

23 August 2016



The Companies Officer  
Australian Securities Exchange Ltd  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Dear Sir or Madam

### **Moody's upgrades Fortescue's credit ratings**

Moody's Investors Service (Moody's) has today upgraded the corporate family rating of Fortescue Metals Group Ltd (ASX:FMG) to Ba2 from Ba3. At the same time, Moody's has also upgraded the senior unsecured credit rating to Ba1 and the senior unsecured credit rating to B1.

In its update, Moody's noted that the upgrade "reflects the considerable progress that the company has made in reducing its debt levels," and further "the company's ongoing cost and debt reduction initiatives will allow it to maintain conservative financial metrics over the next 12-24 months..."

Chief Financial Officer Stephen Pearce said "Through excellent operational performance, Fortescue has continued to generate significant free cash flows, reducing debt and strengthening our balance sheet. It is pleasing that Moody's have formally acknowledged Fortescue's cost performance and the continued execution of our debt reduction strategies which have improved Fortescue's credit metrics."

The rating update has no impact on Fortescue's debt capital structure.

Yours sincerely  
**Fortescue Metals Group Ltd**

**Ian Wells**  
Company Secretary

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