

News

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RISK PROFESSIONALS SAY REGULATORY COMPLIANCE DRIVES BUSINESS IMPROVEMENTS

NEW YORK, December 4, 2015 – Banking risk professionals see regulatory compliance for capital management as more than just an obligation and increasingly as a way to drive business improvements, according to a new survey conducted by Moody's Analytics.

Moody's Analytics surveyed global risk professionals at its tenth annual Risk Practitioner Conference, held October 26-28, which was attended by more than 300 senior risk practitioners from over 100 financial institutions and regulatory agencies.

Nearly 70% of risk professionals reported that regulatory compliance serves as a catalyst for general business improvements, and 60% said they will invest more in their risk infrastructure to achieve their regulatory compliance objectives.

Respondents also overwhelmingly noted that good data and data management are essential to meeting regulators' expectations and driving business performance, but more investment in data infrastructure is required.

"Without further investments in infrastructure and process improvements, banks will continue to grapple with regulatory, competitive and reputational challenges," said Mark Almeida, President of Moody's Analytics, who delivered opening remarks at the conference. "The results of this survey confirm that banks are exploring ways to build on their regulatory compliance activities to support broader business strategy and realize operational efficiencies."

At the conference, keynote speakers also addressed the impact and opportunities of regulation. Douglas Elliot, Fellow in Economic Studies at the Brookings Institution, reviewed the cost and benefits of bank regulations in the post-financial crisis and Tayfun Tazun, Chief Financial Officer at Fifth Third Bancorp spoke about the need for integrated risk management practices as changes in the banking sector occur. Mark Zandi, Moody's Analytics Chief Economist, spoke about the global economic outlook in the context of the current upturn in the credit cycle.

In addition, this year's conference featured more than 40 panel sessions, with presentations and discussions such as quantitative modeling for purposes beyond regulatory compliance, improving data transparency, and leveraging cloud technology for risk management. In addition, conference topics included stress test management, measurement and infrastructure; capital and liquidity planning; regulatory reporting; credit decisioning and origination; and economic scenarios and retail credit measures.

For more information about Moody's Analytics, visit <http://www.moodyanalytics.com>.

About Moody's Analytics

Moody's Analytics helps capital markets and risk management professionals worldwide respond to an evolving marketplace with confidence. The company offers unique tools and best practices for measuring and managing risk through expertise and experience in credit analysis, economic research and financial risk management. By providing leading-edge software, advisory services, and research, including the proprietary analysis of Moody's Investors Service, Moody's Analytics integrates and customizes its offerings to address specific business challenges. Moody's Analytics is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of \$3.3 billion in 2014, employs approximately 10,200 people worldwide and maintains a presence in 35 countries. Further information is available at www.moodyanalytics.com.

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