

IHS Inc.
Form 425
March 24, 2016

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IHS Q1 2016

COMPANY UPDATE

MARCH 2016

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Pursuant to Rule 425 of the Securities Act of 1933, as amended, and

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Subject Company: IHS Inc.

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Message from Jerre Stead, Head Coach and CEO

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A Merger of Equals: Overview

Announced on Monday, March 21 that IHS and Markit signed an agreement to merge.

After approvals, is expected to close in the second half of this year.

The new company will be called IHS Markit with new branding yet to be determined.

Jerre will be Chairman of the Board and CEO. Lance Uggla, current Chairman of the board and CEO of Markit, will be President and a board member.

Jerre has announced his plans to retire December 2017 at which point Lance will be Chairman of the Board and CEO.

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The new company will be headquartered in London (where Lance is based) with key operations continuing to be based in Englewood (where Jerre is based).

This is transformational in that it joins two market leaders in their respective industries to create the leading global information services company.

IHS in Resources, Transportation and our CMS business lines; Markit in Financial Information Services.

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A Merger of Equals: Customers

Combines two information-rich companies with critical business information, intelligence and analytics to create an information powerhouse across multiple sectors.

This is very positive for customers as it will enable us to provide a broader, richer set of next-generation information and analytics products across industries to help customers seeking to improve decision making.

IHS and Markit

are both committed to delivering the highest levels of customer

service with the priority of providing the best information and analysis.
For now, nothing will change for our customers. Customers will continue to use their regular contacts and there is no change to log-ins, etc.
In all my years leading other public companies, I have never seen a combination of companies that makes more sense for colleagues, customers and shareholders.
Jerre Stead, IHS Chairman of the Board and CEO

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A Merger of Equals: Colleagues

The merger will expand our markets considerably and increase long-term growth opportunities through sector and economic cycles.

Deep, non-overlapping customers, complementary products and services.

The new IHS Markit

will enable us to continue to invest in new capabilities and skill sets to best serve our customers that, in turn, offer challenging and exciting opportunities for colleagues around the world.

Culturally, IHS and Markit

are a strong fit of values-based organizations with a mutual focus on delighting customers and ensuring colleague success.

Our companies share so much more than success. We have the same passion for our people and our customers and the desire to use innovation to build leading products and services.

Lance Uggla, Markit Chairman of the Board and CEO

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Merger of two market leaders

Financial services

TMT

Automotive

Aerospace & Defense

Maritime

See the Appendix for the definitions of Free Cash Flow and Adjusted EBITDA margin, which are non-GAAP/IFRS financial most directly comparable GAAP/IFRS financial measures.

Revenue: \$2.2b

Free cash flow: \$490m
Adj. EBITDA margin: 31.9%
81% subscription based revenues
Revenue: \$1.1b
Free cash flow: \$289m
Adj. EBITDA margin: 45.0%
94% recurring revenue
FY 2015 financial profile
~9,000 employees
33 countries
~4,200 employees
13 countries
IHS Connect
IHS Engineering Workbench
IHS
Automotive / Polk / Carfax
IHS CERA
IHS Global Insight
IHS Jane s
CDS, Loans and Bond pricing data
Markit PMI / iBoxx
/ CDX / iTraxx
MarkitSERV
Markit WSO
KYC / KY3P
Markit Enterprise
Data Management
Energy
Chemical
FY 2015
financial
profile
Global reach
Selected
products
and brands
Sector
leadership

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Creating a global leader in critical information,
analytics and solutions

Actual synergies and other cost savings, including the costs required to achieve these synergies and savings, may differ materially from what is expected. IHS and Markit can not assure investors that they will achieve the full amount of these estimated synergies on schedule or at all.

World-class customers and colleagues

Multiple levers to value creation

Compelling financial profile

Mission critical information and deep domain
expertise across Energy, Financial Services

and Transportation

Significant opportunities to offer a more diverse product set to a broader combined client base

Breadth of information, analytics and solutions

enables creation of next generation products and services

Subscription-based model produces more than 85% recurring revenues

Significant operational leverage to drive increasing margins and profitability

Robust free cash flow supports investment in business and strong balance sheet

An information powerhouse

Identifiable and achievable cost synergies of \$125m

\$1 billion of share repurchases in each of 2017 and 2018

Clear revenue synergies of \$100m

Adjusted diluted EPS growth of ~20% in 2017

Immediately accretive with mid-teens accretion in 2018

Serving over 75% of the Fortune Global 500

Deep relationships with leaders across multiple industries and government

Leading-edge technology and talent

Management team with strong track record of integrating acquisitions

Complementary values based culture focused on customers and innovation

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Strategic and financial rationale

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Information
powerhouse
innovating for
the future

Complementary
product offerings
Global scale
in growth markets
Broad customer
bases
5
6
7
High recurring
revenue driving
significant free cash
flow
Identifiable and
achievable cost
synergies
Experienced
management
team

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Driving value through M&A integration

Successful integration of acquisitions built into
business model of both firms

Track record of synergy achievement through cross-
and up-selling of acquired products / customer bases

Shared culture will promote smooth integration

Management teams fully aligned on integration and
strategic goals

Keys to success

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A Merger of Equals: What to expect next

For now, it is absolutely critical for each of us to remain focused on delivering on our objectives to ensure we achieve our 2016 financial and operational goals for IHS.

While every question about the merger cannot be answered now, IHS leadership is committed to communicating with you regularly during the merger approval process so that you can learn more about Markit, the merger and future operations.

Visit the [IHS Markit Merger](#) space on TheSource for ongoing updates and to

submit questions.

On that space there are links to videos, FAQs, information about Markit, our investor presentation outlining the deal and much more.

In the future, an overview of the integration process, the team's progress, and deeper-dives on various people, products and services from both Markit and IHS will be published along with an invitation to discuss online your thoughts, ideas and reactions.

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IHS Markit
merger space on TheSource

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Forward-looking statements

This communication contains forward-looking statements within the meaning of the federal securities laws, including Section 2701 of the Securities Exchange Act of 1934, as amended. In this context, forward-looking statements often address expected future business and financial performance and may use words such as expect, anticipate, intend, plan, believe, seek, see, will, would, target, similar expressions, and variations thereof, that are, to different degrees, uncertain, such as statements about the consummation of the proposed transaction and the anticipated financial performance, subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Such risks, uncertainties and assumptions include, but are not limited to, (i) the completion of the proposed transaction on anticipated terms and timing, including obtaining regulatory approval, tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance

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Attention: Investor Relations

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Participants in the Solicitation

IHS, Markit, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies by IHS, Markit, and their respective directors and executive officers, and their direct or indirect interests in the transaction, by security holdings or otherwise, is contained in IHS's proxy statement and its proxy statement filed on February 24, 2016, which are filed with the SEC. Information regarding the directors and executive officers of IHS and Markit, by security holdings or otherwise, is contained in Markit's 20-F for the year ended December 31, 2015, and Markit's proxy statement filed with the SEC. A more complete description will be available in the registration statement on Form F-4 and the joint proxy statement.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10(b) of the Securities Act of 1933.

Important Information About the Transaction and Where to Find It

In connection with the proposed transaction, Markit will file with the Securities and Exchange Commission ("SEC") a registration statement and Markit. IHS and Markit may also file other documents with the SEC regarding the proposed transaction. This document is not a prospectus or any other document which IHS or Markit may file with the SEC. INVESTORS AND SECURITY HOLDERS OF IHS AND MARKIT SHOULD READ THIS STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT IHS AND MARKIT FILE WITH THE SEC, AND ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders may obtain free copies of these documents (where available) and other documents filed with the SEC by IHS and Markit through the web site maintained by the SEC at www.sec.gov or by contacting the following:

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Questions