031-06-30, exactly 5.0 calendar years after the TTM end. Every terminal row compounds for five years, not six fiscal years.
- Valuation price: USD 443.51 per XNYS:SPGI common share, raw exchange close for the 2026-09-04 completed session. The packet actionability expiry is 2026-09-09T04:00:00+08:00.
- Quote raw-source hash: `7c6fdfb7e5fa6e6b35abe96c674078f648211688c1e22359597f319956de3c8a`.
- QFR-sealed quote-packet hash: `d302cd57a8b90076b445403553372bef1c024d13cf0894ac1c0d3a0f9ed7dd75`.
- QFR-sealed statutory-bridge hash: `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`.
- Financial reporting currency and quote currency: USD. Listed unit and financial-statement unit are each one S&P Global common share. Depositary ratio, share-class factor, split factor, and FX factor are all 1.0.
- Share bridge: 296.6 million financial-statement diluted shares at 2026-06-30 × 1.0 split factor = 296.6 million quote-basis diluted financial shares; 296.6 million ÷ (1.0 depositary ratio × 1.0 class factor) = 296.6 million listed-unit equivalents.
- FX bridge: USD 1.0 quote currency per USD 1.0 reporting currency, identity rate dated 2026-09-04.
- Validator status: `QUOTE_PACKET_VALID` and `STATUTORY_BRIDGE_VALID`. Exact recomputed hashes match both sealed hashes. `gate_manifest.json` records QFR clearance, `STATUTORY BRIDGE VERIFIED - CLEARED FOR FORECASTING`, and `DATA PACKAGE VERIFIED - CLEARED FOR WAVE 2` with no unresolved issues.
- P&C insurer lane: NOT TRIGGERED — S&P Global is not a P&C insurer or reinsurer.

The quote packet was revalidated at 2026-09-08T12:38:40+08:00, before expiry. No price was refreshed or substituted. The reporting-currency and listed-unit factors are numerically one, but they remain explicit below so an issuer EPS is never mislabeled as a quote-basis EPS without the required bridge.

2. Segment-level forward assumptions

The terminal figures below reproduce the final reviewed appendices. The exact common historical metric is `Segment operating profit`; the official continuing-company anchor is the issuer's `Pro forma recast operating profit`, which is the post-separation equivalent of that basis. Mobility's standalone reference case is not consolidated because SPGI retained no interest.

Segment	Exact forecast profit metric	Continuing TTM revenue, USD B	Bear 2031 revenue, USD B	Base 2031 revenue, USD B	Bull 2031 revenue, USD B	Bear margin	Base margin	Bull margin	Source
Market Intelligence	Pro forma recast operating profit / Segment operating profit basis	4.853	5.395	6.380	7.166	20.20%	26.23%	30.24%	`appendix_B_market_intelligence.md` §§8-10
Ratings	Pro forma recast operating profit / Segment operating profit basis	5.068	5.257510	6.456056	7.517297	59.00%	66.00%	69.00%	`appendix_B_ratings.md` §§8-10
Energy	Pro forma recast operating profit / Segment operating profit basis	2.585	2.943	3.407	3.764	37.5%	43.2%	46.6%	`appendix_B_energy.md` §§8-10
Indices	Pro forma recast operating profit / Segment operating profit basis	2.012	2.348	3.028	3.646	65.4%	70.4%	72.5%	`appendix_B_indices.md` §§8-10
Mobility	Historical Segment operating profit; zero retained after 2026-07-01	0.000 continuing	0.000	0.000	0.000	n/m	n/m	n/m	`appendix_B_mobility.md` §§10 and 12

The four continuing division revenues total USD 14.518 billion before the TTM intersegment elimination. The official continuing-company revenue is USD 14.310 billion, so the disclosed elimination is USD 0.208 billion, or 1.432704% of gross division revenue. The terminal model holds that disclosed percentage constant. This is an explicit consolidating line, not a gap closure. The historic Mobility TTM revenue of USD 1.810 billion and profit of USD 0.385 billion remain in the sealed statutory bridge through June 30, 2026, but are removed from every continuing horizon case.

All five appendices use the same coherent scenario weights: 25% Bear, 55% Base, and 20% Bull. No probability reconciliation adjustment is necessary. Bear exceeds Bull because record issuance and market-linked Indices revenue can normalize, Energy recovery remains unproven, Market Intelligence faces AI and integration execution, and the accelerated buyback plan raises financing risk. Base receives 55% because current ACV, refinancing demand, benchmark franchises, and continuing-company margins support growth without requiring the full Bull combination.

3. Combined revenue build

Gross segment terminal revenue is the sum of the four continuing appendices. The intersegment elimination is projected at 1.432704% of that sum, the exact continuing-TTM ratio of USD 0.208 billion to USD 14.518 billion. There is no Mobility revenue and no separate revenue plug.

Line	Bear	Base	Bull
Market Intelligence	5.395000	6.380000	7.166000
Ratings	5.257510	6.456056	7.517297
Energy	2.943000	3.407000	3.764000
Indices	2.348000	3.028000	3.646000
Mobility retained by SPGI	0.000000	0.000000	0.000000
Sum of continuing segment revenue, USD B	15.943510	19.271056	22.093297
Intersegment elimination at 1.432704%, USD B	(0.228423)	(0.276097)	(0.316532)
Combined continuing 2031 revenue, USD B	**15.715087**	**18.994959**	**21.776765**
TTM continuing revenue, USD B	14.310000	14.310000	14.310000
Implied 2026-06-30 to 2031-06-30 CAGR	1.89%	5.83%	8.76%

The Base case compounds continuing revenue at 5.83% for exactly five years. The largest contributions are Ratings at USD 6.456 billion and Market Intelligence at USD 6.380 billion. The model does not add the USD 0.226 billion product transfer to Energy; both Energy and Market Intelligence start from the reviewed recast bases, so adding the transfer again would double count it. The elimination remains its own continuing consolidation line and is not allocated into segment profit.

4. Combined operating-income build

The reviewed appendices provide the gross consolidated segment-profit amounts. Indices stays at 100% in the operating build because S&P Dow Jones Indices LLC is consolidated. CME's economic claim is deducted exactly once after consolidated tax in Section 5; cutting Indices here and again through NCI would double count the minority.

Line	Bear	Base	Bull
Market Intelligence segment profit, USD B	1.090000	1.674000	2.167000
Ratings segment profit, USD B	3.101931	4.260997	5.186935
Energy segment profit, USD B	1.105000	1.472000	1.755000
Indices segment profit, USD B	1.535000	2.131000	2.643000
Mobility continuing segment profit, USD B	0.000000	0.000000	0.000000
Sum of segment profit on sealed common basis, USD B	6.831931	9.537997	11.751935
Corporate Unallocated expense, USD B	(0.314302)	(0.189950)	(0.108884)
Consolidated segment-profit metric, USD B	6.517629	9.348047	11.643051
Equity in income on unconsolidated subsidiaries, USD B	0.000000	0.010000	0.025000
Combined statutory 2031 operating income, USD B	**6.517629**	**9.358047**	**11.668051**
Implied operating margin	41.47%	49.27%	53.58%

Corporate Unallocated is projected independently from the continuing-company revenue perimeter. The Bear rule is negative 2.0% of combined revenue, reflecting stranded cost, TSA exit, cybersecurity, and incomplete productivity. The Base rule is negative 1.0%, consistent with the historical scale of corporate cost after the unusual USD 4 million continuing-TTM recast benefit normalizes. The Bull rule is negative 0.5%, requiring productivity and clean separation execution. These rules yield negative USD 314.302 million, USD 189.950 million, and USD 108.884 million, respectively. None is hidden in segment margins.

Equity in income on unconsolidated subsidiaries is a separately projected operating bridge line. The cleared schedule calls for zero, a low run-rate, or modest recovery. Accordingly, Bear uses zero, Base USD 10 million, and Bull USD 25 million. These are explicit terminal judgments tied to the named line, not residuals. The official continuing-TTM bridge showed USD 6 million; the model does not mechanically capitalize a volatile small line.

The historical and perimeter bridges remain distinct. FY2025 ties as USD 6.596 billion segment profit minus USD 0.146 billion Corporate Unallocated plus USD 0.028 billion equity income equals USD 6.478 billion statutory operating income. Statutory TTM ties as USD 7.333 billion minus USD 0.176 billion plus USD 0.006 billion equals USD 7.163 billion. The official post-spin overlay instead starts with USD 6.878 billion of four-division recast profit, adds the disclosed USD 4 million corporate benefit and USD 6 million equity income, and reaches USD 6.888 billion before issuer rounding versus USD 6.887 billion disclosed. The USD 1 million difference is the issuer's disclosed rounding difference, not an analyst plug.

5. Net income and EPS build

The below-line build projects interest, other income, tax, and NCI separately. Tax is applied to consolidated pretax income before NCI attribution. NCI is then deducted once as a post-tax ownership claim. Net income below means income attributable to SPGI common holders, matching the sealed bridge's endpoint.

Line	Bear	Base	Bull
Combined statutory operating income, USD B	6.517629	9.358047	11.668051

Line	Bear	Base	Bull
Interest expense, net, USD B	(0.581250)	(0.425000)	(0.325000)
Other income, net, USD B	(0.025000)	0.000000	0.025000
Pretax income, USD B	5.911379	8.933047	11.368051
Effective tax rate	24.0%	23.0%	22.0%
Provision for income taxes, USD B	(1.418731)	(2.054601)	(2.500971)
Net income before NCI attribution, USD B	4.492648	6.878447	8.867080
CME NCI claim at 27% of Indices profit, USD B	(0.414450)	(0.575370)	(0.713610)
Other NCI claim, USD B	(0.036000)	(0.043799)	(0.048177)
Net income attributable to SPGI, USD B	**4.042198**	**6.259278**	**8.105293**
Terminal quote-basis diluted financial shares, M	265.300285	256.331350	252.677399
Reporting EPS per quote-basis financial share	15.236313	24.418697	32.077633
Financial shares per listed unit	1.000000	1.000000	1.000000
Reporting EPS per listed unit	15.236313	24.418697	32.077633
FX: quote currency per reporting currency	1.000000	1.000000	1.000000
USD EPS per listed unit at 2031-06-30	**15.236313**	**24.418697**	**32.077633**

The exact EPS identity is `NI_REPORTING ÷ QUOTE_BASIS_DILUTED_FINANCIAL_SHARES × FINANCIAL_SHARES_PER_LISTED_UNIT × FX_QUOTE_PER_REPORTING`. For Base, USD 6.259277507 billion ÷ 256.331350 million = USD 24.418696760 per quote-basis financial share; × 1.0 listed-unit factor × 1.0 FX = USD 24.418696760 per listed SPGI share.

The interest schedule is not a net-debt plug. It is tied to terminal gross-debt assumptions in Section 5a: 3.75% on USD 15.5 billion in Bear, 3.40% on USD 12.5 billion in Base, and 3.25% on USD 10.0 billion in Bull. Other income follows the cleared ledger's expense, zero, and recurring-income cases: negative USD 25 million, zero, and positive USD 25 million. The tax rates of 24%, 23%, and 22% bracket the FY2025 and TTM effective rate near 22.6% while allowing downside jurisdiction and deductibility risk.

The NCI build is line-specific. CME's 27% interest is applied only to consolidated Indices segment profit: 27% × USD 1.535 billion = USD 0.414450 billion in Bear, 27% × USD 2.131 billion = USD 0.575370 billion in Base, and 27% × USD 2.643 billion = USD 0.713610 billion in Bull. Other NCI begins from the disclosed H1 2026 difference of USD 18 million between total NCI attribution and redeemable NCI income, annualized to USD 36 million. It remains flat in Bear and compounds for five years at 4% in Base and 6% in Bull, reaching USD 36.000 million, USD 43.799 million, and USD 48.177 million. The USD 5.024 billion redeemable NCI balance is not subtracted from EPS; it is a separate senior claim for an enterprise-to-equity bridge.

5a. Return-method inputs and count-once capital bridge

S does not choose the later security-return method. It supplies an EPS/P-E-ready statutory bridge and an explicit inventory for a possible EV/NOPAT method. Items without a defensible terminal path are marked unavailable rather than filled with a residual.

Input	Anchor at 2026-06-30	Bear 2031	Base 2031	Bull 2031	Treatment and driver
Statutory operating income, USD B	7.163 historical TTM	6.517629	9.358047	11.668051	Segment rollup plus named operating bridge lines
Normalized cash tax rate	22.6% TTM context	24.0%	23.0%	22.0%	Scenario effective-tax schedule
Normalized NOPAT, USD B	n/a	4.953398	7.205696	9.101080	Operating income × one minus scenario tax rate
Cash, USD B	4.134	1.500	2.000	3.000	Scenario liquidity reserve after capital deployment
Gross debt excluding leases, USD B	15.170	15.500	12.500	10.000	Planned financing followed by scenario deleveraging

Input	Anchor at 2026-06-30	Bear 2031	Base 2031	Bull 2031	Treatment and driver
Lease liabilities, USD B	0.578	0.600	0.500	0.400	Bounded from the current lease base
Preferred equity	Unavailable / not identified in package	Unavailable	Unavailable	Unavailable	No source classification is invented
Redeemable NCI senior claim, USD B	5.024	Unavailable	Unavailable	Unavailable	Fair-value put makes a terminal balance path unavailable upstream
Other senior claims	Unavailable	Unavailable	Unavailable	Unavailable	No residual claim is created
Separately valued non-operating assets	MBGL already distributed	0.000 for current-price buyer	0.000 for current-price buyer	0.000 for current-price buyer	Record-date eligibility failed for a 2026-09-08 purchase
Diluted listed-equivalent shares, M	296.600	265.300285	256.331350	252.677399	Explicit five-year buyback and SBC paths

The June cash balance already reflects the separation-period financing context; the USD 2.0 billion newco-funded Mobility dividend is not added again. The count-once bridge is: starting debt USD 15.170 billion, planned debt retirement USD 0.500 billion, and approximately USD 2.000 billion of additional debt imply a temporary pro forma debt level of USD 16.670 billion before later deleveraging. The dividend itself is non-recurring transaction cash, not revenue, operating income, FCF, or an ordinary SPGI shareholder distribution. Buybacks are recognized only in the share schedule and cash/debt deployment logic; they are not also treated as a distribution in EPS.

The terminal interest rows use the terminal gross debt assumptions once. Cash is not netted against operating income, and debt is not subtracted from P/E value. Conversely, a future EV/NOPAT bridge would need to subtract gross debt, leases, redeemable NCI, and other senior claims and add eligible cash exactly once. Because the terminal fair-value redeemable NCI claim and preferred/other claim classifications are unavailable upstream, EV/NOPAT cannot control without a later cleared source-bound repair. The complete EPS/P-E bridge remains valid.

The one-for-one MBGL distribution is separately source-bound in `appendix_B_mobility.md` §12. It was completed for eligible pre-spin owners and is not received by a buyer at the sealed post-spin SPGI price. Accordingly, Mobility contributes zero continuing revenue, profit, NI, EPS, and forward distribution value in all three cases. The observed MBGL marks may later reconcile historical wealth for an eligible June 2026 holder, but they may not be added to USD 443.51 in the current-price return clock.

6. Share-count path

Each path starts from the sealed 296.6 million quote-basis diluted financial shares, not from TTM weighted-average shares or an ADR unit. Buybacks use explicit assumed average prices. SBC issuance equals the TTMized USD 190 million H1 compensation run-rate divided by each assumed average price. This is an approximation, disclosed as such. It is conservative relative to the tiny Q2 dilutive increment but acknowledges excluded performance awards and continued employee grants.

Case / year ending June 30	Starting shares, M	Buyback, USD B	Average price, USD	Shares retired, M	SBC issuance, M	Ending shares, M
Bear 2027	296.600000	4.000	400	10.000000	0.475000	287.075000
Bear 2028	287.075000	3.000	420	7.142857	0.452381	280.384524
Bear 2029	280.384524	2.500	440	5.681818	0.431818	275.134524
Bear 2030	275.134524	2.500	460	5.434783	0.413043	270.112785
Bear 2031	270.112785	2.500	480	5.208333	0.395833	265.300285
Base 2027	296.600000	5.000	445	11.235955	0.426966	285.791011
Base 2028	285.791011	4.500	480	9.375000	0.395833	276.811845
Base 2029	276.811845	4.000	520	7.692308	0.365385	269.484921
Base 2030	269.484921	4.000	560	7.142857	0.339286	262.681350
Base 2031	262.681350	4.000	600	6.666667	0.316667	256.331350
Bull 2027	296.600000	6.000	480	12.500000	0.395833	284.495833
Bull 2028	284.495833	5.500	540	10.185185	0.351852	274.662500
Bull 2029	274.662500	5.000	600	8.333333	0.316667	266.645833
Bull 2030	266.645833	5.000	660	7.575758	0.287879	259.357955
Bull 2031	259.357955	5.000	720	6.944444	0.263889	252.677399

The schedules are consistent with the cleared history: TTM buybacks were USD 5.2 billion, FY2025 buybacks were USD 5.001 billion, and management raised expected calendar-2026 repurchases above USD 7 billion. The model does not repeat the full greater-than-USD-7-billion guide in every forward year. Bear reduces purchases as financing flexibility and value creation disappoint. Base normalizes from USD 5.0 billion to USD 4.0 billion. Bull sustains higher purchases because operating cash generation is stronger, while average repurchase prices also rise.

The Base identity is 296.600000 minus 42.112787 million retired plus 1.844137 million SBC shares equals 256.331350 million. Equivalent identities pass for Bear and Bull. No buyback is presumed to be free: repurchase cash is part of capital deployment and terminal debt/cash assumptions. The USD 2 billion separation dividend does not appear as a second buyback funding source after it has already entered the parent balance-sheet context.

7. P/E 15 test

Required EPS at the sealed USD 443.51 price is USD 443.51 ÷ 15 = USD 29.567333 per listed share. Cushion equals `(EPS × 15 - 443.51) ÷ 443.51`.

Case	USD EPS per listed unit at 2031-06-30	EPS × 15, USD	Sealed price, USD	Cushion	Pass?
Bear	15.236313	228.544699	443.51	(48.47%)	FAIL
Base	24.418697	366.280451	443.51	(17.41%)	FAIL
Bull	32.077633	481.164498	443.51	8.49%	PASS

The Base case controls the gate. Base terminal EPS multiplied by 15 is USD 366.28, below the sealed post-spin price by 17.41%. Therefore the binary P/E-15 gate is **FAIL**, even though the Bull case passes. No MBGL mark, separation dividend, cash balance, or NCI balance is inserted into this entry-price test; it is strictly same-currency, same-listed-unit SPGI EPS versus the sealed SPGI price.

8. Reflexivity and historical anchor checks

The FY2025 revenue bridge is USD 15.536 billion gross segment revenue less USD 0.200 billion intersegment elimination, equaling USD 15.336 billion consolidated revenue. The TTM bridge is USD 16.329 billion gross segment revenue less USD 0.207 billion elimination, equaling USD 16.122 billion consolidated revenue. Both equal the consolidated figures exactly at disclosed precision, well inside 2%.

The statutory operating-income bridge also ties exactly. FY2025 is USD 6.596 billion segment profit minus USD 0.146 billion corporate expense plus USD 0.028 billion equity income, or USD 6.478 billion. TTM is USD 7.333 billion minus USD 0.176 billion plus USD 0.006 billion, or USD 7.163 billion. Both residuals are zero and are within the sealed tolerances of USD 3.298 million and USD 3.6665 million, respectively.

The post-spin overlay is reconciled rather than substituted into statutory history. Its four continuing division revenues sum to USD 14.518 billion and the USD 0.208 billion elimination produces USD 14.310 billion. Its recast division profits sum to USD 6.878 billion, then USD 0.004 billion Corporate Unallocated benefit and USD 0.006 billion equity income produce USD 6.888 billion before issuer rounding versus USD 6.887 billion disclosed. Mobility explains the perimeter change but does not create a forecast residual.

9. Interim-period and recency reconciliation

The statutory TTM uses the permitted cumulative construction `FY2025 - H1 FY2025 + H1 FY2026`, which is arithmetically equivalent to Q3 FY2025 + Q4 FY2025 + Q1 FY2026 + Q2 FY2026. H1 periods both cover January 1 through June 30. Revenue is USD 15.336 billion minus USD 7.532 billion plus USD 8.318 billion = USD 16.122 billion. Operating income is USD 6.478 billion minus USD 3.129 billion plus USD 3.814 billion = USD 7.163 billion. Pretax income is USD 6.227 billion minus USD 2.998 billion plus USD 3.638 billion = USD 6.867 billion. Attributable net income is USD 4.471 billion minus USD 2.161 billion plus USD 2.613 billion = USD 4.923 billion. TTM diluted shares equal `(12 × 305.1 - 6 × 306.9 + 6 × 296.6) ÷ 12 = 299.95 million`. There is no overlapping quarter or mixed half-year.

The Base first-forward-year revenue run-rate is reconstructed from the reviewed annual cadences. Market Intelligence reaches approximately USD 5.133390 billion, Ratings USD 5.213000 billion, Energy USD 2.691825 billion, and Indices USD 2.286380 billion. Gross division revenue is USD 15.324595 billion. Applying the same 1.432704% intersegment elimination gives USD 15.105039 billion of continuing revenue for the year ending 2027-06-30. That is 5.56% above the USD 14.310

billion continuing TTM anchor, within the required 10% recency band. The first-year rate is supported by roughly 6% Market Intelligence ACV, deliberate Ratings normalization, gradual Energy stabilization, and a decelerating Indices path rather than an unexplained step change.

10. Sensitivity

Sensitivity starts from Base EPS of USD 24.418697. Each row changes one variable while holding the other Base inputs fixed. Market Intelligence CAGR sensitivity applies 3.62% and 7.62% terminal CAGRs around the reviewed 5.62% blended rate and preserves the Base 26.23% segment margin. Ratings margin sensitivity changes the reviewed 66% by 200 basis points. Share sensitivity changes ending shares by 5%. Tax sensitivity changes the Base rate by 300 basis points.

Variable changed from Base	Down case EPS	Base EPS	Up case EPS	Down delta	Up delta
Market Intelligence five-year revenue CAGR ±200 bps	23.976848	24.418697	24.893468	(0.441848)	0.474771
Ratings terminal Segment operating profit margin ±200 bps	24.030827	24.418697	24.806567	(0.387870)	0.387870
Terminal diluted share count ±5%; higher shares are downside	23.255902	24.418697	25.703891	(1.162795)	1.285195
Effective tax rate ±300 bps; higher tax is downside	23.373208	24.418697	25.464185	(1.045488)	1.045488

Share-count execution and tax are the largest of the prescribed one-factor shocks. Yet even the favorable 5% share-count case produces only USD 25.70 of EPS, below required EPS of USD 29.57. The price gate therefore does not depend on a single 200-basis-point segment change. Closing the gap would require a combination of much stronger operating profit, more aggressive repurchases, lower tax, or a lower entry price. That combination is closer to Bull than Base and should not be smuggled into the confident case.

11. Combined earnings summary

Case	Revenue, USD B	OI, USD B	OI margin	NI attributable to SPGI, USD B	EPS, USD per listed unit	Probability	EPS × 15, USD	Versus USD 443.51
Bear	15.715087	6.517629	41.47%	4.042198	15.236313	25%	228.544699	(48.47%)
Base	18.994959	9.358047	49.27%	6.259278	24.418697	55%	366.280451	(17.41%)
Bull	21.776765	11.668051	53.58%	8.105293	32.077633	20%	481.164498	8.49%
Probability-weighted	18.731352	9.109944	48.63% on weighted amounts	6.074211	23.654888	100%	354.823322	(19.99%)

The probability-weighted EPS is `25% × 15.236313251 + 55% × 24.418696760 + 20% × 32.077633169 = 23.654888164`. The probability-weighted line is an expectation, not a fourth scenario and not the controlling P/E gate. Its revenue, OI, and NI are independently weighted from the three scenario outputs. Probabilities sum to exactly 100% and match every reviewed segment appendix.

12. Mobility, separation dividend, and shareholder-wealth boundary

Mobility is kept visible because a clean synthesis must explain why the sealed historical five-segment perimeter differs from the continuing four-division forecast. The separation completed July 1, 2026. Eligible holders received one MBGL share for each SPGI share, and SPGI retained no ownership. Consequently, standalone Mobility 2031 revenue and profit do not enter continuing SPGI revenue, operating income, net income, EPS, or the P/E-15 test.

The MBGL share distribution is a separately source-bound shareholder-wealth component for later VP/CS use only when the return clock and holder eligibility include the distribution right. A purchaser at the sealed September 2026 SPGI price is post-distribution and receives zero Mobility distribution. The distribution is stock, not cash. It cannot be added to the USD 2 billion newco-funded dividend to SPGI, and neither can be labeled an ordinary SPGI dividend.

The USD 2 billion separation dividend has one location: parent cash, debt, and capital allocation. The June cash and debt anchors plus management's stated USD 0.5 billion debt retirement and roughly USD 2 billion additional borrowing constrain the terminal schedules. The same USD 2 billion cannot also be added to FCF, terminal cash, buybacks, or shareholder distributions. MBGL's own dividends belong to MBGL holders, not to continuing SPGI. These boundaries keep the historical

wealth bridge, operating model, and forward security-return model mutually exclusive.

13. Tie-out checks

- **PASS — Reported-financial and statutory-bridge tie-out.** FY2025 revenue: USD 15.536 billion gross segments minus USD 0.200 billion elimination = USD 15.336 billion. TTM revenue: USD 16.329 billion minus USD 0.207 billion = USD 16.122 billion. FY2025 OI: 6.596 - 0.146 + 0.028 = USD 6.478 billion. TTM OI: 7.333 - 0.176 + 0.006 = USD 7.163 billion. Both bridge residuals are zero and within sealed tolerance. Source: `data_package.md` §§1-3a and `statutory_bridge.json`.

- **PASS — NI / shares / listed unit / FX equals EPS.** Bear: USD 4.042198243 billion ÷ 265.300284679 million × 1,000 × 1 × 1 = USD 15.236313251. Base: 6.259277507 ÷ 256.331350064 × 1,000 × 1 × 1 = USD 24.418696760. Bull: 8.105292915 ÷ 252.677398990 × 1,000 × 1 × 1 = USD 32.077633169. Source: Sections 5-6 and sealed `quote_packet.json`.

- **PASS — Segment sum at horizon.** Gross continuing segment revenue plus the separately named elimination equals combined revenue exactly: Bear 15.943510 - 0.228423 = 15.715087; Base 19.271056 - 0.276097 = 18.994959; Bull 22.093297 - 0.316532 = 21.776765. Combined revenue divided by the adjusted segment sum is 100.000% in every case. The gross-to-net ratio is 98.567296% solely because the source-disclosed elimination is retained. Source: Section 3 and `data_package.md` §§1 and 3a.

- **PASS — Product-to-segment rollup.** Market Intelligence product revenues sum to USD 5.395, 6.380, and 7.166 billion; Ratings to USD 5.257510, 6.456056, and 7.517297 billion; Energy to USD 2.943, 3.407, and 3.764 billion; Indices to USD 2.348, 3.028, and 3.646 billion. Mobility's standalone products sum to its reference totals, but retained SPGI contribution is zero. Each reviewed appendix reports zero residual within 1%. Sources: all five `appendix_B_*` §10 tables.

- **PASS — Weighted margin check.** Market Intelligence, Energy, Indices, and Mobility explicitly calculate blended product margins from product revenue and profit within 1%. Ratings has no disclosed product-profit split, so its reviewed appendix applies one blended margin to the segment and correctly labels the conditional product-weighting test not triggered. Examples: Base Market Intelligence USD 1.674 billion ÷ USD 6.380 billion = 26.24% versus 26.23% displayed; Base Energy USD 1.472 billion ÷ USD 3.407 billion = 43.21%; Base Indices USD 2.131 billion ÷ USD 3.028 billion = 70.38%. Sources: reviewed segment §§9-10.

- **PASS — Share count and security-unit path.** Starting diluted financial shares 296.6 million × split factor 1 = 296.6 million quote-basis shares; ÷ depositary and class factor 1 = 296.6 million listed units. Base: 296.600000 - 42.112787 retired + 1.844137 SBC = 256.331350 million after five annual intervals. Bear and Bull similarly end at 265.300285 million and 252.677399 million. All work is performed in financial shares, not ADR units. Source: Section 6 and `quote_packet.json`.

- **PASS — Growth plausibility.** No Base segment CAGR exceeds the faster of 1.2 times disclosed history or the comparable trajectory documented by its reviewer. Market Intelligence 5.62% is near 6.0% recent segment growth; Ratings 4.96% is far below the 19.07% rebound and normalizes record issuance; Energy 5.7% is below the 8.7% recent history; Indices 8.5% terminal segment growth is below the 14.8% historical rebound and is supported by documented MSCI/FTSE comparisons. Mobility's zero continuing contribution is a legal perimeter fact. Sources: reviewed appendices §§6 and 8.

- **PASS — Historical/forecast arithmetic.** Every reviewed product row uses exactly five 2026-06-30 to 2031-06-30 intervals. Constant-CAGR rows reproduce `TTM revenue × (1 + CAGR)^5`; variable annual paths multiply each of five disclosed annual factors and reconcile to the terminal values within 1%. Ratings gives full-precision examples, Energy and Indices show year-by-year paths, Market Intelligence provides five-year CAGRs, and Mobility provides a standalone five-year table before the zero-retained bridge. Sources: all segment appendices §§8-10.

- **PASS — Recency anchor.** Base first-year continuing revenue is USD 15.105039 billion after elimination versus USD 14.310 billion TTM, a 5.56% increase. This is inside ±10% and reconciles to the segment year-one cadences rather than an unsupported step-up. Source: Section 9 and reviewed appendices §8.

- **PASS — Period and horizon integrity.** TTM uses FY2025 minus comparable H1 FY2025 plus H1 FY2026, with identical January 1-June 30 coverage and no overlap. The horizon is exactly June 30, 2031, five calendar years after June 30, 2026. Historical five-segment and continuing four-division perimeters are displayed separately. No row compounds from FY2025 for six years. Source: Sections 1 and 9, `data_package.md`, and `gate_manifest.json`.

- **PASS — Valuation, unit bridge, hashes, and probabilities.** Recomputed packet hashes exactly match `d302cd57a8b90076b445403553372bef1c024d13cf0894ac1c0d3a0f9ed7dd75` and `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`. XNYS:SPGI, USD, one common share, split 1, depositary 1, class 1, and FX 1 reconcile. EPS × 15 equals each displayed value. Probabilities are 25% + 55% + 20% = 100%, and weighted EPS is USD 23.654888. Required EPS is USD 29.567333. Base cushion is negative 17.41%, so Base controls a FAIL. Source: Sections 1, 7, and 11 plus both sealed packets.

14. Conclusion

The continuing business is operationally strong in Base: revenue reaches USD 18.995 billion, statutory operating income USD 9.358 billion, attributable net income USD 6.259 billion, and EPS USD 24.42. Ratings and Indices dominate profit and support moat durability, while Market Intelligence and Energy require execution. The model explicitly absorbs corporate cost, interest, tax, CME NCI, other NCI, and diluted-share changes. It does not rely on Mobility earnings, a second recognition of the separation dividend, or an MBGL distribution unavailable to a current buyer.

Even after meaningful repurchases, Base EPS remains USD 5.15 below the USD 29.57 required for P/E 15 at USD 443.51. Bull clears with an 8.49% cushion, but the framework requires confidence in Base. The P/E-15 gate therefore fails. All 11 arithmetic and perimeter tie-outs pass; the unfavorable valuation result is an economic conclusion rather than a reconciliation failure.

SYNTHESIS CLEARED — 11/11 TIE-OUTS PASSED

Appendix CS - Compounder Score

S&P Global (SPGI) — Compounder Score and Return Underwriting

Analysis date: 2026-09-08 **Report ID:** `SPGI-ER2-20260908T100217+0800` **Run ID:** `pulse-cio-20260908T100217+0800` **Price anchor:** USD 443.51 per XNYS:SPGI common share at the 2026-09-04 completed-session close **TTM anchor / terminal date:** 2026-06-30 / 2031-06-30, exactly 5.0 years **Primary valuation method:** P/E **Valuation preflight:** `C:\Users\Admin\OneDrive\GPT\ER 2.0\S&P Global\valuation_preflight.json`; SHA-256 `c286f2e355fa3e70a57e92fdb0dd7376a821779deac1a884f78d2805c79da84b`; validator result `VALUATION_PREFLIGHT_VALID` **Trade execution authorized:** NO

1. Executive Verdict

The evidence supports a valuable standards-and-data franchise, but it does not support dream-investment economics at the current price. S&P Global's strongest assets—Ratings, Indices and Platts—have genuine coordination-network effects, very high margins, entrenched workflows and long-lived trust. They are reinforced by recurring surveillance, subscriptions, data licenses and derivative royalties. Market Intelligence is useful and sticky where proprietary data, entitlements and production feeds matter, but its interface and generic research functions face active AI disintermediation. Energy combines the durable Platts benchmark franchise with more contestable CERA, upstream, consulting and newly transferred workflow products.

The central weakness is not cash generation. TTM issuer-defined free cash flow was USD 5.258 billion after NCI distributions, 106.8% of attributable net income. The weakness is the capital base and price. Goodwill-inclusive ROIC recovered to 9.2% in FY2025 after the IHS Markit merger, still below the 15% Gideon standard. A credible acquisition-inclusive ROIIC cannot be reconstructed from the reviewed evidence because the 2022 stock merger, subsequent divestitures, changing perimeter, embedded R&D and unallocated acquisition economics prevent a clean reinvestment denominator. That missing proof earns no benefit of the doubt.

At USD 443.51, the locked normalized current P/E is 29.1436116414x. The preflight locks terminal P/Es at 20x Bear, 26x Base and 30x Bull. Using terminal statutory diluted EPS of USD 15.236313251, USD 24.418696760 and USD 32.077633169, plus only future ordinary SPGI dividends, gross USD IRRs are -6.0449610936%, 8.1894545593% and 17.3478231887%. The probability-weighted gross USD return is 7.6150403322%, calculated as the five-year CAGR of 25%/55%/20% weighted terminal shareholder wealth—not an arithmetic average of scenario IRRs.

The diagnostic score is **59/100**, comprising **56/80** Business Quality and **3/20** 20% Return Underwriting. The score-implied classification is **Reject**. This is diagnostic and does not override ER2's three formal gates. The synthesis separately makes the P/E-15 gate a FAIL because Base terminal EPS supports only USD 366.28 at 15x, 17.41% below the price.

The separate CIO status is **PASS**. After explicit transaction costs, 30% U.S. dividend withholding and scenario FX translation, Base and probability-weighted net-SGD returns are only 7.66% and 7.24%, below the 8% lower boundary in the actionability matrix and below the 10%-15% mandate. The portfolio already owns 133 SPGI shares, and governed look-through data indicate approximately 3.7% total exposure including PSH. This is portfolio-fit context only: no sizing, trade or mutation authority is exercised.

2. Data Source Map

Evidence need	Controlling source	Period / status	Use in this appendix
Price, listing and share unit	QFR-sealed `quote_packet.json`, SHA `d302cd57a8b90076b445403553372bef1c024d13cf0894ac1c0d3a0f9ed7dd75`	2026-09-04 close; valid at run cutoff	USD 443.51, XNYS common share, 1:1 unit bridge
Income, cash flow, balance sheet and shares	`quant_foundation.md`, DR-cleared `data_package.md`, statutory seal `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`	FY2021-FY2025 and TTM 2026-06-30	Historical quality, cash conversion, leverage and dilution
Segment economics and scenarios	Final reviewed Market Intelligence, Ratings, Energy, Indices and Mobility appendices	TTM 2026-06-30 to 2031-06-30	Runway, moat, terminal revenue/profit and scenario weights

Evidence need	Controlling source	Period / status	Use in this appendix
Management and governance	`appendix_management.md`	Current-run verdict YELLOW	Stewardship, incentives, buybacks and acquisitions
Moat and 2046 test	`appendix_moat.md`	Current-run PASS / PASS	Competitive advantage and disruption calibration
Consolidated terminal earnings	`appendix_synthesis.md`, SHA `1dea63cd27378992fcae6320c4d10d3897b91cd7dd1657e4ecfce7234f87fe68`	11/11 tie-outs passed	Revenue, OI, NI, EPS, dilution and P/E-15 gate
Method, normalized denominator and exits	Validator-cleared `valuation_preflight.json`	5/5 foundations locked	Immutable P/E method, 29.1436x current P/E and 20x/26x/30x exits
Ordinary dividend anchor	[S&P Global dividend history](https://investor.spglobal.com/stock-dividends/dividend-history/) and [current dividend FAQ](https://investor.spglobal.com/contact-investor-relations/investor-faq/)	Live-reviewed 2026-09-08; USD 0.97 quarterly / USD 3.88 annualized	Future ordinary dividend scenarios only
U.S. withholding assumption	[IRS nonresident-alien dividend guidance](https://www.irs.gov/individuals/international-taxpayers/federal-income-tax-withholding-and-reporting-on-other-kinds-of-us-source-income-paid-to-nonresident-aliens)	Live-reviewed 2026-09-08	Conservative 30% withholding diagnostic
Portfolio fit	`fable_exact_pack.json`, `frozen_portfolio_reconciliation.json`, `frozen_portfolio_close.json`	Governed 2026-09-08 pack	Existing 133 shares and approximately 3.7% total SPGI exposure including PSH

All company financial evidence is from the current ER2 run. No stale financial cache was substituted. The S&P Global dividend source and IRS withholding source were reviewed live for this CS stage. Transaction-cost and terminal-FX values below are explicit diagnostic assumptions, not represented as broker quotes or forecasts.

3. Key Financial and Quality Metrics

Metric	Result	Interpretation
FY2020-FY2025 revenue CAGR	15.56%	Merger-inflated; not an organic base rate
FY2021-FY2025 NOPAT CAGR	10.96% over four intervals	Recovery from the post-merger trough
FY2020-FY2025 core FCF CAGR	9.34%	Cash compounding is real
Five-year median goodwill-inclusive ROIC	8.1%	Below the 15% Gideon standard
FY2025 goodwill-inclusive ROIC	9.2%	Improving, but not high
Five-year average FCF / NOPAT	104.81%	Strong cash conversion across volatile years
TTM issuer-defined FCF / attributable NI	106.8%	After USD 315M NCI distributions
FY2020-FY2025 diluted-share CAGR	+4.73%	Distorted upward by IHS Markit stock consideration
FY2023-H1 2026 diluted shares	318.9M to 296.6M	Buybacks more than offset employee issuance
Latest SBC / revenue	1.54% in FY2025	Real cost, but controlled
Net debt / TTM EBITDA	1.34x at 2026-06-30	Spot leverage manageable
Guided year-end 2026 gross leverage	2.7x-2.8x	Above the 2.0x-2.5x target due partly to buybacks
Normalized current P/E	29.1436116414x	Comparable continuing-company denominator
Current dividend yield	0.874839%	Helpful but too small to repair valuation

The long-history columns are bounded by current-run availability. The reviewed current files provide six annual statement points, not a clean ten-year acquisition-adjusted series. Where a five-year CAGR is shown, it is computed from FY2020 to FY2025. The NOPAT series in the DR-cleared package begins in FY2021, so the displayed CAGR uses four annual intervals and is labeled accordingly. This avoids pretending that a six-observation series is ten years of evidence.

4. Rubric Scorecard

Category	Score	Maximum	Evidence-based judgment
Incremental Returns on Capital	11	25	Excellent segment unit economics, but 8.1% median group ROIC and unproven acquisition-inclusive ROIIC
Reinvestment Runway	17	20	Ratings refinancing/private credit, passive/custom indices, AI-ready data and new energy benchmarks provide runway
Durability of Moat	14	15	Ratings, Indices and Platts pass the 2046 test; MI workflow disruption remains material
Accounting and Financial Quality	9	10	Cash conversion, statutory tie-outs and controlled SBC are strong; perimeter complexity remains
Capital Allocation Discipline	5	10	Share reduction and pruning help; IHS/With returns and debt-funded buybacks cap credit
Business Quality Score	**56/80**	**80**	Good-to-excellent business evidence, but not proven high-ROIIC dream-business evidence
Price and 20% Return Underwriting	3	20	Base/PW returns are about 8%; Bear loses money and the 20% reverse hurdle is implausible
Compounder Score	**59/100**	**100**	Reject under the 20% diagnostic rubric

Category 1 detail — 11/25

Normalized ROIC receives 1/5 because the five-year median is 8.1%; the rubric awards only one point for positive returns below 10%. ROIIC receives 0/8 because neither organic nor acquisition-inclusive reinvestment is cleanly supportable. The 2022 merger altered invested capital, shares, goodwill and segment boundaries; 2023-2026 divestitures and the Mobility spin changed the asset perimeter; R&D is embedded in operating expense; and cash-flow acquisition lines do not capture stock consideration. A quotient from those unmatched numerators and denominators would look precise but would not measure incremental economics.

ROIIC stability receives 2/3 because goodwill-inclusive ROIC has recovered from 5.8% in FY2023 to 8.1% in FY2024 and 9.2% in FY2025, but remains far below pre-merger levels. Unit economics receive 3/3: Ratings and Indices sustain approximately mid-60s to low-70s segment margins, and Platts monetizes contract-referenced benchmarks at low marginal delivery cost. Cash conversion receives 3/3 because multi-year FCF/NOPAT averages above 100% and TTM issuer-defined FCF converts 106.8% of attributable NI. Accounting-artifact protection receives 2/3: high segment economics are real, but acquisition accounting and missing R&D allocation prevent a perfect score.

Category 2 detail — 17/20

Market opportunity receives 4/5. The USD 11 trillion rated-debt refinancing pool, growth in private credit, custom and private-market indices, passive penetration, machine-readable licensed data, power/critical-mineral benchmarks and private-market intelligence are credible extensions. Proven reinvestment at scale receives 3/5 because organic product expansion is evident, but the returns on the USD 43.5 billion IHS Markit consideration and USD 1.8 billion With Intelligence purchase remain unproven. Organic opportunity receives 4/4; repeatable expansion 3/3; market structure 2/2; and avoidance of ROIC collapse 1/1 because the model's Base growth remains moderate and does not assume margin-free spending.

Category 3 detail — 14/15

Clear advantage receives 4/4, pricing power 3/3, competitive evidence 3/3, customer stickiness 2/2, resilience 2/2 and low disruption risk 0/1. Ratings, flagship Indices and Platts coordinate markets around accepted standards and histories. Their value rests on reputation, governance, liquidity, legal recognition, contractual references and workflow embedment rather than computational difficulty. The missing point reflects AI-driven interface substitution in Market Intelligence and parts of CERA: proprietary data can remain valuable while desktop and generic research economics weaken.

Categories 4 and 5 — 14/20

Financial quality receives 9/10. Statutory bridges tie, cash follows earnings, SBC is recognized and low, dilution is more than offset by repurchases, the balance sheet is not existentially weak, and there is no material current accounting or governance

failure. The one-point deduction reflects merger/recast complexity and the need to separate consolidated Indices profit, CME NCI, Mobility and event gains carefully.

Capital allocation receives 5/10. Portfolio pruning and the Mobility separation improve focus; buybacks have reduced shares; and the CEO bought stock personally. Offsetting those positives, goodwill-inclusive ROIC remains below 10%, With Intelligence cost about 13.8x expected revenue, incentives omit ROIC and FCF conversion, and management plans leverage above target partly to repurchase shares without a disclosed valuation hurdle. The evidence supports competent stewardship, not yet elite stewardship.

5. ROIIC and Reinvestment Analysis

The evidence does not support a credible point estimate for 3-year or 5-year ROIIC. This is a substantive conclusion, not an omitted calculation. A proper ROIIC denominator must include organic reinvestment, capitalized development where economically appropriate, working capital, acquisitions, and disposals on the same perimeter as the NOPAT numerator. Here, the IHS Markit merger used substantial equity; acquisition accounting created large goodwill and amortization; Engineering Solutions, OSTTRA and other assets were sold; With Intelligence was acquired; Mobility was spun; and R&D is embedded in segment expense. FMP cash acquisition lines alone cannot capture this economic reinvestment.

Three facts still constrain the judgment. First, goodwill-inclusive ROIC fell from 29.3% in FY2021 to 6.6% in FY2022 and 5.8% in FY2023 after the merger, then recovered to 9.2% in FY2025. Second, the asset-light core converts cash well, showing that low ROIC is not caused by chronic working-capital absorption. Third, segment margins in Ratings and Indices remain exceptional, suggesting the acquired-capital denominator—not weak core unit economics—is the binding problem. Accordingly, the scorer grants full unit-economics and cash-conversion points but zero ROIIC points until acquisition-inclusive returns are disclosed or reconstructable.

The capital allocation monitor should be acquisition-inclusive ROIC toward 15%, not adjusted EPS accretion alone. With Intelligence needs disclosed organic ACV/revenue contribution, cash integration cost and retained FCF. Buybacks should be evaluated against intrinsic value and leverage, not merely EPS accretion. A further large acquisition before the current returns are demonstrated would validate the hard-veto concern.

6. Runway Analysis

Ratings has a durable installed base and a cyclical transaction engine. Base intentionally normalizes transaction revenue to 3.98% CAGR and lets non-transaction revenue grow 6.0%, producing 4.96% total segment growth. This does not capitalize the record 25% Q2 transaction rate. The USD 11 trillion rated-debt reference supports a multi-year activity pool, but timing, pull-forward and private-channel substitution matter.

Indices has the strongest reinvestment runway. Base revenue grows 8.5% from asset-linked fees, derivative royalties and subscription/custom work, well below the recent 20% total growth. The S&P 500 ecosystem, USD 6.35 trillion of ETF AUM, derivatives liquidity and governance support growth, while fee tiers, self-indexing and market beta limit certainty. New private-market, fixed-income, retirement and custom indices can become standards, but not every launch inherits flagship economics.

Market Intelligence has a credible but contested runway. Base revenue grows 5.62%, close to its roughly 6% ACV and subscription evidence. AI-ready APIs, deterministic retrieval and With Intelligence can expand usage; generic AI also attacks the interface and enables vendor consolidation. Energy Base grows 5.7%, requiring a gradual recovery from current 3% growth and pressure in CERA/upstream. Platts merits confidence; the transferred 451, maritime and supply-chain products require proof.

7. Moat Analysis

The current-run moat worker passes both the moat gate and the 2046 test. Ratings, Indices and Platts are coordination infrastructure. Customers do not pay simply for information; they pay for an accepted rating scale, a benchmark with liquidity and legal documentation, or a price assessment embedded in contracts and risk systems. Switching entails methodology review, historical remapping, mandate or prospectus changes, operational validation and reputational risk.

Market Intelligence is more nuanced. Its proprietary and permissioned data, identifiers, lineage, feeds and integrations are sticky. Its desktop navigation, summarization and generic research features are not durable by themselves. A credible 2046 SPGI distributes governed data into client agents and APIs rather than defending every seat. The moat breaks if S&P loses data rights, pricing or benchmark trust, or if AI customers use the same information through a lower-cost competing

entitlement.

8. Accounting and Capital Allocation Analysis

Reported TTM EPS of USD 16.412735 is non-comparable because it includes Mobility and event gains. The preflight normalizes to continuing statutory EPS of USD 15.218086 while retaining deal amortization, interest, tax and NCI. That normalized denominator produces the locked current P/E of 29.1436116414x and is comparable with terminal statutory diluted EPS.

The P/E method captures interest, capital structure, CME and other NCI attribution, tax, and diluted share count through EPS. Therefore terminal cash, debt and leases are disclosed but not separately added or subtracted. Bear/Base/Bull terminal cash is USD 1.5B/USD 2.0B/USD 3.0B; gross debt is USD 15.5B/USD 12.5B/USD 10.0B; and leases are USD 0.6B/USD 0.5B/USD 0.4B. Their interest effect enters EPS once. Adding net cash or subtracting debt after EPS times P/E would double count capital structure.

Mobility contributes exactly zero future value for the post-spin entry buyer. The MBGL distribution was completed for pre-spin owners and is not attached to the USD 443.51 share. The approximately USD 2 billion Mobility-funded separation dividend was paid to SPGI, not directly to SPGI shareholders; it belongs in parent financing and capital allocation only. Future ordinary SPGI dividends are the only distributions in the shareholder-return bridge.

9. 20% Return Underwriting

Frozen method and dividend assumptions

Terminal share value equals terminal statutory diluted EPS times the locked exit P/E. The official current quarterly dividend is USD 0.97, or USD 3.88 annualized. Bear assumes 1% annual growth, Base 5%, and Bull 8%. These are forecast judgments anchored to the current declared rate and the issuer's more-than-50-year annual-increase history. Cumulative dividends are the sum of five annual payments at the scenario growth rate: USD 19.989818433188, USD 22.511421712500 and USD 24.583404662784. They are counted once.

Measure	Bear	Base	Bull	Probability-weighted
Probability	25%	55%	20%	100%
Terminal statutory diluted EPS	USD 15.236313251	USD 24.418696760	USD 32.077633169	n/a
Locked exit P/E	20.0x	26.0x	30.0x	n/a
Terminal equity value / share	USD 304.726265020	USD 634.886115760	USD 962.328995070	n/a
Terminal diluted shares	265.300284679M	256.331350064M	252.677398990M	n/a
Terminal equity value	USD 80.843964859B	USD 162.741215190B	USD 243.158787447B	n/a
Cumulative future ordinary dividends / share	USD 19.989818433	USD 22.511421713	USD 24.583404663	n/a
Terminal shareholder wealth / share	USD 324.716083453	USD 657.397537473	USD 986.912399733	USD 640.130146420
Gross USD IRR	-6.04%	8.19%	17.35%	7.62%

The 20% reverse-return test is severe. A current USD 443.51 investment needs USD 1,103.594803200 of terminal wealth after five years. At the Base 26x exit and Base cumulative dividends, required terminal EPS is USD 41.580130057, implying 22.2658473050% annual growth from normalized current EPS. The Base synthesis delivers 9.9189293439%. The maximum entry price for a 20% Base return is USD 264.193326209, 40.43% below the actual price.

Bear-case operating and return bridge

Gross USD underwriting; net-SGD adjustments appear after all three tables.

Bear case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 15.715087B	1.89%	Ratings normalizes, MI/Energy slow, and Indices suffers an AUM shock
Operating margin	48.13%	41.47%	-6.65 pp	Sticky costs, renewal pressure, lower issuance and corporate dis-synergy

Bear case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Operating earnings	USD 6.887B	USD 6.517629B	-1.10%	Statutory operating income on the continuing-company bridge
Diluted share count	296.600M	265.300285M	-2.21%	USD 14.5B buybacks partly offset by SBC issuance
EPS	USD 15.218086	USD 15.236313	0.02%	Comparable normalized continuing statutory EPS to terminal statutory EPS
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 15.236313	comparable	Mobility and net event gains removed; deal amortization retained
Valuation	29.143612x normalized P/E	20.0x P/E	-9.143612x	Severe cycle, AI/Energy/leverage and management-risk haircut
Share value	USD 443.51	USD 304.726265	-7.23%	USD 15.236313 EPS times 20x; no net-cash adjustment
Annual dividend	USD 3.88	USD 4.077919	1.00%	Current issuer rate; minimal growth in the weak case
Dividend yield	0.87%	1.34%	+0.46 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 19.989818	cumulative	Five annual ordinary SPGI dividends; MBGL and separation financing excluded
Total ending value	USD 443.51	USD 324.716083	-6.04% gross USD IRR	Terminal share value plus cumulative ordinary dividends

Base-case operating and return bridge

Base case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 18.994959B	5.83%	Mid-single-digit MI/Energy/Ratings plus 8.5% Indices growth
Operating margin	48.13%	49.27%	+1.14 pp	Mix and scale offset reinvestment, corporate cost and compliance
Operating earnings	USD 6.887B	USD 9.358047B	6.32%	Four reviewed segments plus explicit corporate and equity-income rows
Diluted share count	296.600M	256.331350M	-2.88%	USD 21.5B buybacks net of modeled employee issuance
EPS	USD 15.218086	USD 24.418697	9.92%	Statutory diluted EPS after interest, tax and NCI
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 24.418697	comparable	Same accounting perimeter after event normalization
Valuation	29.143612x normalized P/E	26.0x P/E	-3.143612x	Below peer median and normalized current SPGI for terminal maturity
Share value	USD 443.51	USD 634.886116	7.44%	USD 24.418697 EPS times 26x; no net-cash adjustment
Annual dividend	USD 3.88	USD 4.951972	5.00%	Near historical dividend growth and supported by cash conversion
Dividend yield	0.87%	0.78%	-0.09 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 22.511422	cumulative	Five annual ordinary SPGI dividends counted once
Total ending value	USD 443.51	USD 657.397537	8.19% gross USD IRR	Terminal share value plus cumulative ordinary dividends

Bull-case operating and return bridge

Bull case	Start (2026-09-04 price / 2026-06-30 TTM)	Horizon (2031-06-30)	CAGR / change	Justification
Revenue	USD 14.310B	USD 21.776765B	8.76%	Broad AI/private-market, ratings, index and energy success
Operating margin	48.13%	53.58%	+5.45 pp	High-margin mix, strong issuance and successful productivity
Operating earnings	USD 6.887B	USD 11.668051B	11.12%	Reviewed upside rollup with explicit corporate/NCI treatment
Diluted share count	296.600M	252.677399M	-3.15%	USD 26.5B buybacks net of SBC at rising purchase prices
EPS	USD 15.218086	USD 32.077633	16.08%	Strong operating growth plus per-share accretion
Valuation denominator	Normalized continuing EPS USD 15.218086	Terminal statutory EPS USD 32.077633	comparable	Same post-spin statutory continuing perimeter
Valuation	29.143612x normalized P/E	30.0x P/E	+0.856388x	Below premium peers/history but modestly above current normalized SPGI
Share value	USD 443.51	USD 962.328995	16.76%	USD 32.077633 EPS times 30x; no net-cash adjustment
Annual dividend	USD 3.88	USD 5.700993	8.00%	Strong cash compounding supports faster ordinary dividend growth
Dividend yield	0.87%	0.59%	-0.28 pp	Annual dividend divided by endpoint share value
Five-year dividends	-	USD 24.583405	cumulative	Five annual ordinary SPGI dividends counted once
Total ending value	USD 443.51	USD 986.912400	17.35% gross USD IRR	Terminal share value plus cumulative ordinary dividends

Net-SGD diagnostic

The entry FX is the governed portfolio pack's USD/SGD 1.2656. Terminal USD/SGD is assumed at 1.20 Bear, 1.25 Base and 1.30 Bull. Each annual dividend is translated at a geometric path between entry and terminal FX. Entry cost is 10 bps of purchase value; exit cost is 10 bps of terminal share proceeds. U.S. dividend withholding is 30%; no capital-gains tax is assumed. These are conservative diagnostic assumptions, not investor-specific tax advice or an IBKR fee quote.

Net-SGD measure	Bear	Base	Bull	Probability-weighted
USD/SGD at entry	1.2656	1.2656	1.2656	1.2656
USD/SGD at terminal	1.20	1.25	1.30	scenario-weighted wealth
Entry cost / exit cost	0.10% / 0.10%	0.10% / 0.10%	0.10% / 0.10%	same
Dividend withholding	30%	30%	30%	same
Net terminal SGD wealth per initial share	SGD 382.456925	SGD 812.604831	SGD 1,271.927735	SGD 796.932435
Net-SGD IRR	**-7.40%**	**7.66%**	**17.75%**	**7.24%**

10. Hard Veto Checklist

Hard veto	Result	Evidence
1. ROIIC below cost of capital	Insufficient evidence	Clean organic and acquisition-inclusive ROIIC denominators are unavailable
2. Reported ROIC is an artifact of tiny capital	PASS	Goodwill-inclusive invested capital is large; reported ROIC is not overstated
3. Growth needs persistent external finance	WATCH	Operations self-fund, but 2026 buybacks use incremental debt
4. Material dilution without value creation	PASS	Shares declined materially after 2023; SBC is controlled

Hard veto	Result	Evidence
5. Large acquisitions without returns	WATCH	IHS Markit and With Intelligence returns remain insufficiently disclosed
6. FCF structurally lags earnings	PASS	Five-year FCF/NOPAT averages 104.81%; TTM FCF/NI is 106.8%
7. Permanent impairment risk	WATCH	Ratings/benchmark trust, regulation, AI and CME NCI are material
8. 20% case requires expansion	FAIL	Base 26x produces 8.19%; 20% needs USD 41.58 EPS or a much higher multiple
9. Today's price needs flawless execution	FAIL	Even Bull reaches only 17.35% gross USD IRR
10. Moat cannot be explained	PASS	Coordination standards, liquidity, governance and embedded data explain it
11. Accounting/governance impairs trust	PASS	No current material weakness/restatement; statutory bridge reconciles
12. Balance-sheet risk can wipe out equity	PASS	Leverage is meaningful but cash generation is strong and terminal EPS stays positive

11. Final Decision

Compounder Score: 59/100. The evidence does not support dream-investment status under the 20% rubric. **Business Quality Score: 56/80.** The evidence supports durable franchises and strong cash quality, but the score is capped by low goodwill-inclusive ROIC, missing ROIIC proof and incomplete capital-allocation evidence. **20% Return Underwriting Score: 3/20.** Today's price does not support the stretch hurdle; Base and probability-weighted returns are approximately 8%, Bear is negative, and even Bull is below 20%.

Score-implied classification: Reject. This is diagnostic only. It does not alter the formal ER2 gate logic.

Overall CIO actionability: PASS. Base and probability-weighted net-SGD returns are below 8% and below the 10%-15% mandate. Existing direct and PSH look-through exposure of approximately 3.7% increases the burden for any incremental position. No proposed sizing ceiling is provided and no trade is authorized.

Compounder Score note: 59/100 implies the current evidence and price do not support dream-investment economics. **Business Quality Score note:** 56/80 reflects strong standards franchises but unproven acquisition-inclusive compounding. **20% Return UW Score note:** 3/20 reflects an 8.19% Base IRR and implausible 20% reverse hurdle at USD 443.51.

The main underwriting risk is that an investor pays a premium multiple for a company whose best assets are exceptional but whose consolidated capital returns remain burdened by acquisition goodwill and whose current price already discounts successful margin, buyback and growth execution. The upgrade path is a materially lower price, clear acquisition-inclusive ROIC progress toward 15%, demonstrated AI/private-market monetization without weakened retention, and leverage returning to the 2.0x-2.5x target.

12. Machine-Readable JSON

The companion `compounder_score.json` contains full-precision gross USD and net-SGD return arithmetic, the immutable preflight bindings, complete scenario bridges, cost/tax/FX assumptions, category scores, hard-veto states and `trade_execution_authorized=false`.

Appendix CSA - Scoring Audit

S&P Global (SPGI) — Independent Scoring and Return Audit

Analysis date: 2026-09-08 **Report ID:** `SPGI-ER2-20260908T100217+0800` **Run ID:** `pulse-cio-20260908T100217+0800` **Price:** USD 443.51 at the 2026-09-04 completed close **TTM / terminal:** 2026-06-30 / 2031-06-30, exactly 5.0 years **Audited primary valuation method:** P/E **Trade execution authorized:** NO

1. Original vs Audited Scores

The scorer's return model is arithmetically sound and matches the sealed valuation preflight. The business-quality score is too generous in three places: it awards points for ROIIC stability and growth without ROIC collapse when ROIIC itself is unavailable, and it awards full pricing-power credit despite the source files explicitly documenting incomplete price/volume and retention evidence. I therefore reduce Business Quality from **56/80** to **52/80**. The 20% Return Underwriting score remains **3/20**, so the audited Compounder Score is **55/100**, down from **59/100**. The score-implied classification remains **Reject**.

Item	Original	Audited	Notes
Business Quality Score / 80	56/80	52/80	Three evidence-dependent reductions; denominator and addition verified
Valuation / 20% Return UW Score / 20	3/20	3/20	Return arithmetic and locked-multiple treatment clear
Total Score / 100	59/100	55/100	52/80 plus 3/20 equals 55/100
Classification	Reject	Reject	Below 70/100, weak 20% economics, and hard vetoes remain

The valuation preflight at `C:\Users\Admin\OneDrive\GPT\ER 2.0\S&P Global\valuation_preflight.json` passed the repository semantic validator with evidence-file checking. Its SHA-256 is `c286f2e355fa3e70a57e92fdb0dd7376a821779deac1a884f78d2805c79da84b`, exactly matching both the dispatch seal and CS. The quote and statutory packets also match their seals: `d302cd57a8b90076b445403553372bef1c024d13cf0894ac1c0d3a0f9ed7dd75` and `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`. All evidence paths hash-bound by VP were present and unchanged.

2. Score Reductions and Reasons

Rubric item	Original	Audited	Evidence status	Audit conclusion
1A Normalized ROIC is high	1/5	1/5	Supported	FY2021-FY2025 goodwill-inclusive ROIC is 29.3%, 6.6%, 5.8%, 8.1%, and 9.2%; the 8.1% median earns 1/5
1B ROIIC is high	0/8	0/8	Missing data	Organic, three-year, five-year, and acquisition-inclusive ROIIC are not supportably calculable
1C ROIIC is not deteriorating sharply	2/3	0/3	Unsupported	Recovery in reported ROIC is not evidence about the direction of an uncalculated ROIIC series
1D Unit economics support returns	3/3	3/3	Supported	Ratings and Indices sustain roughly mid-60s to high-60s margins; Platts has benchmark economics
1E Cash conversion is real	3/3	3/3	Supported	Five annual core-FCF/NOPAT observations and three issuer-FCF observations support strong conversion
1F ROIC is not an accounting artifact	2/3	2/3	Partly supported	Goodwill-inclusive capital is used, but R&D and changing acquisition perimeter prevent full confidence

Rubric item	Original	Audited	Evidence status	Audit conclusion
2A Large remaining opportunity	4/5	4/5	Supported	Refinancing, private credit, indices, licensed data, and energy benchmarks provide several credible pools
2B Proven reinvestment at scale	3/5	3/5	Partly supported	Organic product extensions are evident, while IHS Markit and With Intelligence returns remain unproven
2C Organic growth opportunity	4/4	4/4	Supported	All four continuing divisions have specific, source-linked organic extensions
2D Repeatable expansion playbook	3/3	3/3	Supported	Ratings surveillance, new indices, licensed data/API delivery, and benchmark extensions are repeatable
2E Market structure supports growth	2/2	2/2	Supported	Accepted standards, installed assets, regulation, and embedded contracts support long duration
2F Growth without ROIC collapse	1/1	0/1	Unsupported	Consolidated ROIC is below 10% and acquisition-inclusive ROIIC is missing; a forecast cannot prove this item
3A Clear source of advantage	4/4	4/4	Supported	Coordination standards, governance, histories, legal recognition, and data rights are concrete advantages
3B Pricing power	3/3	2/3	Partly supported	Ratings contract terms and standards margins help, but no clean company-wide price bridge exists; Energy granted flexibility and MI evidence is anecdotal
3C Competitive evidence	3/3	3/3	Supported	Segment files identify competitors, share evidence, and observable displacement signals
3D Customer stickiness	2/2	2/2	Supported	Contract references, surveillance, prospectuses, histories, feeds, APIs, permissions, and migration costs are specific
3E Resilience through stress	2/2	2/2	Supported	Ratings' 2022 downturn and multi-year Indices margins provide actual stress evidence
3F Low disruption risk	0/1	0/1	Supported reduction	Market Intelligence desktops and parts of CERA face material AI/interface substitution risk
Category 4 total	9/10	9/10	Supported	Statutory tie-outs, cash conversion, SBC treatment, share reconciliation, and governance review support the score
Category 5 total	5/10	5/10	Supported	Pruning and per-share delivery help, but acquisitions, incentive design, and debt-funded buybacks cap credit
Category 6 total	3/20	3/20	Supported	Base return is below 10%, Bear is negative, reverse hurdle is not beatable, and cash returns add only modest value

Audited category totals are 9/25 for Incremental Returns on Capital, 16/20 for Reinvestment Runway, 13/15 for Durability of Moat, 9/10 for Accounting and Financial Quality, 5/10 for Capital Allocation, and 3/20 for Price and 20% Return Underwriting. The five business-quality categories add to **52/80**; adding valuation produces **55/100**.

3. Unsupported Claims

The evidence does not support a numeric three-year ROIIC, five-year ROIIC, acquisition-inclusive ROIIC, or reinvestment rate. The IHS Markit merger used stock consideration, the perimeter changed through divestitures and the Mobility spin, R&D remains embedded in operating expense, and available cash acquisition lines do not capture the economic denominator. The scorer correctly gave 1B zero, but then implicitly used improving goodwill-inclusive ROIC to award 1C and used the forward Base model to award 2F. Those are different tests. Missing ROIIC evidence cannot support either a favorable ROIIC trend or proof that incremental growth avoids a return collapse.

Full pricing-power evidence is also absent. Ratings' improved contract terms and extraordinary margins support real pricing ability, but there is no clean company-wide price-versus-volume bridge. Indices growth is substantially affected by markets, flows, and derivative volumes. Market Intelligence lacks absolute gross retention, net retention, a five-year ACV series, and a broad pricing bridge; the cited 35%-45% AI-ready renewal increases cover only two clients. Energy has provided customer flexibility on price and terms. The correct conclusion is strong but uneven pricing power, worth 2/3 rather than 3/3.

No new evidence was needed for this audit. I used the current-run, VP-hash-bound files: the quantitative foundation, DR-cleared data package, all five reviewed segment appendices, management, moat, synthesis, valuation evidence, the scorer markdown, and the scorer JSON.

4. Calculation Errors

There is no material return-calculation error. The one presentation issue is that the displayed 104.81% "five-year average FCF / NOPAT" is the arithmetic average of core FCF before NCI distributions divided by NOPAT for FY2021-FY2025: approximately 107.7%, 67.9%, 112.6%, 127.0%, and 108.8%. It should be labelled `core FCF before NCI distributions / NOPAT`, because issuer-defined FCF subtracts NCI distributions and is only disclosed for FY2023-FY2025 in the package. This labelling repair does not alter the 1E score: the available three-year issuer-defined series still demonstrates multi-year conversion, and TTM issuer-defined FCF of USD 5.258B is 106.8% of attributable net income.

The reported current P/E replays as USD 443.51 divided by USD 16.4127354559, or 27.0223084501x. It is correctly treated as non-comparable because it includes Mobility and event gains. The normalized current P/E replays as USD 443.51 divided by USD 15.2180864011, or 29.1436116414x. The terminal denominator is continuing-SPGI statutory diluted EPS on the same listed-unit and currency basis.

Return item	Bear	Base	Bull	Probability-weighted
Probability	25%	55%	20%	100%
Terminal EPS	USD 15.236313251	USD 24.418696760	USD 32.077633169	n/a
Locked exit P/E	20.0x	26.0x	30.0x	n/a
Terminal share value	USD 304.726265020	USD 634.886115760	USD 962.328995070	n/a
Cumulative ordinary dividends	USD 19.989818433	USD 22.511421713	USD 24.583404663	n/a
Terminal shareholder wealth	USD 324.716083453	USD 657.397537473	USD 986.912399733	USD 640.130146420
Audited gross USD IRR	-6.0449610936%	8.1894545593%	17.3478231887%	7.6150403322%

Each scenario return equals `(terminal shareholder wealth / 443.51)^(1/5) - 1`. Expected terminal wealth equals `0.25 × 324.716083453 + 0.55 × 657.397537473 + 0.20 × 986.912399733 = 640.130146420`. The probability-weighted gross return is therefore `(640.130146420 / 443.51)^(1/5) - 1 = 7.6150403322%`. The probability-weighted method is the CAGR of weighted terminal wealth, not the 6.4625243719% probability-weighted arithmetic average of scenario IRRs.

The reverse-return calculation also replays. USD 443.51 compounded at 20% for five years requires USD 1,103.594803200 of terminal wealth. Subtracting Base dividends and dividing by the 26x Base exit requires USD 41.580130057 of terminal EPS, a 22.2658473050% CAGR from normalized current EPS. Base models only 9.9189293439%. The maximum buy price for a 20% Base return is USD 657.397537473 divided by 1.2^5, or USD 264.193326209.

The net-SGD overlay is also exact. Entry wealth is `443.51 × 1.2656 × 1.001 = SGD 561.867562256`. For each scenario, terminal share proceeds are translated at 1.20, 1.25, or 1.30 USD/SGD and reduced by a 0.10% exit cost. Each of the five annual dividends is translated along the geometric path from 1.2656 to the scenario terminal FX and reduced by 30% U.S. withholding. Capital-gains tax is assumed at zero. This produces SGD 382.456925015, SGD 812.604830599, and SGD

1,271.927734759 of net terminal wealth and audited net-SGD IRRs of **-7.40%**, **7.66%**, and **17.75%**. Probability-weighted net terminal wealth is SGD 796.932435035, and its terminal-wealth CAGR is **7.24%**, not the 5.9114043421% arithmetic average of scenario net IRRs. All visible net-SGD returns are rendered to exactly two decimals.

5. Missing Data

The most important missing evidence is acquisition-inclusive incremental return. There is also no separately disclosed R&D amount, no absolute company-wide retention series, no five-year ACV series, no product-level dollar revenue and profit for several named MI and Energy products, and no numeric full-year Indices or Energy guide. These gaps justify Medium confidence and the reduced quality score. They do not invalidate the sealed statutory, normalized-EPS, or return arithmetic.

6. Hard-Veto and Threshold Test Audit

The score fails every investable-now threshold that matters. Audited Compounder Score **55/100** is below 80/100; audited Business Quality **52/80** is below 65/80; audited 20% Return Underwriting **3/20** is below 15/20; audited ROIIC-plus-runway is 25/45, below 35/45; Base gross USD IRR is below 20%; Bear is below the 8%-10% acceptable range; and hard vetoes 8 and 9 fail. The locked Base 26x is below the comparable normalized current 29.14x, but still yields only 8.19%; achieving 20% would require much faster EPS growth or an unsupported terminal multiple. Bull at 30x involves mild expansion from normalized current P/E and still reaches only 17.35%.

The exit-multiple integrity audit clears. The 20x/26x/30x P/E set was selected in VP before returns or scores, is anchored to normalized current SPGI, live peer P/Es, SPGI historical P/Es, terminal growth, quality, cycle, maturity, management, and leverage, and was not reverse-engineered. The optimism challenge supports haircuts versus history and premium peers. The excessive-bearishness challenge supports 20x rather than an artificial liquidation multiple because Bear retains positive EPS, recurring revenue, a 41.5% margin, and surviving standards franchises. The raw reported 27.02x P/E was not used as a cap.

P/E is used consistently in Bear, Base, Bull, probability weighting, reverse return, maximum buy price, and net-SGD. Terminal equity value is EPS times P/E. Terminal cash, debt, leases, NCI, and non-operating assets are not added to or subtracted from that equity value. The completed one-for-one MBGL distribution contributes zero future value to a buyer at the post-spin price. The USD 2.0B Mobility-funded dividend was paid to SPGI and is not shareholder cash, a future distribution, FCF, or terminal cash uplift. Ordinary SPGI dividends are counted once. The double-count check passes.

7. Final 20% Hurdle Pass/Fail

FAIL. Base and probability-weighted gross USD returns are 8.19% and 7.62%; even Bull is 17.35%. The audited 20% Return Underwriting Score remains **3/20**. The result is driven by the starting price and required terminal earnings, not by a reconciliation defect.

8. Dream Business / Dream Investment Classification

Neither under this rubric. S&P Global owns several dream-business assets, especially Ratings, Indices, and Platts, but audited Business Quality of **52/80** remains below the 55/80 promising-but-incomplete band because consolidated acquisition-inclusive compounding is not demonstrated. At USD 443.51, audited Compounder Score **55/100** and 20% Return Underwriting **3/20** clearly reject dream-investment status. The single biggest reason is that a premium entry multiple is paired with unproven acquisition-inclusive ROIIC and only an 8.19% Base gross return.

The separate CIO status is correctly **PASS**, not WATCH. The governing matrix requires PASS when Base net-SGD return is below 8%; here it is 7.66%, and probability-weighted net-SGD is 7.24%. Bear is -7.40% annualized, implying a terminal-wealth loss far beyond the 12% hard-review threshold. The portfolio already owns 133 direct SPGI shares and has approximately 3.7% total SPGI economic exposure including PSH look-through. Existing concentration raises, rather than lowers, the hurdle for incremental exposure. No sizing ceiling is proposed and `trade_execution_authorized=false`.

9. Stage 7 Scorecard Notes

- Compounder Score note: Audited **55/100** implies the evidence and price do not support dream-investment economics.
- Business Quality Score note: Audited **52/80** reflects strong standards franchises but insufficient proof of acquisition-inclusive incremental returns.
- 20% Return UW Score note: Audited **3/20** reflects an 8.19% Base gross return and an unachievable 20% reverse hurdle at USD 443.51.

10. Auditor JSON

The companion `compounder_score_audit.json` preserves full-precision gross USD and net-SGD replays, the 25%/55%/20% weights, all three score reductions, the validated VP and packet seals, method and double-count controls, CIO PASS, and `trade_execution_authorized=false`.

Appendix RT - Red Team

S&P Global — Red Team

Assessment date: 2026-09-08 **Anchor / horizon:** TTM 2026-06-30 / 2031-06-30, exactly five years **Audited valuation preserved:** P/E; Bear 20x, Base 26x, Bull 30x; probabilities 25% / 55% / 20% **Audited scores preserved:** Compounder Score 55/100, Business Quality 52/80, 20% Return Underwriting 3/20 **Trade execution authorized:** NO

1. The most fragile assumption

The weakest operating assumption is Market Intelligence's Base path: subscription revenue grows 6.0% annually, total segment revenue reaches USD 6.380 billion at a 5.62% five-year CAGR, and segment operating margin rises from the 23.39% recast TTM anchor to 26.23%. This is one linked bet on growth, retention, mix, integration, and cost leverage—not three independent conservative assumptions. Q2 subscription revenue grew 6%, but that included upfront renewal revenue; Q1 management had forecast an acceleration that did not arrive by Q2. The company still does not disclose absolute retention, a broad price/volume bridge, product-level AI revenue, or the size of Kensho Data. With Intelligence integration and another Market Intelligence organizational reset are occurring while customer procurement teams can consolidate overlapping vendors.

External evidence raises the proof threshold. LSEG reported 3.1% organic growth in Workflows, 6.6% in Data & Feeds, 5.9% subscription annual-value growth, and 92.4% retention in 2025; it had only 60-plus institutional customers trialing MCP despite broad distribution partnerships ([LSEG 2025 preliminary results](https://www.lseg.com/content/dam/lseg/en_us/documents/investor-relations/financial-results/preliminary-results/rns/lseg-2025-preliminary-results-rns-26feb2026.pdf)). MSCI's Q2 2026 organic recurring subscription run-rate growth was 8.1% with 95.3% retention, but expenses rose 9.2%, including higher technology, market-data, and professional-fee costs ([MSCI Q2 2026 results](https://ir.msci.com/news-releases/news-release-details/msci-reports-financial-results-second-quarter-and-six-months-10)). High-single-digit data growth is possible, but AI delivery and data governance do not create costless margin leverage.

The synthesis sensitivity gives the first-order damage: reducing Market Intelligence's five-year revenue CAGR by 200 basis points lowers Base EPS by USD 0.442, from USD 24.419 to USD 23.977. If terminal Market Intelligence margin also stays at 23.39% rather than reaching 26.23%, the additional operating-profit shortfall is about USD 181 million, or USD 0.544 per share after the 23% tax rate. Together those failures put Base EPS near USD 23.43, about USD 0.99 below audit, before restructuring cost or acquisition-return disappointment. That does not destroy S&P Global, but it exposes how little of the Base return comes from margin of safety.

2. The Stage 5 number most likely to prove optimistic

The most-likely-to-be-optimistic Stage 5 number is the Base terminal diluted share count of **256.331 million**, down from 296.600 million. It requires USD 21.5 billion of repurchases at rising prices while Base gross debt falls to USD 12.5 billion. The synthesis says separation financing implies a temporary pro forma gross-debt level near USD 16.67 billion, so the same period must absorb roughly USD 4.17 billion of debt reduction. Common dividends implied by the schedule consume about USD 6 billion more. Those three uses total roughly USD 31.7 billion before acquisitions or shocks.

TTM issuer-defined FCF is USD 5.258 billion. Even applying the current 106.8% FCF/attributable-net-income relationship to a smooth rise from TTM net income of USD 4.923 billion toward Base terminal net income of USD 6.259 billion produces only about USD 30 billion of cumulative five-year cash. The share path consumes essentially all available cash and still leans on timing, with no allowance for another With Intelligence-sized acquisition. This is not an arithmetic error, but it is a capital-allocation stretch. Stage 5's own 5% higher-share sensitivity lowers EPS by USD 1.163 to USD 23.256 and lowers the same-method Base gross IRR from 8.19% to approximately 7.18%.

3. Strongest bear case, stated in its strongest form

S&P Global is priced as if post-spin mix improvement converts directly into durable per-share compounding, but it combines a peak Ratings issuance anchor, market-beta-driven Indices strength, unproven Market Intelligence AI monetization, and an Energy recovery deferred for several quarters. Ratings and Indices contribute about 68% of continuing segment profit, so a two-year issuance normalization and market/AUM drawdown hit the highest-margin franchises first; meanwhile Market Intelligence and Energy, together USD 7.438 billion of recast TTM revenue and USD 2.174 billion of segment profit, may require ongoing product, data-rights, cyber, and restructuring spend rather than modeled leverage. Within two to four quarters,

the bear becomes observable if Ratings transaction growth falls below issuance growth, Market Intelligence ACV stays below 4%, and Energy cannot move beyond low-single-digit growth. The result is not extinction: it is flat-to-low-single-digit operating earnings, slower buybacks, and multiple compression toward the low-20s—enough to make an excellent company a poor investment.

Moody's Q2 2026 evidence reinforces cycle risk: Moody's Investors Service transaction revenue rose 34% and adjusted margin reached 68.3%, while full-year MIS revenue guidance remained high-single digits ([Moody's Q2 2026 SEC earnings release](https://www.sec.gov/Archives/edgar/data/1059556/000162828026049104/a2q26earningsrelease.htm)). A peer simultaneously printing exceptional transaction growth and retaining a much lower annual guide is what peak-like conditions look like. The USD 11 trillion refinancing stock is an opportunity set, not a billing schedule.

4. Cross-examination of management commentary

“$11 trillion in rated debt” — Martina Cheung, Q2 FY2026 call. This may fail because debt outstanding is not paid issuance: borrowers can pre-fund, extend, use private channels, or avoid refinancing. Moody's 34% Q2 transaction growth and unchanged high-single-digit annual MIS guide show that a close peer refuses to annualize the surge. The first adverse sign is S&P Ratings transaction-revenue growth trailing addressable rated-issuance growth by at least 10 percentage points for two consecutive quarters; that indicates share, mix, or fee-conversion deterioration rather than a normal cycle.

“high single-digit to low double-digit” — Martina Cheung on Kensho Data, Q2 FY2026 call. This may fail because the rate applies to an undisclosed, likely smaller product inside a USD 4.853 billion segment while the whole segment remains near 6%. S&P's Adaptive Retrieval launch proves product availability, not booked revenue or incremental margin ([S&P Global launch](https://press.spglobal.com/2026-07-21-S-P-Global-Launches-Adaptive-Retrieval%2C-Giving-Customers-a-New-Way-to-Access-Data-Across-AI-and-Agentic-Workflows)). S&P's own research says enterprise AI productivity remains an open question and identifies inference and compute bottlenecks ([S&P Global AI Monitor](https://www.spglobal.com/market-intelligence/en/news-insights/research/2026/08/the-visible-alpha-ai-monitor-h1-2026-update-whats-next-for-ai)). The first adverse sign is total Market Intelligence ACV below 5% in either of the next two quarters despite rising API calls; usage without whole-book monetization confirms cannibalization or bundling.

“headwinds are cyclical” — Martina Cheung on Energy, Q2 FY2026 call. This may fail because earlier calls had already said stabilization would take “several quarters,” and the business granted renewal-price flexibility while Platts grew only 4% and Upstream/CERA 1%. A cyclical label does not prove that CERA/Titan adoption or transferred-product integration will lift the Base subscription cadence from 4.5% in year one to 7.5% in year five. The first adverse sign is Energy recast revenue growth at or below 3% for two consecutive quarters after the new perimeter becomes comparable, accompanied by further price flexibility or delayed renewal recovery.

5. Stage 5 tie-out spot checks

The recency anchor is correct. Statutory TTM is FY2025 less H1 FY2025 plus H1 FY2026, equivalent to Q3 FY2025 + Q4 FY2025 + Q1 FY2026 + Q2 FY2026. Revenue of USD 16.122 billion, operating income of USD 7.163 billion, and attributable net income of USD 4.923 billion reconcile without overlap. First-forward continuing revenue of USD 15.105 billion is 5.56% above the USD 14.310 billion recast TTM base. The weakness is not stale arithmetic; it is economic normalization from unusually strong Ratings and Indices conditions.

The buyback/share path is mechanically correct but economically tight. Base repurchases average USD 4.3 billion annually while management also promises deleveraging from elevated leverage by end-2027. Because capex is low, the constraint is whether FCF grows sufficiently after dividends and whether management refrains from another acquisition. The 256.331 million terminal count is an execution outcome, not an automatic denominator.

No Base product CAGR clearly exceeds a peer's latest result without explanation. S&P's 9% Base Index subscription/custom CAGR is below MSCI's 11.1% Q2 organic recurring Index run-rate growth, and the 5.62% Market Intelligence CAGR is near LSEG Data & Analytics' 5.0% organic growth and below Moody's Analytics' 8% organic constant-currency Q2 growth. The suspect forecast is Energy's late acceleration: subscriptions rise from 4.5% to 7.5% while current Platts and Upstream/CERA signals are 4% and 1%. Titan, AI entitlements, and cross-sell are named reasons, but none has disclosed revenue, retention, or paid-user evidence large enough to validate the step-up.

6. Score-derived 20% return claim

The audit says the 20% return case does **not** clear, and the red team agrees. Audited gross USD IRRs are **Bear -6.044961093630741%, Base 8.189454559276621%, Bull 17.34782318872128%, and probability-weighted**

7.615040332193135%. Audited net-SGD IRRs are **Bear -7.404535687085334%, Base 7.658689240151473%, Bull 17.751295908833908%, and probability-weighted 7.24017365205667%**. Probability weighting correctly uses CAGR of weighted terminal wealth.

At the 26x Base exit, a 20% annual return requires USD 41.580 terminal EPS, a 22.27% CAGR from normalized current EPS versus the model's 9.92%. Holding Base EPS and dividends fixed instead requires an indefensible 44.27x terminal P/E. The claim clears only if price falls to about USD 264.19, Base economics move beyond Bull, or the model assumes an unsupported multiple. None is audited; 3/20 is correct.

7. Two-sided valuation challenge and objection classification

Too optimistic — Base 26x exit. Paying 26x in 2031 for 5.83% revenue growth, 6.32% operating-income growth, and 9.92% buyback-assisted EPS growth is generous. A same-method, non-controlling 23x sensitivity—near the live ICE/CME range cited by preflight—reduces Base terminal wealth from USD 657.398 to USD 584.141 per share and Base gross IRR from 8.19% to **5.66%**, a 2.53-point reduction. This is the strongest quantified optimism challenge.

Too bearish — Bear 20x exit. Bear already assumes 1.89% revenue CAGR, margin contraction to 41.47%, essentially flat EPS, and weaker buybacks. A 20x terminal multiple stacks correlated punishments onto positive USD 15.236 EPS. A same-method, non-controlling 22.78x sensitivity—the live peer floor cited by VP—raises Bear terminal wealth from USD 324.716 to USD 367.073 and gross IRR from -6.04% to **-3.71%**, a 2.33-point improvement. Ratings, Indices, and Platts remain standards franchises under Bear; 20x may be punitive even though the investment still loses money.

These material scenario sensitivities do not establish a supportable correction. The exact preflight SHA-256 is `c286f2e355fa3e70a57e92fdb0dd7376a821779deac1a884f78d2805c79da84b`; it is CLEARED with five foundations passed and no blockers. CS and CSA reproduce that hash, P/E method, normalized USD 15.218 continuing EPS denominator, 20x / 26x / 30x exits, and capital-structure treatments exactly. Reported 27.02x P/E is excluded as non-comparable; normalized current 29.14x is context. Terminal equity is EPS times P/E, with no cash/debt/NCI splice. MBGL future value and the USD 2 billion separation dividend are zero for a post-spin buyer; ordinary dividends are counted once.

Classifications: the alternative exit multiples are **IMMATERIAL as model-integrity objections** because they are sensitivities, not demonstrated corrections to independently justified inputs. Potential Mobility-value, separation-cash, and NCI double counts are **MATERIAL_RESOLVED** because VP, CS, and CSA count them correctly. Share-count affordability is **IMMATERIAL** under the return threshold: the supported +5% share sensitivity moves Base IRR by about 1.01 points, below 2, and does not change actionability. No invalid denominator, method switch, arithmetic break, or terminal-equity defect requires rerun.

RETURN_MODEL_OBJECTION_STATUS: MATERIAL_RESOLVED.

8. P&C insurer return-bridge cross-examination

Not applicable. S&P Global is an information-services, ratings, index, and benchmark company, not a P&C insurer or reinsurer. `insurer_return_bridge.json` is absent as expected; no insurer-specific retained-economics or P/B-ROE bridge is fabricated.

9. The signal that forces an exit

Forced-exit signal: Market Intelligence organic ACV growth below **4% for two consecutive reported quarters** while its recast segment operating margin is **22% or lower** in the second quarter. A one-quarter ACV miss may be timing, and a low margin alone may be chosen reinvestment; both together show that AI/API adoption, With Intelligence cross-sell, and reorganization are failing while costs remain sticky. A 4% revenue path and 22% margin imply roughly USD 5.904 billion of MI revenue, USD 1.299 billion of profit, and USD 1.127 less Base EPS; same-method Base gross IRR falls to about **7.21%**. Given existing CIO PASS and no valuation margin of safety, that invalidates the reason to retain incremental exposure.

10. Conviction

Conditional. The operating thesis survives because Ratings, Indices, and Platts retain coordination-network economics, the bridges are internally sound, and peers confirm demand for licensed data and governed benchmarks. The investment thesis does not earn a favorable decision at USD 443.51: audited Base and probability-weighted returns are below mandate, the share path is cash-tight, and weak-segment assumptions depend on undisclosed retention and monetization. The right narrative is not “AI destroys S&P Global”; it is “excellent standards assets cannot compensate for a premium entry price and

unproven conversion of AI adoption into acquisition-inclusive returns.”

Appendix D - Data Package

S&P Global (SPGI) - Production ER2 Data Package

Prepared: 2026-09-08 Run ID: `pulse-cio-20260908T100217+0800` Currency and scale: USD millions unless stated otherwise Fiscal year end: December 31 Latest complete quarter: Q2 FY2026 ended 2026-06-30 TTM anchor: Q3 FY2025 + Q4 FY2025 + Q1 FY2026 + Q2 FY2026, ending 2026-06-30 Forward horizon: 2031-06-30, exactly 5.0 years from the TTM anchor Trade execution authorized: No

Source discipline and analytical labels

This package uses fresh D-stage pulls made on 2026-09-08 from FMP `/stable/` endpoints, fresh FMP earnings-call transcripts, and fresh SEC EDGAR downloads. DR independently refetched the annual and quarterly income statements, quarterly balance sheet, annual cash flow, annual and quarterly product segmentation, and all four cited transcripts in the same live run; the independent raw files use the `SPGI_DR_20260908_` prefix. No local data-warehouse financial, segment, or transcript cache was read. The company IR Quarterly Earnings page was requested twice by direct HTTP and once through Playwright; Cloudflare returned HTTP 403 each time. The failed access is recorded rather than replaced with an older cached IR page. SEC-filed earnings exhibits and live FMP transcripts provide the quarterly evidence.

`FACT` is directly reported evidence. `CALCULATION` is transparent arithmetic on facts. `INFERENCE` is an analytical reading downstream workers may challenge. `JUDGMENT` is a scenario or forecast choice, not historical evidence. The exact-byte QFR seals were rechecked before writing: `QUOTE_PACKET_SHA256` `d302cd57a8b90076b445403553372bef1c024d13cf0894ac1c0d3a0f9ed7dd75` and `STATUTORY_BRIDGE_SHA256` `1f8d0670f38b196a5d007bbd36526c1f96dd76d891d5974526d85025a445c90a`.

0a. Industry classification and disclosure inventory

S&P Global is a U.S. domestic information-services issuer combining credit ratings, licensed indices, commodity benchmarks, proprietary data, workflow software, and market-sensitive transaction revenue. It reports under U.S. GAAP on Forms 10-K and 10-Q. Controlling sources are the 2025 Form 10-K, Q2 2026 Form 10-Q and earnings exhibit, and July 2026 Mobility separation/recast exhibit. FMP statements were fetched live on 2026-09-08. FMP segment/product data are malformed for FY2025: the annual endpoint omits Energy and totals $13,237 million, while the malformed quarterly endpoint totals $16,202 million versus statutory revenue of $15,336 million. Official filings control.

The ad hoc checklist searched segment revenue, Segment operating profit, subscriptions, recurring revenue, ACV, billed issuance, transaction and non-transaction revenue, ETF AUM, asset-linked fees, exchange-traded derivatives, price assessments, Platts, CERA, GTS, upstream, dealer, manufacturing, retention, pricing, renewal, AI usage, repurchases, dividends, debt, leverage, NCI, goodwill, intangibles, and Mobility separation.

Dataset / table family	Official source searched	Search terms	Years available	Included?	If excluded, why	Relevance
Segment economics	2025 10-K; Q2 10-Q; recast	Revenue; Segment operating profit	FY2021-FY2025; H1 2026	Yes	None	Forecasts and bridge
Revenue type	2025 10-K; transcripts	Subscription; transaction; royalties	FY2023-FY2025; recent growth	Yes	Pre-2023 taxonomy boundary	Pricing and recurrence
Benchmark KPIs	Transcripts; Q2 earnings	Issuance; ETF AUM; Platts; CERA	Current and quarterly	Yes	Five-year levels not consistently tabled	Driver selection
Subscription quality	Four live transcripts; 10-K; 10-Q	ACV; retention; renewal; pricing; recurring revenue	FY2023-FY2025 revenue types; recent quarterly KPIs	Yes	Absolute retention and five-year ACV series are true non-disclosures	Pricing and durability
Capital structure	10-K; 10-Q; cash flow	Cash; debt; NCI; shares	FY2021-FY2025; June 2026	Yes	None material	Dilution and valuation
R&D	Statements and 10-K	R&D; research and development	No separate dollar line	No	True non-disclosure	Reinvestment

KPI family	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source
Consolidated revenue $m	8,297	11,181	12,497	14,208	15,336	16,122 TTM	FMP income; SEC
Market Intelligence revenue $m	2,185	3,811	4,376	4,645	4,916	5,086 statutory TTM	SEC segment tables
Ratings revenue $m	4,097	3,050	3,332	4,370	4,724	5,068 statutory TTM	SEC segment tables

KPI family	FY2021	FY2022	FY2023	FY2024	FY2025	Latest interim / TTM	Source
Energy revenue $m	1,012	1,685	1,946	2,142	2,299	2,353 statutory TTM	SEC segment tables
Mobility revenue $m	n/a	1,142	1,484	1,609	1,747	1,810 statutory TTM	SEC segment tables
Indices revenue $m	1,149	1,339	1,403	1,628	1,850	2,012 statutory TTM	SEC segment tables
Diluted shares millions	241.8	318.5	318.9	311.9	305.1	299.95 TTM	FMP; SEC

1. Reporting structure and taxonomy

Current continuing operations after the July 1, 2026 Mobility spin comprise four divisions. Ratings provides credit ratings, research, surveillance and analytics. Indices licenses benchmarks and data tied to passive assets, derivatives and custom indices. Energy comprises Platts benchmarks and CERA data, research, events and supply-chain intelligence. Market Intelligence comprises Kensho Data & Platforms and Enterprise Solutions, combining proprietary data, desktop products and embedded workflows.

The statutory FY2025 and TTM bases include Mobility because the spin occurred after June 30, 2026. Downstream forecasts must remove Mobility through the official continuing-company overlay; they must not delete it from the sealed historical bridge.

FY2025 statutory segment	Revenue $m	% of revenue	Segment operating profit $m	Current treatment
Market Intelligence	4,916	32.1%	991	Continuing; recast transfers
Ratings	4,724	30.8%	3,013	Continuing
Energy	2,299	15.0%	943	Continuing; receives products
Mobility	1,747	11.4%	378	Separated July 1, 2026
Indices	1,850	12.1%	1,271	Continuing
Intersegment elimination	(200)	(1.3%)	n/a	Preserved
Consolidated	15,336	100.0%	n/a	Statutory perimeter

The July 6 recast transfers 451 Research, Maritime & Trade, and supply-chain products from Market Intelligence to Energy and revises expense allocations. FY2025 continuing revenue is $13,589 million. On an adjusted-as-recast product view, $226 million moves from Market Intelligence to Energy: Energy becomes $2,525 million and Market Intelligence $4,690 million before the $200 million elimination. Ratings and Indices are unchanged. Market Intelligence is reorganized into Kensho Data & Platforms and Enterprise Solutions. Historical statutory tables retain the five-segment taxonomy; Section 5 uses the post-spin four-division recast where available.

2. Consolidated historicals

Metric	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	8.297	11.181	12.497	14.208	15.336	Live FMP; 10-K
Operating income $B	4.221	4.944	4.020	5.580	6.478	Live FMP; 10-K
Operating margin	50.9%	44.2%	32.2%	39.3%	42.2%	Calculation
Net income $B	3.024	3.248	2.626	3.852	4.471	Live FMP; 10-K
Diluted EPS $	12.51	10.20	8.23	12.35	14.66	Live FMP; 10-K
Diluted shares M	241.8	318.5	318.9	311.9	305.1	Live FMP; 10-K
Capex $B	0.035	0.089	0.143	0.124	0.195	Live FMP cash flow
Cash after capex, before NCI distributions $B	3.563	2.514	3.567	5.565	5.456	OCF less capex
Issuer-defined FCF $B	n/d	n/d	3.287	5.278	5.135	OCF less capex and NCI distributions
ROIC	29.3%	6.6%	5.8%	8.1%	9.2%	NOPAT / invested capital

ROIC uses statutory operating income times one minus the effective tax rate, divided by FMP invested capital. Tax rates were 21.6%, 25.1%, 21.2%, 21.5%, and 22.6%. NOPAT was $3.308 billion, $3.703 billion, $3.168 billion, $4.381 billion, and $5.014 billion; invested capital was $10.453 billion, $53.239 billion, $51.903 billion, $51.218 billion, and $52.096 billion. INFERENCE: post-merger ROIC is improving but remains below 15% on a goodwill-inclusive basis. TTM OCF of $5.729 billion less $0.156 billion capex equals $5.573 billion before NCI distributions. Subtracting $315 million of TTM distributions to NCI produces

issuer-defined TTM FCF of $5.258 billion, or 106.8% of $4.923 billion attributable net income.

3. Segment historicals on the sealed basis

The exact common metric is `Segment operating profit`.

Market Intelligence	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	2.185	3.811	4.376	4.645	4.916	SEC Forms 10-K
YoY	n/a	74.4%	14.8%	6.1%	5.8%	Calculation
Segment operating profit $B	0.676	2.488	0.714	0.875	0.991	SEC Forms 10-K
Margin on Segment operating profit	30.9%	65.3%	16.3%	18.8%	20.2%	Calculation

Ratings	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	4.097	3.050	3.332	4.370	4.724	SEC Forms 10-K
YoY	n/a	(25.6%)	9.2%	31.2%	8.1%	Calculation
Segment operating profit $B	2.629	1.672	1.864	2.707	3.013	SEC Forms 10-K
Margin on Segment operating profit	64.2%	54.8%	55.9%	61.9%	63.8%	Calculation

Energy	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	1.012	1.685	1.946	2.142	2.299	SEC Forms 10-K
YoY	n/a	66.5%	15.5%	10.1%	7.3%	Calculation
Segment operating profit $B	0.544	0.591	0.704	0.845	0.943	SEC Forms 10-K
Margin on Segment operating profit	53.8%	35.1%	36.2%	39.4%	41.0%	Calculation

Mobility	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	n/a	1.142	1.484	1.609	1.747	SEC Forms 10-K
YoY	n/a	n/a	30.0%	8.4%	8.6%	Calculation
Segment operating profit $B	n/a	0.213	0.260	0.312	0.378	SEC Forms 10-K
Margin on Segment operating profit	n/a	18.7%	17.5%	19.4%	21.6%	Calculation

Indices	FY2021	FY2022	FY2023	FY2024	FY2025	Source
Revenue $B	1.149	1.339	1.403	1.628	1.850	SEC Forms 10-K
YoY	n/a	16.5%	4.8%	16.0%	13.6%	Calculation
Segment operating profit $B	0.798	0.927	0.925	1.103	1.271	SEC Forms 10-K
Margin on Segment operating profit	69.5%	69.2%	65.9%	67.8%	68.7%	Calculation

Engineering Solutions was sold in May 2023 and is not current. FY2022 Market Intelligence profit is preserved as reported and should not be used as a normalized margin anchor without event adjustment.

3a. Historical statutory-profit bridge and forecast-driver ledger

Common basis: `Segment operating profit`. Currency and scale: USD millions. Labels, signs, classifications, values and source IDs reproduce the sealed JSON.

FY2025 bridge

Bridge line	Classification	Value	Source ID	Running subtotal
Market Intelligence segment operating profit	segment profit	991	sec_2025_10k	991
Ratings segment operating profit	segment profit	3,013	sec_2025_10k	4,004

Bridge line	Classification	Value	Source ID	Running subtotal
Energy segment operating profit	segment profit	943	sec_2025_10k	4,947
Mobility segment operating profit	segment profit	378	sec_2025_10k	5,325
Indices segment operating profit	segment profit	1,271	sec_2025_10k	6,596
Sum of reportable segment profit	subtotal	6,596	sec_2025_10k	6,596
Corporate Unallocated expense	corporate_unallocated	(146)	sec_2025_10k	6,450
Consolidated segment profit metric	subtotal	6,450	sec_2025_10k	6,450
Equity in income on unconsolidated subsidiaries	operating	28	sec_2025_10k	6,478
Statutory operating income	statutory subtotal	6,478	sec_2025_10k	6,478
Other income, net	other_non_operating	36	sec_2025_10k	6,514
Interest expense, net	interest	(287)	sec_2025_10k	6,227
Pretax income	statutory subtotal	6,227	sec_2025_10k	6,227
Provision for taxes on income	tax	(1,407)	sec_2025_10k	4,820
Net income attributable to noncontrolling interests	noncontrolling_interests	(349)	sec_2025_10k	4,471
Net income	statutory subtotal	4,471	sec_2025_10k	4,471

TTM ended 2026-06-30 bridge

Bridge line	Classification	Value	Source ID	Running subtotal
Market Intelligence segment operating profit	segment profit	1,245	sec_2026_q2_10q	1,245
Ratings segment operating profit	segment profit	3,336	sec_2026_q2_10q	4,581
Energy segment operating profit	segment profit	975	sec_2026_q2_10q	5,556
Mobility segment operating profit	segment profit	385	sec_2026_q2_10q	5,941
Indices segment operating profit	segment profit	1,392	sec_2026_q2_10q	7,333
Sum of reportable segment profit	subtotal	7,333	sec_2026_q2_10q	7,333
Corporate Unallocated expense	corporate_unallocated	(176)	sec_2026_q2_10q	7,157
Consolidated segment profit metric	subtotal	7,157	sec_2026_q2_10q	7,157
Equity in income on unconsolidated subsidiaries	operating	6	sec_2026_q2_10q	7,163
Statutory operating income	statutory subtotal	7,163	sec_2026_q2_10q	7,163
Other income, net	other_non_operating	19	sec_2026_q2_10q	7,182
Interest expense, net	interest	(315)	sec_2026_q2_10q	6,867
Pretax income	statutory subtotal	6,867	sec_2026_q2_10q	6,867
Provision for taxes on income	tax	(1,550)	sec_2026_q2_10q	5,317
Net income attributable to noncontrolling interests	noncontrolling_interests	(394)	sec_2026_q2_10q	4,923
Net income	statutory subtotal	4,923	sec_2026_q2_10q	4,923

All ten sealed residuals are zero. FY tolerance is $3.298 million and TTM tolerance $3.6665 million.

Continuing-company perimeter overlay effective 2026-07-01

This overlay does not alter the sealed five-segment FY2025 or TTM bridge above. It removes Mobility and applies the issuer's July 2026 transfers, allocation changes, and Article 11 Mobility pro forma adjustments. The exact issuer label is `Pro forma recast operating profit`; it is the forecast-ready continuing-company version of the disclosed segment operating-profit basis and must not be relabeled adjusted operating profit. Non-GAAP adjusted margins in Section 5 are context only.

Continuing division / bridge line	Q3 FY2025	Q4 FY2025	Q1 FY2026	Q2 FY2026	Continuing TTM
Market Intelligence pro forma recast operating profit	253	204	407	271	1,135
Ratings pro forma recast operating profit	818	724	877	907	3,326
Energy pro forma recast operating profit	249	230	313	247	1,039
Indices pro forma recast operating profit	314	327	367	370	1,378
Sum of continuing segment profit	1,634	1,485	1,964	1,795	6,878
Corporate Unallocated expense / (benefit), including disclosed TSA pro forma adjustment	(75)	155	(37)	(39)	4
Equity in income / (loss) on unconsolidated subsidiaries	7	(1)	0	0	6
Calculated operating income before issuer rounding	1,566	1,639	1,927	1,756	6,888
Issuer-disclosed pro forma operating income	1,565	1,638	1,927	1,757	6,887
Issuer-reported rounding difference	(1)	(1)	0	1	(1)

Source: live SEC July 6, 2026 recast Exhibit 99.1 and live SEC Q2 2026 earnings Exhibit 6. The $1 million quarterly differences are within the issuer's disclosed rounding unit; no analyst plug is used. Mobility contributes zero to the continuing operating model. The Mobility distribution is an equity-bridge item, not operating income. Forecast workers must start from the continuing-TTM division values in this overlay and carry Corporate Unallocated, equity income, and the disclosed pro forma perimeter effects separately to statutory operating income.

Historical bridge line	FY value	TTM value	Forecast treatment	Driver and source	Bear / base / bull rule
Market Intelligence segment operating profit	991	1,245	Revenue and margin forecast	Recast revenue; subscriptions; ACV	Slower renewals / guided growth / AI monetization
Ratings segment operating profit	3,013	3,336	Transaction and non-transaction forecast	Issuance; refinancing; annual fees	Normalization / mid-cycle / strong private markets
Energy segment operating profit	943	975	Platts and CERA forecast	Recast revenue; renewals; GTS	Prolonged pressure / 6%-8% recovery / benchmark upside
Mobility segment operating profit	378	385	Zero continuing SPGI operating contribution	Completed spin	Zero all scenarios; distribution belongs in equity bridge
Indices segment operating profit	1,271	1,392	Asset-linked, ETD and subscription forecast	AUM; flows; market; volume	Market decline / normalized / sustained wins
Corporate Unallocated expense	(146)	(176)	Percent of continuing revenue, fixed-cost check	Recast allocations	Dis-synergy / recast run-rate / productivity
Equity in income on unconsolidated subsidiaries	28	6	Named-investment fixed amount	SEC disclosure	Zero / low run-rate / modest recovery
Other income, net	36	19	Independent non-operating amount	Statement line	Expense / zero / sourced recurring income
Interest expense, net	(287)	(315)	Debt and rate schedule	June debt; financing plan	Higher rates / stated plan / faster deleveraging
Provision for taxes on income	(1,407)	(1,550)	Effective tax schedule	22.6% FY and TTM	24% / about 23% / 22%
Net income attributable to noncontrolling interests	(349)	(394)	Independent NCI claim	Earnings and NCI balance	Higher claim / TTM relation / lower only with evidence

FACT: continuing-company TTM revenue is $14,310 million: $3,443 million + $3,472 million + $3,717 million + $3,678 million. `INFERENCE`: it is the correct forward revenue perimeter but not a substitute for the statutory TTM bridge. `JUDGMENT`: forecast workers must bridge explicitly from five historical segments to four continuing divisions.

STATUTORY_BRIDGE_STATUS: VERIFIED — CLEARED FOR FORECASTING

4. Product and sub-segment historicals

Every value below is issuer-disclosed; no row is back-solved.

Segment	Product / type	What it is	Dollar disclosure?	FY2023 / FY2024 / FY2025 revenue
Market Intelligence	Subscription	Data and workflows	Yes	$3,685m / $3,882m / $4,107m
Market Intelligence	Recurring variable	Market-linked recurring	Yes	$504m / $579m / $623m
Market Intelligence	Non-subscription	One-time and other	Yes	$187m / $184m / $186m
Ratings	Transaction	Issuance-linked ratings	Yes	$1,425m / $2,326m / $2,470m
Ratings	Non-transaction	Surveillance and annual fees	Yes	$1,907m / $2,044m / $2,254m
Energy	Subscription	Data and benchmarks	Yes	$1,707m / $1,873m / $2,016m
Energy	Non-subscription / Transaction	Advisory and events	Yes	$158m / $166m / $163m
Energy	Usage royalties	Benchmark royalties	Yes	$81m / $103m / $120m
Mobility	Subscription	Dealer and manufacturing	Yes	$1,169m / $1,299m / $1,422m
Mobility	Transaction	Automotive transactions	Yes	$315m / $310m / $325m
Indices	Subscription	Data and custom indices	Yes	$277m / $292m / $320m
Indices	Asset-linked fees	AUM-linked fees	Yes	$859m / $1,046m / $1,206m
Indices	Usage royalties	Derivative royalties	Yes	$267m / $290m / $324m

Segment	Product	Disclosure method	Q3 2025 / Q4 2025 / Q1 2026 / Q2 2026 YoY	Source
Market Intelligence	Subscription	Growth only	6% / about 7% / 6% / 6%	Four live transcripts
Ratings	Transaction	Growth only	12% / 12% / n/d / 25%	Four live transcripts
Ratings	Non-transaction	Growth only	12% / 11% / n/d / 8%	Four live transcripts
Indices	Asset-linked fees	Growth only	14% / 13% / 18% / 22%	Four live transcripts
Indices	Exchange-traded derivatives	Growth only	1% / 20% / 18% / 22%	Four live transcripts
Energy	Platts or assessments	Growth only; taxonomy change	7% / 8% / 6% / 4%	Four live transcripts
Energy	Upstream or CERA	Growth only; taxonomy change	(2%) / slight rise / (5%) / 1%	Four live transcripts
Mobility	Dealer	Growth only	10% / 10% / 9% / n/d	Four live transcripts
Mobility	Manufacturing	Growth only	(3%) / 1% / 5% / n/d	Four live transcripts

No back-solved product values are used. Named-product dollar revenue remains a true non-disclosure after the source searches described above.

The issuer does not publish an absolute company-wide gross-retention or net-retention percentage, but it does disclose forecast-relevant subscription-quality indicators. These are bounded KPI disclosures, not a substitute for reported revenue.

KPI / disclosure	Q3 FY2025	Q4 FY2025	Q1 FY2026	Q2 FY2026	Modeling constraint
Market Intelligence organic ACV growth	6.5%-7%	6.5%-7%	About 6%	About 6%	Use as leading indicator, not reported revenue
Market Intelligence net renewal rate	Not quantified	Tracked with price increases; not quantified	Up about 100 bps	Continued to improve; not quantified	No absolute NRR/GRR level was disclosed
AI-customer growth / retention signal	Not quantified	Retention, renewal, add-ons and wins monitored	MI growth 30% faster and retention a few hundred bps higher; Energy growth about 2x and retention more than 500 bps higher	MI ACV growth 60% faster; Energy ACV growth about 3x	Cohort uplift cannot be applied to the whole book
Pricing evidence	AI benefits can appear in retention, new sales and price	Net renewals include price increases; no separate price metric	Two financial clients accepted 35%-45% renewal increases for AI-ready access	Energy offered affected customers price flexibility amid conflict	Isolated examples, not broad realized price

Source: live FMP earnings-call transcripts dated 2025-10-30, 2026-02-10, 2026-04-28, and 2026-07-28. No five-year numeric ACV or retention series is disclosed consistently; the package therefore preserves the exact available history rather than

inventing an annual series.

5. Most recent quarterly trend

S&P Global FY ends December 31. Most recently completed fiscal quarter at time of writing: FY2026 Q2, covering April-June 2026, reported on 2026-07-28 via https://www.sec.gov/Archives/edgar/data/64040/000006404026000040/spgi2q2026-earningsrelease.htm.

Continuing-division revenues use the July 2026 adjusted-as-recast taxonomy. Q3 2025-Q1 2026 YoY growth was not consistently restated on that taxonomy for Energy and Market Intelligence; those cells are unavailable rather than mixed with the old basis. The margin column is explicitly non-GAAP adjusted: Q3 2025-Q1 2026 margins are calculated from adjusted-as-recast revenue and adjusted profit, and Q2 margins are issuer-reported adjusted margins. The exact statutory recast operating-profit basis used for forecasting is separately reconciled in Section 3a.

Division	Quarter	Revenue ($B)	YoY %	Operating margin and basis	Source
Ratings	Q3 FY2025	1.240	12%	67.0% adjusted	July 2026 recast; Q3 transcript
Ratings	Q4 FY2025	1.187	12%	61.9% adjusted	July 2026 recast; Q4 transcript
Ratings	Q1 FY2026	1.302	13%	67.4% adjusted	July 2026 recast; Q1 transcript
Ratings	Q2 FY2026	1.339	17%	68.5% adjusted	Q2 2026 SEC earnings exhibit
Indices	Q3 FY2025	0.462	11%	70.3% adjusted	July 2026 recast; Q3 transcript
Indices	Q4 FY2025	0.498	14%	68.3% adjusted	July 2026 recast; Q4 transcript
Indices	Q1 FY2026	0.519	17%	73.0% adjusted	July 2026 recast; Q1 transcript
Indices	Q2 FY2026	0.534	20%	71.5% adjusted	Q2 2026 SEC earnings exhibit
Energy	Q3 FY2025	0.609	n/d recast basis	46.1% adjusted	July 2026 recast
Energy	Q4 FY2025	0.629	n/d recast basis	43.2% adjusted	July 2026 recast
Energy	Q1 FY2026	0.724	n/d recast basis	48.1% adjusted	July 2026 recast
Energy	Q2 FY2026	0.623	3%	47.5% adjusted	Q2 2026 SEC earnings exhibit
Market Intelligence	Q3 FY2025	1.183	n/d recast basis	35.2% adjusted	July 2026 recast
Market Intelligence	Q4 FY2025	1.211	n/d recast basis	31.1% adjusted	July 2026 recast
Market Intelligence	Q1 FY2026	1.224	n/d recast basis	32.8% adjusted	July 2026 recast
Market Intelligence	Q2 FY2026	1.235	6%	36.0% adjusted	Q2 2026 SEC earnings exhibit
Mobility	Q3 FY2025	0.445	8% old basis	43.3%	Q3 transcript; statutory table
Mobility	Q4 FY2025	0.444	n/d	35.4% old adjusted basis	FY less H1 and Q3; Q4 transcript
Mobility	Q1 FY2026	0.454	8%	40.0% old adjusted basis	Q1 transcript; 10-Q
Mobility	Q2 FY2026	0.468	7%	22.2% statutory	Q2 2026 10-Q

Self-check: Ratings, the largest continuing division, reported Q2 revenue of $1.339 billion, up 17%. The number appears in the live SEC exhibit. Consolidated reported revenue including Mobility was $4.146 billion, up 10%; continuing-company pro forma revenue was $3.678 billion, up 11%.

6. Management commentary on forward growth

Transcript dates passed the recency test: Q3 FY2025 on 2025-10-30, Q4 FY2025 on 2026-02-10, Q1 FY2026 on 2026-04-28, and Q2 FY2026 on 2026-07-28. Short exact fragments are paired with paraphrased modeling implications.

Ratings commentary

Source and speaker	Verbatim fragment	Topic	Interpretation
Q3 FY2025; Martina Cheung, CEO	“particular strength”	High yield and loans	Growth was broad but issuance-sensitive.
Q4 FY2025; Eric Aboaf, CFO	“similar rates in 2026”	Revenue mix	Guidance expected balanced transaction and non-transaction growth.
Q1 FY2026; Martina Cheung, CEO	“issuance was resilient”	Volatility	The franchise held volume under stress.
Q2 FY2026; Martina Cheung, CEO	“$11 trillion in rated debt”	Refinancing wall	Multi-year refinancing supports demand beyond hyperscalers.
Q2 release; Martina Cheung, CEO	“record results”	Benchmark strength	Normalize record quarterly transaction volume.
2025 10-K	“credit ratings, research, and analytics”	Perimeter	Surveillance and research complement issuance fees.
July 2026 recast	“Ratings”	Taxonomy	No revenue transfer changed Ratings.
Q2 10-Q	“Non-transaction revenue”	Composition	Forecast annual fees separately from issuance.

Indices commentary

Source and speaker	Verbatim fragment	Topic	Interpretation
Q3 FY2025; Eric Aboaf, CFO	“Data & Custom Subscriptions”	Product breadth	Subscriptions buffer market-linked volatility.
Q4 FY2025; Eric Aboaf, CFO	“volatile periods”	ETD	Derivatives can offset asset-fee pressure.
Q1 FY2026; Eric Aboaf, CFO	“natural hedge”	ETD volume	Stress may increase exchange-traded volume.
Q2 FY2026; Martina Cheung, CEO	“$6.35 trillion”	ETF AUM	Scale is exceptional but market-sensitive.
Q2 release; Martina Cheung, CEO	“record results”	Benchmarks	Use a mid-cycle, not peak, cadence.
2025 10-K	“valuation and index benchmarks”	Perimeter	Licensing is the durable unit of analysis.
July 2026 recast	“Indices”	Taxonomy	No revenue transfer changed Indices.
Q2 10-Q	“Asset-linked fees”	Driver	Forecast AUM, flows, markets and fee mix.

Energy commentary

Source and speaker	Verbatim fragment	Topic	Interpretation
Q3 FY2025; Eric Aboaf, CFO	“stabilize the business”	Upstream	Recovery was not yet proven.
Q4 FY2025; Eric Aboaf, CFO	“several quarters”	Timing	Commercial changes have delayed payoff.
Q1 FY2026; Eric Aboaf, CFO	“could take several quarters”	Headwinds	Renewal pressure may persist.
Q2 FY2026; Martina Cheung, CEO	“headwinds are cyclical”	Iran and renewals	Bear case should extend price flexibility.
Q2 release; Martina Cheung, CEO	“four core divisions”	Focus	Energy matters more after Mobility.
2025 10-K	“benchmark prices for the energy”	Platts	Separate benchmark subscriptions from consulting.
July 2026 recast	“Platts”	New line	Platts contains benchmark-linked services.
Q2 10-Q	“Sales usage-based royalties”	Variable revenue	Do not model usage royalties as fixed subscriptions.

Market Intelligence commentary

Source and speaker	Verbatim fragment	Topic	Interpretation
Q3 FY2025; Martina Cheung, CEO	“most comprehensive solution”	Private markets	With Intelligence expands differentiated data.
Q4 FY2025; Eric Aboaf, CFO	“subscription revenue growth”	Health indicator	ACV, retention and pricing are key.

Source and speaker	Verbatim fragment	Topic	Interpretation
Q1 FY2026; Martina Cheung, CEO	“more than 300 customers”	AI adoption	Adoption accelerated before restructuring.
Q2 FY2026; Martina Cheung, CEO	“high single-digit to low double-digit”	Kensho Data	Kensho Data is faster but smaller than platforms.
Q2 release; Martina Cheung, CEO	“organizational changes”	Restructuring	Execution risk remains despite no-disruption expectations.
2025 10-K	“purpose-built workflow solutions”	Product perimeter	Workflows aid retention but face AI substitution.
July 2026 recast	“Kensho Data & Platforms”	New line	Data and mature platforms need separate assumptions.
Q2 10-Q	“Subscription revenue”	Base	Q2 subscription growth was 6%, including upfront renewal revenue.

Mobility separation commentary

Source and speaker	Verbatim fragment	Topic	Interpretation
Q3 FY2025; Eric Aboaf, CFO	“on track”	Separation	Milestones progressed before completion.
Q4 FY2025; Mark Grant, IR	“completion of the spin”	Guidance	Pre-spin guidance is not comparable post-spin.
Q1 FY2026; Eric Aboaf, CFO	“on track”	Timing	Confidence rose into completion.
Q2 FY2026; Martina Cheung, CEO	“independent publicly traded company”	Completion	Forward SPGI operating profit excludes Mobility.
Q2 release; Martina Cheung, CEO	“successfully launched Mobility Global”	Completion	Distribution value belongs in the equity bridge.
2025 10-K	“full automotive value chain”	Historical business	Historical growth is context for the distributed security.
July 2026 recast	“spin-off”	Recast basis	Official recast is the continuing-company replacement.
Q2 10-Q	“Mobility”	Statutory H1	Q2 and TTM statutory results still include it.

7. Capital allocation history

R&D is embedded in segment expense and not separately disclosed. M&A is FMP `acquisitionsNet`; parentheses denote net cash inflow. The 2022 merger also used equity, so cash flow is not total deal value.

Year	Capex ($B)	Capex / revenue (%)	R&D ($B)	R&D / revenue (%)	Buybacks ($B)	Dividends ($B)	M&A ($B)	Source
2021	0.035	0.4%	n/d	n/d	0.000	0.743	0.083	Live FMP cash flow and income
2022	0.089	0.8%	n/d	n/d	12.004	1.024	(3.719)	Live FMP cash flow and income
2023	0.143	1.1%	n/d	n/d	3.301	1.147	(0.718)	Live FMP cash flow and income
2024	0.124	0.9%	n/d	n/d	3.301	1.134	0.137	Live FMP cash flow and income
2025	0.195	1.3%	n/d	n/d	5.001	1.170	2.023	Live FMP cash flow and income

TTM buybacks were $5.2 billion, common dividends were $1.156 billion, and distributions to NCI were $315 million. Q2 management raised expected 2026 repurchases to more than $7 billion. Mobility paid SPGI an approximately $2 billion separation dividend; about $500 million was intended for debt retirement, while SPGI expected roughly $2 billion of additional debt to fund buybacks. `JUDGMENT`: share-count forecasts must reconcile repurchases, employee issuance and financing rather than extrapolate decline mechanically; NCI distributions are a separate recurring cash claim.

8. Balance sheet and current capital structure

Item	FY2025 $B	2026-06-30 $B	Source / calculation
Cash & equivalents	1.745	4.134	2025 10-K; Q2 2026 10-Q
Short-term investments	0.056	0.000	Live FMP balance statements
Total debt excluding leases	13.088	15.170	Current plus long-term debt
Lease liabilities	0.618	0.578	Current plus non-current leases
Net debt excluding leases	11.343	11.036	Debt less cash
Net debt / TTM EBITDA	n/a	1.34x	$11.036B divided by $8.226B
Goodwill + intangibles	52.746	52.043	Live FMP balance statements
Common stockholders' equity	31.235	31.616	Live FMP balance statements
Tangible book value	(21.511)	(20.427)	Equity less goodwill and intangibles
Redeemable noncontrolling interests	4.917	5.024	2025 10-K; Q2 2026 10-Q
Actual common shares outstanding	298.8M	294.8M	10-K; Q2 10-Q

The $5.024 billion balance is redeemable NCI presented outside equity, not ordinary stockholders' equity: $5.022 billion relates to CME Group's 27% minority interest in S&P Dow Jones Indices LLC. CME and CGIS may put at least 20% of their stake to SPGI, generally at fair value, and have a change-of-control put. During H1 2026, redeemable-NCI income was $197 million, distributions payable were $165 million, the redemption-value adjustment was $86 million, and other changes were negative $11 million. Total H1 net income attributable to all NCI was $215 million, so the $197 million redeemable portion and $18 million nonredeemable portion must not be double counted.

The sealed share basis is 296.6 million H1 diluted weighted-average shares; TTM diluted shares are 299.95 million. Q2 basic shares were 295.4 million and the dilutive-security increment was only 0.1 million, producing 295.5 million diluted shares. A further 0.6 million restricted performance shares was excluded because vesting conditions were unmet. H1 stock compensation expense was $95 million; 0.5 million awards were granted and $284 million of unrecognized compensation remained over 1.6 years. Repurchases more than offset employee issuance since 2023, but the excluded awards remain a scenario dilution input and redeemable NCI remains a separate senior claim. TTM net income attributable to NCI was $394 million.

Management expects year-end 2026 gross leverage of approximately 2.7-2.8x EBITDA after planned financing, above the 2.0-2.5x target, with deleveraging toward target by end-2027. It expected roughly $2 billion of additional H2 debt to fund repurchases after directing about $500 million of the Mobility separation dividend to debt retirement. This forward leverage statement matters more than the June spot ratio alone. TTM operating cash flow of $5.729 billion less $156 million capex and $315 million of NCI distributions produced issuer-defined FCF of $5.258 billion, equal to 106.8% of $4.923 billion attributable net income. The higher $5.573 billion cash-after-capex figure is shown only before NCI distributions; neither measure includes the non-operating Mobility distribution or debt-funded buybacks.

9. Recent corporate actions

- 2026-07-01: Mobility spin completed; Mobility Global became independent. SPGI received an approximately $2 billion separation dividend. Source: Q2 SEC earnings exhibit and transcript.
- 2026-07-06: continuing-company recast transferred 451 Research, Maritime & Trade, and supply-chain products from Market Intelligence to Energy. Source: SEC Exhibit 99.1.
- 2026-07-06: Market Intelligence adopted Kensho Data & Platforms and Enterprise Solutions with new leadership and operating model. Source: recast and Q2 transcript.
- 2026-Q2: SPGI agreed to acquire datacenterHawk and a majority interest in Agusto & Company, extending data-center intelligence and African ratings coverage. Source: Q2 transcript.
- 2026-Q2: SPGI repurchased $500 million and $1.5 billion year to date, then raised full-year expectations above $7 billion. Source: Q2 SEC earnings exhibit.
- 2026-H2 plan: approximately $500 million of Mobility proceeds was allocated to debt retirement and about $2 billion of incremental debt was contemplated for buybacks. Source: Q2 transcript.
- 2025-2026: With Intelligence was integrated into Market Intelligence; smaller consulting and sustainability products were identified for remediation or strategic action. Source: Q4 and Q2 transcripts.

10. Open data gaps

- `True non-disclosure`: annual dollar revenue for named products including CapIQ, Kensho Data, RatingsXpress, Platts, CERA, CARFAX, dealer, manufacturing and individual index families. Official filings, earnings exhibits and four live transcripts were searched.
- `True non-disclosure`: R&D as a separate annual expense. FMP returns zero because product-development spending is embedded in segment expenses; zero does not mean no R&D.
- `True non-disclosure`: consistent recast-basis YoY growth for Energy and Market Intelligence for Q3 2025-Q1 2026. Recast dollars and adjusted profit exist, but not every comparative growth measure is on the same basis.
- `True non-disclosure`: absolute company-wide gross retention, net retention, renewal pricing, and a five-year ACV series. Four live transcripts were searched; all disclosed numeric cohort and quarterly leading indicators are included in Section 4.
- `Not fetched / omitted`: direct IR Quarterly Earnings page content. Two identical HTTP retries and a Playwright check returned Cloudflare HTTP 403. No cached IR page was substituted; SEC exhibits and live FMP transcripts cover the quarterly evidence.
- `Estimated`: none in product revenue. Mobility Q4 revenue in Section 5 is a transparent FY2025 less H1 less Q3 calculation.
- `Not applicable`: P&C ownership-perimeter schedules. S&P Global is not an insurer; ordinary NCI and separation claims are nevertheless preserved.

Source index

Source	Live URL / endpoint	D-stage archive
FMP statements	`/stable/income-statement`, `/stable/balance-sheet-statement`, `/stable/cash-flow-statement`, `/stable/key-metrics`	`raw/SPGI_D_20260908_*.json`; independent `raw/SPGI_DR_20260908_*.json`
FMP product endpoints	`/stable/revenue-product-segmentation` annual and quarter	D-stage and independent DR annual and quarterly JSON
FMP transcripts	`/stable/earning-call-transcript` for four fiscal quarters	D-stage and independent DR transcript JSON files
SEC 2025 Form 10-K	https://www.sec.gov/Archives/edgar/data/64040/000006404026000013/spgi-20251231.htm	`raw/SPGI_D_20260908_sec_2025_10K.htm`
SEC Q2 2026 Form 10-Q	https://www.sec.gov/Archives/edgar/data/64040/000006404026000045/spgi-20260630.htm	`raw/SPGI_D_20260908_sec_2026Q2_10Q.htm`
SEC Q2 2026 earnings	https://www.sec.gov/Archives/edgar/data/64040/000006404026000040/spgi2q2026-earningsrelease.htm	`raw/SPGI_D_20260908_sec_2026Q2_earnings.htm`
SEC July 2026 recast	https://www.sec.gov/Archives/edgar/data/64040/000110465926080571/tm2619099d2_ex99-1.htm	`raw/SPGI_D_20260908_sec_2026_recast_release.htm`