

Media Release

Australia's leading independent provider of financial assessments awarded an AFS License to provide Credit Ratings to Wholesale Clients

Sydney, March 25 2010: Corporate Scorecard (CSC) has today announced it has been awarded an AFS License to provide Credit Ratings to Wholesale Clients. Corporate Scorecard has gained regulatory approval to operate as a licensed Credit Ratings Agency (CRA), delivering an alternative, Australian-domiciled ratings service to corporate and government clients.

CSC is the first and only Australian-owned CRA to obtain an Australian Financial Services License to provide Credit Ratings. The company joins the ranks of Standard & Poor's, Moody's Investors Service and Fitch Ratings, as CRA's licensed by ASIC.

Chief Executive Officer Graeme Gribben said today's announcement represents an important milestone for CSC, but also a ground-breaking event for organisations seeking independent and cost-effective ratings assurance around financial risk and credit quality.

"This presents a significant opportunity, both for Corporate Scorecard and the broader business community, and we believe we bring an independent and affordable alternative to the wholesale market based on our well-established CSC ratings process", Mr Gribben said.

"In this post-GFC environment of greater risk awareness and heightened market probity, our clients and the market generally has sought an alternative and truly independent credit ratings offer. Today we became the first Australian-owned and licensed ratings provider bringing the assurance and peace of mind our customers require."

CSC general manager ratings services Brad Walters said a key differentiator for CSC Credit Ratings is its intrinsic independence.

"Our offer is premised upon a 'client-commissioned' business model which avoids the potential conflict-of-interest of the traditional issuer based approach. Such approaches, which rely on ratings being paid for by the issuers of the capital, have earned the harsh criticism of global regulators and financial markets. CSC has invested heavily in fulfilling all of the regulatory requirements and ongoing monitoring obligations, but also in the technology and the ongoing development of an advanced ratings system to ensure we deliver consistent and objective ratings.

"We also believe our independent approach neatly underscores the established quality and integrity of our ratings and financial assessments in the broader market," Mr Walters said.

CSC operates at various levels within government and private sector. For example, in the current financial climate the firm is heavily involved in assessing the credit rating of key counterparties which can often be business critical decisions due to the high risks (and costs) involved.