S&P CAPITAL IQ

BOND REPORT | February 28, 2013

Google Inc.

USD 1.00 Bil. 3.62% FIXED RT NT due 05/19/2021

S&P Credit Ratings (as of February 28, 2013)

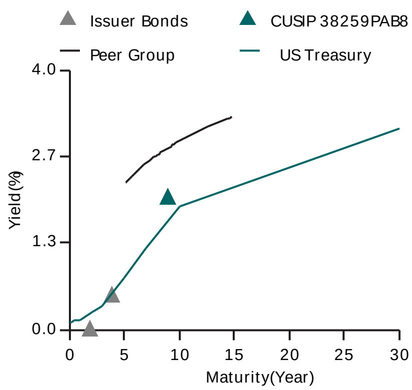
	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

GICS Sector: Information Technology
GICS Industry: Internet Software & Services
Peer Group: Intermediate-Term High Investment Grade Information Technology

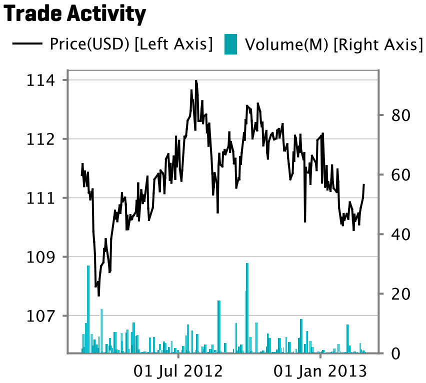
Issuer Summary: Google Inc., a technology company, builds products and provides services to organize the information and make it universally accessible and useful.

Evaluated Price	Yield	Duration
110.67 as of 27-Feb-2013	2.18	7.11

Yield Curve



Trade Activity



Source: FINRA TRACE™ Data

1 Bottom 2 Below Average 3 Above Average 4 Top

Yield

Yield of the security

Universe: 1 2 3 4 (position: 2)

Peer Group: 1 2 3 4 (position: 2)

Volatility

The security's 20 business day standard deviation

Universe: 1 2 3 4 (position: 2)

Peer Group: 1 2 3 4 (position: 3)

Credit Risk

Probablity of Default for issuer of the security

Universe: 1 2 3 4 (position: 4)

Peer Group: 1 2 3 4 (position: 4)

Market Activity

The security's market activity measure

Universe: Low | Low - Medium | Medium | Medium - High | High (position: High)

S&P Capital IQ Terms & Conditions

Identifier (CUSIP/ISIN)	38259PAB8 / US38259PAB85
Call Feature	Non-Callable
Put Feature	-
Issuer Type	Corporate
Issue Date	19-May-2011
Maturity Date	19-May-2021
Next Payment Date	19-May-2013
Amount Outstanding	1,000,000,000
Min Denomination	2,000
Currency	USD
Coupon Rate	3.62%
Coupon Type	FIX
Coupon Freq.	Semiannual
Seniority	Senior
CDS Price	110.97 @ 27-Feb-2013

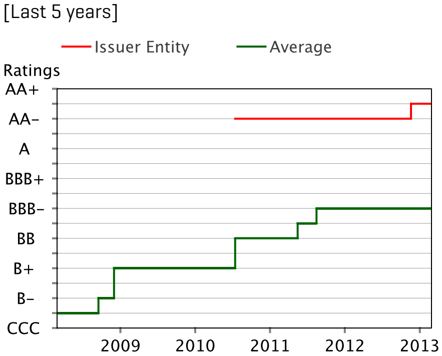
S&P Issue Credit Rating (as of February 28, 2013)

Credit Rating	Rating Date	Rating	CreditWatch	CreditWatch Date
Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012

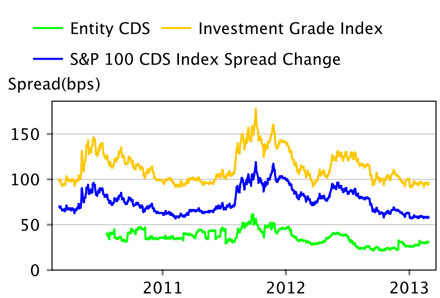
S&P Issuer Credit Rating (as of February 28, 2013)

Credit Rating	Rating Date	Rating	Outlook	Outlook Date
Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Long Term Foreign Currency Ratings History (Last 5 years)



Credit Default Swap History (Last 3 Years)



CDS data provided by CMA DataVision as of previous day closing values, EST.

Issuer Key Ratios

LTM: 31-Dec-2012 | USD (in Mil.)

Revenue	50,175.00
Revenue Growth (%)	32.37
EBITDA / Revenue (%)	32.44
Debt to Capital (%)	9.14
Current Ratio (x)	4.22
Return on Capital (%)	11.68
Gross Margin (%)	59.13
EBITDA Interest Coverage (x)	193.79
Debt / Revenue (x)	0.14
Quick Ratio (x)	3.90
Dividend Yield (%)**	-

Source: S&P Capital IQ.
** 27-Feb-2013

S&P CAPITAL IQ

BOND REPORT | February 28, 2013

Google Inc.

USD 1.00 Bil. 3.62% FIXED RT NT due 05/19/2021

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Industry Peer Group Comparison

Company Name	Credit Rating (-S&P Ratings-)	CreditWatch (-S&P Ratings-)	Outlook (-S&P Ratings-)	S&P Capital IQ Equity Recommendation
Google Inc.	**AA**	**NM**	**STABLE**	★★★
eBay Inc.	A	-	STABLE	★★★
Tencent Holdings Ltd.	BBB+	-	STABLE	
IAC/InterActiveCorp	BB+	-	STABLE	★★★★
OpenText Corporation	BB+	-	STABLE	
Equinix, Inc.	BB-	-	STABLE	
EarthLink Inc.	B	-	STABLE	★★★★★
Akamai Technologies, Inc.	-	-	-	★★★
Alibaba.com Limited	-	-	-	
AOL Inc.	-	-	-	
Baidu, Inc.	-	-	-	★★★★★
DeNA Co., Ltd.	-	-	-	
Gree, Inc.	-	-	-	
NetEase, Inc.	-	-	-	
NHN Corporation	-	-	-	
Rackspace Hosting, Inc.	-	-	-	
Sohu.com Inc.	-	-	-	
United Internet AG	-	-	-	
VeriSign, Inc.	-	-	-	★★★
Yahoo Japan Corporation	-	-	-	
Yahoo! Inc.	-	-	-	★★★

Equity Research Sub-Industry Outlook

Our fundamental outlook for the Internet Software & Services sub-industry for the next 12 months is positive, reflecting an increasing percentage of related budgets being committed to the Internet (versus so-called traditional media) and pricing for associated online offerings that has shown signs of improvement, offset somewhat by what we view as an uncertain global economy. We also have questions about pricing for mobile advertising.

U.S. online advertising revenues rose 3% in 2009, 15% in 2010 and 22% in 2011, and S&P Capital IQ sees increases of 12% for 2012 and 10% for 2013. We believe the U.S. accounts for more than a third of this market. Corporations are committing larger percentages of advertising budgets to the Internet as people spend more time online, especially as compared with consumption of other media. Moreover, Internet marketing offers notable targeting and data-focused return-on-investment capabilities.

We also think the advent and growing adoption of technologies such as powerful Internet-enabled smartphones and tablets, and HTML5 (a powerful and flexible language for creating and interacting with dynamic website content and applications) are positives for interactive advertising. However, we think mobile advertising is generally priced at lower rates than online advertising.

U.S. online retail sales increased 11% in 2009 and 13% in 2010. We think there was growth of 11% in 2011, and we see a comparable gain for 2012 and some deceleration in 2013. We believe users are attracted to Internet retail offerings in large part due to factors that include a generally substantial selection of products, 24/7/365 store access and associated convenience of home delivery, and a compelling value proposition. According to Forrester Research, an independent technology and market research company, improving initiatives across multiple channels including physical and online stores, better merchandising, more customized offerings and increasingly sophisticated marketing efforts have helped drive considerable segment growth.

Year to date through January 25, the Internet Software & Services index rose 6.8%, compared with a 5.6% increase in the S&P 1500.

--Scott Kessler

Source: S&P Capital IQ.

Google Inc.

USD 1.00 Bil. 3.62% FIXED RT NT due 05/19/2021

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

S&P Credit Rating Analysis

Google Inc. Ratings Raised To 'AA' From 'AA-' On Strong Operating Performance; Outlook Stable

Overview

- Google Inc.'s revenues have risen 45% (including acquisitions) in the quarter ended Sept. 30, 2012, with net income of $2.2 billion, and the company ended the quarter with about $46 billion of cash and securities.
- We raised the corporate credit rating to `AA' from `AA-' and removed the ratings from CreditWatch, where they were placed on Aug. 21, 2012. The outlook is stable.
- At the same time, we affirmed our 'A-1+' short-term rating on the company.
- The stable outlook reflects our expectation that the company will sustain its leadership position in online search, display, and advertising and will generate profitable growth in emerging market places.

Rating Action

On Nov. 19, 2012, Standard & Poor's Ratings Services raised its corporate credit rating on Mountain View, Calif.-based Google Inc. to `AA' from `AA-'. We removed the ratings from CreditWatch, where they were placed with positive implications on Aug. 21, 2012. At the same time, we affirmed our 'A-1+' short-term rating on the company. The outlook is stable.

Rationale

The upgrade reflects Google's strong operating performance, albeit in a challenging and evolving market, while it continues to maintain exceptional liquidity, a conservative financial policy, and a minimal financial risk profile.

The ratings on search-based advertising service provider Google Inc. reflect its "minimal" financial risk profile, its "strong" business risk profile, and Standard & Poor's Ratings Services' belief that the company will maintain the technical, managerial, and financial wherewithal to adapt to evolving markets and modes of delivery. Operating lease-adjusted debt to EBITDA is below 0.5x.

For the nine months ended Sept. 30, 2012, revenues approached $37 billion, up 36%. Google has solidified its position as the leading Internet search engine (with a global market share of about 60%) and is actively exploring other revenue opportunities in mobile, display, video, and hosted solutions. Standard & Poor's expects that the search, mobile advertising, and display (including video) businesses will continue to demonstrate healthy growth over the long term, as consumers spend more time online and marketers increasingly shift advertising budgets toward online channels. In addition, Google's revenues are not concentrated in specific geographies, customers, or vertical markets. EBITDA margins are high and relatively stable--in the 40% area--due to its limited fixed-cost structure.

We see key risks facing Google to be the evolving nature of its markets, competitive challenges from new entrants and well-established firms, and revenues that could be increasingly correlated to economic cycles as Internet advertising matures. However, we believe that the company's robust technology and data create a competitive advantage difficult to replicate in the intermediate term. While total ad spending follows the business cycle, we expect secular growth in Google's markets to offset cyclical effects, especially if its efforts in high-growth areas, such as mobile advertising, continues to be successful.

Google's competitive advantage includes:

- Leading technology and a low infrastructure cost structure;
- Intellectual and financial capital, which we believe will allow it to effectively compete with potential new entrants; and
- The ability to capitalize on its search advertising revenues and engineering expertise to explore new businesses and opportunities.

We expect research and development (R&D) expense to remain in the 9% to 10% area and capital expenditures to stay below 5% (the majority related to IT infrastructure investments). We also expect potential acquisitions to be of moderate size, intended to expand current capabilities. Recent acquisitions include YouTube, which provided a foothold in the fast-growing online video advertising market; DoubleClick Inc., which further expanded the company's online advertising business beyond paid search to display advertising; and AdMob, which expanded its mobile advertising capability.

The acquisition of Motorola Mobility Holdings Inc. (MMI) in a cash-based transaction valued at $12.5 billion provided Google access to Motorola's base of more than 17,000 issued patents, including those related to wireless technology, which could enhance its mobile capabilities. Despite entering the handset business

Investment Grade Commentary

January, 2013 high grade desk month-end commentary

The Bank/Finance sector opened January 2013 with a generally positive performance on a credit spread basis. However, the decline in the underlying benchmark treasuries put a significant portion of this universe in negative price territory for the month with the yield on the 5yr +17, 10yr +23 and 30yr +25 respectively. Benchmark 10yr global banks were: MS 5.5 21 -28, GS 5.75 22 -7, C 4.5 21 -18, JPM 3.25 22 +9 and BAC 5.70 22 +8. The weaker performances of GS, JPM and BAC can be attributed to their issuing new global 10yr benchmarks during January.

The best performer in the Bank/Finance liquid issue sector for January was JEF 8.5 18, moving up nearly 2 ¾ points before coupon income and tightening approximately 74 basis points vs the 10yr to +248. The loser was GE 6.875 39, off nearly 6 ¼ points before coupon income even though its credit spread was virtually unchanged at +159. The outlier for the month was LM 5.50 19, though trading is very limited in the issue. I had the price off over 10 points as talk of a leveraged buyout moved the price down around the 101 poison put level.

The 10-year Treasury yield, which traded at approximately 1.75% on December 31st, traded at approximately 1.98% on Jan 31st. The 30-year yield traded up from approximately 2.95% to 3.17% during the same period.

Agency spreads ended the month of January mixed to modestly tighter. The S&P/Case Shiller index showed gains of 0.6% for home prices during the month of November matching economists' expectations. The index measures 20 metropolitan areas on a seasonally adjusted basis. The data marks 10 straight months of gains showing support for an improving housing market.

Cissy Chan, 12-Feb-2013
Source: S&P Capital IQ.

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

S&P Credit Rating Analysis

(continued from page 3)

directly, Google indicated that it would run MMI as a separate business and maintain the openness of the Android operating system. While MMI is currently modestly unprofitable, it does not materially alter our view of Google's strong business risk profile. Over time, the transaction could enhance the Android user experience, and MMI's profitability could improve as a result of cost reduction initiatives and potential growth in smartphone handset volumes.

Robust cash generation gives Google the flexibility to make large acquisitions or pursue shareholder-friendly initiatives--if it chooses--without detracting from overall credit quality. Return on capital has averaged more than 25% over the past five years. We expect free operating cash flow ($10.7 billion generated in 2011) to benefit from the existing investments related to Google's data center build-out.

In our assessment, the company's management and governance is "strong," reflecting our view of its strategic positioning and organizational effectiveness. Google's financial policy is conservative, including the maintenance of a very significant net cash position and ample debt capacity. We expect the company to size and finance any share repurchases, dividends, and acquisitions in a manner consistent with our expectations, such that debt to EBITDA remains at or less than 0.75x. Operating lease-adjusted leverage of 0.4x in September 2012 provides substantial debt capacity within the rating. While litigation and regulation is an ongoing concern, we believe the company has ample liquidity to mitigate such risks.

Liquidity

The short-term rating on Google is 'A-1+'. The following factors support Google's "exceptional" liquidity and significant access to capital:

- Sources of cash are likely to substantially exceed uses over the next 24 month, with cash and marketable securities totaling about $46 billion as of Sept. 30, 2012;
- Discretionary free cash flow has averaged $8.8 billion per year over the past three years;
- A committed $3 billion unsecured revolving credit facility, maturing in June 2013; and
- We expect Google to maintain significant net cash balances.

Outlook

The stable outlook reflects our expectation that the company will sustain its leadership position in online search, display, and advertising and will generate profitable growth in emerging markets. Moreover, we expect Google to maintain modest minimal leverage (below 0.75x), coupled with a conservative strategy of largely organic growth. We could raise ratings over the intermediate term if the company continues its strong operating performance and successful diversification strategy, while maintaining its current financial policy and profile. A change to a more aggressive financial policy such that it sustains leverage in the 1x area, or significant loss of market share due to increased competition from established or emerging competitors could trigger a possible downgrade.

Primary Analyst: Philip L Schrank
Published on: 19-Nov-2012
Source: Standard & Poor's Ratings Services.

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Glossary

Basis Point
A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security.

Call Feature
Indicates if the bond is callable or not and the time intervals when the issuer can exercise its right to redeem bonds prior to their stated maturity date.

CDS Price
A swap designed to transfer the credit exposure of fixed income products between parties. Another way of looking at a security's valuation, offering an alternative but complementary viewpoint to the traditional market approach.

Corporate Bond Peer Group (S&P Capital IQ)
The S&P Capital IQ defined US Corporate Bond Peer Groups classify bonds into groups defined by their maturity, S&P Credit Rating, and issuer GICS Sector. GICS is an industry classification standard developed by S&P Capital IQ in collaboration with Morgan Stanley Capital International (MSCI).

Corporate Bond Universe (S&P Capital IQ)
S&P Capital IQ provides a comprehensive report for all issues in the S&P Capital IQ defined US corporate bond universe. The US corporate bond universe includes all USD-denominated S&P Credit Rated corporate bonds that also has a SPSE evaluated price. SPSE is a part of S&P Capital IQ and a registered investment advisor with the US Securities and Exchange Commission. For more information: http://www.standardandpoors.com/products-services/valuation-services/en/us

Coupon Frequency
Indicates how often interest payments are made (e.g., quarterly, semiannual, annual)

Coupon Rate
The annual rate of interest payable on a security.

Coupon Type
The interest payment type (also referred to as "Interest Type") indicates the method of interest payment, e.g. Interest accretes, periodic interest is paid.

Credit Enhancer
The name of a commercial bank or financial institution where a commitment is made to honor demands for payment (usually principal and interest) of a debt upon compliance with conditions and/or the occurrence of certain events specified under the terms of the commitment.

CreditWatch (S&P)
CreditWatch highlights our opinion regarding the potential direction of a short-term or long-term rating. It focuses on identifiable events and short-term trends that cause ratings to be placed under special surveillance by Standard & Poor's analytical staff.Ratings may be placed on CreditWatch under the following circumstances:

- When an event has occurred or, in our view, a deviation from an expected trend has occurred or is expected and when additional information is necessary to evaluate the current rating. Events and short-term trends may include mergers, recapitalizations, voter referendums, regulatory actions, performance deterioration of securitized assets, or anticipated operating developments.
- When we believe there has been a material change in performance of an issue or issuer, but the magnitude of the rating impact has not been fully determined, and we believe that a rating change is likely in the short-term.
- A change in criteria has been adopted that necessitates a review of an entire sector or multiple transactions and we believe that a rating change is likely in the short-term.

A CreditWatch listing, however, does not mean a rating change is inevitable, and when appropriate, a range of potential alternative ratings will be shown. CreditWatch is not intended to include all ratings under review, and rating changes may occur without the ratings having first appeared on CreditWatch. The "positive" designation means that a rating may be raised; "negative" means a rating may be lowered; and "developing" means that a rating may be raised, lowered, or affirmed.

For more information: http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Currency of Original Offering
Currency in which the bond is issued.

Current Ratio
A measure of a company's liquidity or the company's ability to pay short-term obligations.

CUSIP
Committee on Uniform Securities Identification Procedures (CUSIP) is a number that identifies most securities, including: stocks of all registered U.S. and Canadian companies, and U.S. government and municipal bonds. The CUSIP system, owned by the American Bankers Association and operated by Standard & Poor's, facilitates the clearing and settlement process of securities.

Debt to Capital Ratio
An indicator of the company's financing structure. This ratio indicates leverage, the proportion of the company's capital that is financed by debt. High debt-to-capital ratios may show financial weakness because the cost of debts increases a company's default risk.

Debt/Revenue
Percentage of company's revenue that goes towards paying off debts.

Dividend Yield
A financial ratio that shows how much a company pays out in dividends each year relative to its share price. In the absence of any capital gains, the dividend yield is the return on investment for a stock.

Duration
A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

EBITDA
Earnings before interest, taxes,depreciation, and amortization.

EBITDA Interest Coverage
A ratio that is used to assess a company's financial durability by examining whether it is at least profitably enough to pay off its interest expenses. A ratio greater than 1 indicates that the company has more than enough interest coverage to pay off its interest expenses.

EBITDA/Revenue
The EBITDA margin is the profit margin from sales generated in primary business after cost of goods sold and selling, general and administrative expenses. (EBITDA) / (Total Revenue)

Equity Recommendation (S&P STARS)
Since 1/1/87, S&P's Equity Research Services has ranked a universe of common stocks based on a given stock's potential for future performance. Under proprietary STARS (STock Appreciation Ranking System), S&P equity analysts rank stocks according to their individual forecast of a stock's future total return potential versus the expected total return of a relevant benchmark (e.g., a regional index (S&P Asia 50 Index, S&P Europe 350 Index or S&P 500 Index)), based on 12-month time horizon. Rankings range from 5 STARS (Strong Buy) to 1 STARS (Strong Sell). As an input to the S&P ETF Ranking, S&P evaluates the weighted average STARS of the underlying holdings of the ETF compared with other ranked ETFs.

Evaluated Price
SPSE's advisory services uses a market approach valuation that is reflective of the bid side of the market for a round lot of the security. The evaluated price opinion is arrived at after in-dept review and analysis of descriptive, quality market and credit information.

GICS
An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 154 sub-industries, which are grouped into 68 industries, 24 industry groups, and 10 economic sectors. This four-tier structure accomodates companies across the world and facilitates sector analysis and investing. For this report, if the issuer GICS is not available, the ultimate parent's GICS will be displayed.

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Glossary

Gross Margin
Percent of total sales revenue that the company retains after incurring the direct costs associated with producing the goods and services sold by a company.

Investment Grade
Under present commercial bank regulations issued by the Comptroller of the Currency, bonds rated in the top four categories ('AAA','AA','A','BBB') are generally regarded as eligible for bank investment.

ISIN
International Securities Identification Numbers (ISIN) uniquely identifies a security, its structure is defined in ISO 6166. Securities for which ISINs are issued include bonds, commercial paper, equities and warrants. The ISIN code is a 12-character alpha-numerical code.

Issue Credit Rating (S&P)
A Standard & Poor's issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated.
The opinion reflects Standard & Poor's view of the obligor's capacity and willingness to meet its financial commitments as they come due, and may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.

Issue credit ratings can be either long-term or short-term. Short-term ratings are generally assigned to those obligations considered short-term in the relevant market. In the U.S., for example, that means obligations with an original maturity of no more than 365 days - including commercial paper. For the purposes of this research report, only long-term issue ratings will be used.

Issue credit ratings are based, in varying degrees, on Standard & Poor's analysis of the following considerations:

- Likelihood of payment - capacity and willingness of the obligor to meet its financial commitment on an obligation in accordance with the terms of the obligation;
- Nature of and provisions of the obligation;
- Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

Issue ratings are an assessment of default risk, but may incorporate an assessment of relative seniority or ultimate recovery in the event of default. Junior obligations are typically rated lower than senior obligations, to reflect the lower priority in bankruptcy, as noted above. (Such differentiation may apply when an entity has both senior and subordinated obligations, secured and unsecured obligations, or operating company and holding company obligations.)

For more information:
http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Issuer Credit Rating (S&P)
A Standard & Poor's issuer credit rating is a forward-looking opinion about an obligor's overall creditworthiness in order to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation.
Within this report, we are displaying the long term corporate credit ratings.

Issuer credit ratings can be either long-term or short-term. Short-term issuer credit ratings reflect the obligor's creditworthiness over a short-term time horizon. For the purposes of this research report, only long-term issuer ratings shall be used.

For more information:
http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Local Currency, Foreign Currency Ratings
Standard & Poor's issuer credit ratings make a distinction between foreign currency ratings and local currency ratings. An issuer's foreign currency rating will differ from its local currency rating when the obligor has a different capacity to meet its obligations denominated in its local currency, vs. obligations denominated in a foreign currency. For this report, the foreign currency rating is shown if available, otherwise the local currency rating is shown.

For more information:
http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Market Activity
A market is considered liquid (or active) if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. A market is also considered liquid (or active) if transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Market Activity Score
A score that represents the level of market activity for a security. It is based on the number of trades, number of quotes in the last 30 days, as well as the number of days since the last trade, the number of days since the last quote and the number of market makers for the security. A score could be High, Medium-High, Medium, Low-Medium or Low.

Maturity Date
The date upon which the principal becomes due and payable to the security holder.

Outlook (S&P)
A Standard & Poor's rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action.

- Positive means that a rating may be raised.
- Negative means that a rating may be lowered.
- Stable means that a rating is not likely to change.
- Developing means a rating may be raised or lowered.
- N.M. means not meaningful.

For more information:
http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Put Feature
Indicates the type of put option (if applicable) and the frequency in which the put option can be exercised.
Types:
Conditional Put indicates the bondholder can exercise the put option under certain conditions or events as specified in the bond contract.
Limited Put indicates the bondholder has the option to put their bonds with limitations as to the amounts the holders may put and/or the amount that may be put in each period.
Mandatory Put indicates the bond owner are obligated to put the bonds or give notice to waive the right to have the bonds retired.

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Glossary

Optional Put indicates the bondholder has to option to notify the tender agent within the specified time period of their intention to exercise the put option.
Repurchase Put indicates a mandatory redemption on a predetermined date whereby the bondholder has no option to retain or waive the tender.

Quick Ratio
An indicator of a company's short-term liquidity. The quick ratio measures a company's ability to meet its short-term obligations with its most liquid assets. The higher the quick ratio, the better the position of the company.

Recovery Rating (S&P)
Recovery ratings focus solely on expected recovery in the event of a payment default of a specific issue, and utilize a numerical scale that runs from 1+ to 6. The recovery rating is not linked to, or limited by, the Issuer Credit Rating or any other rating, and provides a specific opinion about the expected recovery.
1+: A recovery rating of '1+' denotes the highest expectation of full recovery in the event of default.
1: A recovery rating of '1' denotes an expectation of very high (i.e., 90%-100%) recovery in the event of default.
2: A recovery rating of '2' denotes an expectation of substantial (i.e., 70%-90%) recovery in the event of default.
3: A recovery rating of '3' denotes an expectation of meaningful (i.e., 50%-70%) recovery in the event of default.
4: A recovery rating of '4' denotes an expectation of average (i.e., 30%-50%) recovery in the event of default.
5: A recovery rating of '5' denotes an expectation of modest (i.e., 10%-30%) recovery in the event of default.
6: A recovery rating of '6' denotes an expectation of negligible (i.e., 0-10%) recovery in the event of default.

For more information:
http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us

Return on Capital
A calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Revenue
The total revenue of a company. It is indicative of company size. Larger companies are often able to better withstand adverse impacts to revenue.

Revenue Growth
Change in company's sales when compared to the previous twelve months revenue performance.

Seniority
The order of repayment in the event of a sale or bankruptcy of the issuer.
Junior Lien: Issues which have a subordinate claim against pledged revenues.
Junior Subordinate Lien: Issues which have a subordinate claim against pledged revenues, but Junior Lien bond holders have the first claim.
Senior Lien: Issue having a prior claim on pledged revenues.
Senior Subordinate Lien: Issues which have a prior claim on pledged revenues. Senior Lien bond holder has first claim.
Subordinate Lien: Issues which have a subordinate claim on pledged revenues. Senior Lien and Senior Subordinate Lien bondholders have first claim.

Speculative Grade
Debt obligation of an issuer with a lower than investment grade rating. One whose rating is lower than 'BBB-'. Also known as high-yield or junk.

Trade Activity Chart
Volume weighted trade price and total volume plotted daily. Source: FINRA TRACE^{TM} Data: Contains trade details as reported to FINRA's Trade Reporting and Compliance Engine (TRACE).

Volatility
Refers to the amount of uncertainty or risk about the size of changes in a security's SPSE evaluated price. As an input to the Volatility Analytic, S&P Capital IQ evaluates the issue's volatility compared to others in the US Corporate Bond Universe and its US Corporate Bond Peer Group. SPSE is a part of S&P Capital IQ and a registered investment advisor with the US Securities and Exchange Commission.
For more information:
http://www.standardandpoors.com/products-services/valuation-services/en/us

Yield
Rate of return on an investment, this yield is utilized to calculate the SPSE evaluated price. As an input to the Yield Analytic, S&P Capital IQ evaluates the issue's yield compared to others in the US Corporate Bond Universe and its US Corporate Bond Peer Group. SPSE is a part of S&P Capital IQ and a registered investment advisor with the US Securities and Exchange Commission. For more information: http://www.standardandpoors.com/products-services/valuation-services/en/us

Yield Curve
Curve showing several yields across different remaining term to maturity lengths (1 month, 3 months, 6 months, 1-30 years). This chart shows the US Treasury curve and the Peer Group curve. Please also see US Corporate Peer Group definition.

For analytical inquiries, please contact Rick Kanungo at rick_kanungo@spcapitaliq.com or Thomas Yagel at Thomas_yagel@spcapitaliq.com

Google Inc.

USD 1.00 Bil. 3.62% FIXED RT NT due 05/19/2021

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

Required Disclosures

In general the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk and credit and default risks for both issuers and counterparties.

Lower-quality debt securities generally offer higher yields, but also involve greater risk of default or price changes due to potential changes in the credit quality of the issuer.

Credit and default risk
Corporate bonds are subject to credit risk. It's important to pay attention to changes in the credit quality of the issuer, as less creditworthy issuers may be more likely to default on interest payments or principal repayment. If a bond issuer fails to make either a coupon or principal payment when they are due, or fails to meet some other provision of the bond indenture, it is said to be in default. One way to manage this risk is diversify across different issuers and industry sectors.

Market risk
Price volatility of corporate bonds increases with the length of the maturity and decreases as the size of the coupon increases. Changes in credit rating can also affect prices. If one of the major rating services lowers its credit rating for a particular issue, the price of that security usually declines.

Event risk
A bond's payments are dependent on the issuer's ability to generate cash flow. Unforeseen events could impact their ability to meet those commitments.

Call risk
Many corporate bonds may have call provisions, which means they can be redeemed or paid off at the issuer's discretion prior to maturity. Typically an issuer will call a bond when interest rates fall potentially leaving investors with a capital loss or loss in income and less favorable reinvestment options. Prior to purchasing a corporate bond, determine whether call provisions exist.

Make-whole calls
Some bonds give the issuer the right to call a bond, but stipulate that redemptions occur at par plus a premium. This feature is referred to as a make-whole call. The amount of the premium is determined by the yield of a comparable maturity Treasury security, plus additional basis points. Because the cost to the issuer can often be significant, make-whole calls are rarely invoked.

Sector risk
Corporate bond issuers fall into four main sectors: industrial, financial, utilities, and transportation. Bonds in these economic sectors can be affected by a range of factors, including corporate events, consumer demand, changes in the economic cycle, changes in regulation, interest rate and commodity volatility, changes in overseas economic conditions, and currency fluctuations. Understanding the degree to which each sector can be influenced by these factors is the first step toward building a diversified bond portfolio.

Interest rate risk
If interest rates rise, the price of existing bonds usually declines. That's because new bonds are likely to be issued with higher yields as interest rates increase, making the old or outstanding bonds less attractive. If interest rates decline, however, bond prices usually increase, which means an investor can sometimes sell a bond for more than face value, since other investors are willing to pay a premium for a bond with a higher interest payment. The longer a bond's maturity, the greater the impact a change in interest rates can have on its price. If you're holding a bond until maturity, interest rate risk is not a concern.

Inflation risk
Like all bonds, corporate bonds are subject to inflation risk. Inflation may diminish the purchasing power of a bond's interest and principal.

Foreign risk
In addition to the risks mentioned above, there are additional considerations for bonds issued by foreign governments and corporations. These bonds can experience greater volatility, due to increased political, regulatory, market, or economic risks. These risks are usually more pronounced in emerging markets, which may be subject to greater social, economic, regulatory, and political uncertainties

About Capital IQ's Distributors Disclosures

This report has been prepared and issued by S&P Capital IQ and/or one of its affiliates. In the United States, research reports are prepared by Standard & Poor's Investment Advisory Services LLC ("SPIAS").In the United States, research reports are issued by Standard & Poor's Financial Services LLC ("S&P"); in the United Kingdom by McGraw-Hill Financial Research Europe Limited, which is authorized and regulated by the Financial Services Authority and trades as Standard & Poor's;in Hong Kong by Standard & Poor's Investment Advisory Services (HK) Limited, which is regulated by the Hong Kong Securities Futures Commission;

in Singapore by McGraw-Hill Financial Singapore Pte. Limited (MHFSPL), which is regulated by the Monetary Authority of Singapore;in Malaysia by Standard & Poor's Malaysia Sdn Bhd ("S&PM"), which is regulated by the Securities Commission;

in Australia by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS"), which is regulated by the Australian Securities & Investments Commission;

and in Korea by SPIAS, which is also registered in Korea as a cross-border investment advisory company.

The research and analytical services performed by SPIAS, McGraw-Hill Financial Research Europe Limited, MHFSPL, S&PM, and SPIS are each conducted separately from any other analytical activity of S&P Capital IQ.

S&P Capital IQ or an affiliate may license certain intellectual property or provide pricing or other services to, or otherwise have a financial interest in, certain issuers of securities, including exchange-traded investments whose investment objective is to substantially replicate the returns of a proprietary Standard & Poor's index, such as the S&P 500.

In cases where S&P Capital IQ or an affiliate is paid fees that are tied to the amount of assets that are invested in the fund or the volume of trading activity in the fund, investment in the fund will generally result in S&P Capital IQ or an affiliate earning compensation in addition to the subscription fees or other compensation for services rendered by S&P Capital IQ. A reference to a particular investment or security by S&P Capital IQ and/or one of its affiliates is not a recommendation to buy, sell, or hold such investment or security, nor is it considered to be investment advice.

Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index.

S&P Capital IQ and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

For details on the S&P Capital IQ research objectivity and conflict-of-interest policies, please visit: http://www.standardandpoors.com/ products-services/ equity-research-main/en/us/

For a list of companies mentioned in this report with whom S&P Capital IQ and/or one of its affiliates has had business relationships within the past year, please go to: http://www.standardandpoors.com/products-services/ articles/en/us/?assetID=1245187982940

Disclaimers

With respect to reports issued to clients in a language other than English and in the case of inconsistencies between the English and translated versions of a report, the English version prevails. Neither S&P Capital IQ nor its affiliates guarantee the accuracy of the translation. Assumptions, opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not necessarily indicative of future results.

S&P Credit Ratings (as of February 28, 2013)	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	AA	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	AA	STABLE	19-Nov-2012

S&P Capital IQ, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness or adequacy of this material, and S&P Parties shall have no liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of the information provided by the S&P Parties. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the information contained in this document even if advised of the possibility of such damages. Capital IQ is a business of S&P Capital IQ.

Ratings from Standard & Poor's Ratings Services are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. Standard & Poor's assumes no obligation to update its opinions following publication in any form or format. Standard & Poor's ratings should not be relied on and are not substitutes for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. Standard & Poor's rating opinions do not address the suitability of any security. Standard & Poor's does not act as a fiduciary. While Standard & Poor's has obtained information from sources it believes to be reliable, Standard & Poor's does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P Capital IQ keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P Capital IQ may have information that is not available to other S&P Capital IQ business units. S&P Capital IQ has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

Standard & Poor's Ratings Services did not participate in the development of this report. Standard & Poor's may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. Standard & Poor's reserves the right to disseminate its opinions and analyses. Standard & Poor's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via Standard & Poor's publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors. Any opinions expressed herein are given in good faith, are subject to change without notice, and are only current as of the stated date of their issue. Prices, values, or income from any securities or investments mentioned in this report may fall against the interests of the investor and the investor may get back less than the amount invested. Where an investment is described as being likely to yield income, please note that the amount of income that the investor will receive from such an investment may fluctuate. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. This material is not intended for any specific investor and does not take into account your particular investment objectives, financial situations or needs and is not intended as a recommendation of particular securities, financial instruments or strategies to you. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

Additional information on the subject company may be available upon request.

Each S&P Capital IQ research report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject Standard & Poor's or its affiliates to any registration or licensing requirements in such jurisdiction.

For residents of Australia - Research reports are distributed by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS") in Australia. Any express or implied opinion contained in this report is limited to "General Advice" and based solely on consideration of the investment merits of the financial product(s) alone. The information in this report has not been prepared for use by retail investors and has been prepared without taking account of any particular person's financial or investment objectives, financial situation or needs. Before acting on any advice, any person using the advice should consider its appropriateness having regard to their own or their clients' objectives, financial situation and needs. You should obtain a Product Disclosure Statement relating to the product and consider the statement before making any decision or recommendation about whether to acquire the product. Each opinion must be weighed solely as one factor in any investment decision made by or on behalf of any adviser and any such adviser must accordingly make their own assessment taking into account an individual's particular circumstances. SPIS holds an Australian Financial Services License Number 258896. Please refer to the SPIS Financial Services Guide for more information at http://advisor.marketscope.com/static/FinancialServicesGuide.pdf

Warning: Past performance is not a reliable indicator of future performance. Any express or implied Standard & Poor's rating or advice is limited to "General Advice" and based solely on consideration of the investment merits of the financial product(s) alone. The information has not been prepared for use by retail investors and has been prepared without taking account of any particular person's financial or investment objectives, financial situation or needs. Before acting on any advice, any person using the advice should consider its appropriateness having regard to their own or their clients' objectives, financial situation and needs. You should obtain a Product Disclosure Statement relating to the product and consider the statement before making any decision or recommendation about whether to acquire the product. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any adviser and any such adviser must accordingly make their own assessment taking into account an individual's particular circumstances.

S&P Credit Ratings (as of February 28, 2013)

	S&P Ratings Credit Rating	Rating Date	Rating	CreditWatch/ Outlook	CreditWatch/ Outlook Date
Issue	Local Long-Term	19-Nov-2012	**AA**	NM	19-Nov-2012
Issuer	Foreign Long-Term	19-Nov-2012	**AA**	STABLE	19-Nov-2012

McGRAW-HILL