DUN & BRADSTREET CORP/NW
Form 10-Q
August 06, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015

OR

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 1-15967

The Dun & Bradstreet Corporation

(Exact name of registrant as specified in its charter)

Delaware	22-3725387
(State of incorporation)	(I.R.S. Employer Identification No.)
103 JFK Parkway, Short Hills, NJ	07078
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (973) 921-5500

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one:)

Large accelerated filer ý Accelerated filer o Non-accelerated filer o Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No ý

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Title of Class	Shares Outstanding at June 30, 2015
Common Stock, par value $0.01 per share	36,111,021

Table of Contents

THE DUN & BRADSTREET CORPORATION
INDEX TO FORM 10-Q

		Page
	PART I. UNAUDITED FINANCIAL INFORMATION	
Item 1.	Financial Statements	3
	Consolidated Statements of Operations and Comprehensive Income (Loss) for the Three Month and Six Month Periods Ended June 30, 2015 and 2014	3
	Consolidated Balance Sheets as of June 30, 2015 and December 31, 2014	4
	Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2015 and 2014	5
	Consolidated Statements of Shareholders' Equity (Deficit) for the Six Months Ended June 30, 2015 and 2014	6
	Notes to Consolidated Financial Statements	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	38
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	61
Item 4.	Controls and Procedures	61
	PART II. OTHER INFORMATION	
Item 1.	Legal Proceedings	62
Item 1A.	Risk Factor	62
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	62
Item 6.	Exhibits	63
	Signatures	64

Table of Contents

PART I. UNAUDITED FINANCIAL INFORMATION
Item 1. Financial Statements
The Dun & Bradstreet Corporation
Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(Amounts in millions, except per share data)			
Revenue	$375.4	$368.0	$731.6	$728.2
Operating Expenses	136.4	124.3	267.4	246.9
Selling and Administrative Expenses	161.9	142.2	304.8	281.8
Depreciation and Amortization	14.1	13.4	26.5	26.8
Restructuring Charge	4.8	5.0	9.6	9.9
Operating Costs	317.2	284.9	608.3	565.4
Operating Income	58.2	83.1	123.3	162.8
Interest Income	0.4	0.4	0.8	0.7
Interest Expense	(11.8)	(10.8)	(23.2)	(21.4)
Other Income (Expense) - Net	(1.5)	(0.3)	1.8	(21.7)
Non-Operating Income (Expense) - Net	(12.9)	(10.7)	(20.6)	(42.4)
Income Before Provision for Income Taxes and Equity in Net Income of Affiliates	45.3	72.4	102.7	120.4
Less: Provision for Income Taxes (Benefit)	15.7	24.8	33.4	(10.1)
Equity in Net Income (Loss) of Affiliates	1.3	1.1	2.0	1.6
Net Income (Loss) from Continuing Operations	30.9	48.7	71.3	132.1
Less: Net (Income) Loss Attributable to the Noncontrolling Interest	(1.3)	(1.0)	(2.2)	(1.7)
Net Income (Loss) from Continuing Operations Attributable to Dun & Bradstreet	29.6	47.7	69.1	130.4
Income from Discontinued Operations, Net of Income Taxes (1)	0.7	2.2	2.2	4.8
Loss on Disposal of Business, Net of Income Taxes (1)	(38.2)	—	(38.2)	—
Income (Loss) from Discontinued Operations, Net of Income Taxes	(37.5)	2.2	(36.0)	4.8
Net Income (Loss) Attributable to Dun & Bradstreet	$(7.9)	$49.9	$33.1	$135.2
Basic Earnings (Loss) Per Share of Common Stock:				
Income (Loss) from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.82	$1.30	$1.92	$3.52
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	(1.04)	0.06	(1.00)	0.13
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$(0.22)	$1.36	$0.92	$3.65
Diluted Earnings (Loss) Per Share of Common Stock:				
Income (Loss) from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.81	$1.29	$1.90	$3.49
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	(1.03)	0.06	(0.99)	0.13
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$(0.22)	$1.35	$0.91	$3.62

Weighted Average Number of Shares Outstanding-Basic	36.1	36.7	36.0	37.0
Weighted Average Number of Shares Outstanding-Diluted	36.4	36.9	36.4	37.3
Cash Dividend Paid Per Common Share (2)	$0.46	$0.44	$0.93	$0.88
Other Comprehensive Income, Net of Income Taxes				
Net Income (Loss) from Continuing Operations	$30.9	$48.7	$71.3	$132.1
Income (Loss) from Discontinued Operations, Net of Income Taxes	(37.5)	2.2	(36.0)	4.8
Net Income (Loss)	(6.6)	50.9	35.3	136.9
Foreign Currency Translation Adjustments, no Tax Impact	(10.4)	10.5	(54.1)	7.1
Defined Benefit Pension Plans:				
Prior Service Costs, Net of Tax Income (Expense) (3)	—	(0.2)	(0.1)	(0.4)
Net Actuarial Gain (Loss), Net of Tax Income (Expense) (4)	6.6	5.7	13.2	11.3
Derivative Financial Instruments, Net of Tax Income (Expense) (5)	—	(0.1)	—	(0.1)
Total Other Comprehensive Income (Loss)	(3.8)	15.9	(41.0)	17.9
Comprehensive Income (Loss), Net of Income Taxes	(10.4)	66.8	(5.7)	154.8
Less: Comprehensive (Income) Loss Attributable to the Noncontrolling Interest	(1.1)	(1.0)	(1.8)	(1.8)
Comprehensive Income (Loss) Attributable to Dun & Bradstreet	$(11.5)	$65.8	$(7.5)	$153.0

(1) See Note 15 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

(2) The sum of quarterly Cash Dividend Paid Per Common Share may not be the same as Cash Dividend Paid Per Common Share year to date due to rounding.

(3) No tax impact and Tax Income (Expense) of $0.1 million during the three months ended June 30, 2015 and 2014, respectively. Tax Income (Expense) of $0.1 million and $0.2 million during the six months ended June 30, 2015 and 2014, respectively.

(4) Tax Income (Expense) of $(3.5) million and $(3.0) million during the three months ended June 30, 2015 and 2014, respectively. Tax Income (Expense) of $(7.3) million and $(6.0) million during the six months ended June 30, 2015 and 2014, respectively.

(5) Tax Income (Expense) of $(0.1) million during each of the three month and six month periods ended June 30, 2014.

The accompanying notes are an integral part of the unaudited consolidated financial statements.

Table of Contents

The Dun & Bradstreet Corporation
Consolidated Balance Sheets (Unaudited)

	June 30, 2015	December 31, 2014
	(Amounts in millions, except per share data)	
ASSETS		
Current Assets		
Cash and Cash Equivalents	$137.8	$316.3
Accounts Receivable, Net of Allowance of $19.5 at June 30, 2015 and $20.6 at December 31, 2014	376.8	503.0
Other Receivables	6.3	5.8
Prepaid Taxes	6.7	7.5
Deferred Income Tax	26.2	22.6
Other Prepaids	29.9	36.0
Current Assets from Discontinued Operations and Asset Held for Sale	181.4	246.6
Other Current Assets	4.2	5.7
Total Current Assets	769.3	1,143.5
Non-Current Assets		
Property, Plant and Equipment, Net of Accumulated Depreciation of $81.0 at June 30, 2015 and $78.8 at December 31, 2014	24.3	22.0
Computer Software, Net of Accumulated Amortization of $357.5 at June 30, 2015 and $347.6 at December 31, 2014	101.4	95.0
Goodwill	714.7	428.1
Deferred Income Tax	88.2	209.1
Other Receivables	10.5	10.4
Other Intangibles	340.0	27.8
Other Non-Current Assets	44.3	50.3
Total Non-Current Assets	1,323.4	842.7
Total Assets	$2,092.7	$1,986.2
LIABILITIES		
Current Liabilities		
Accounts Payable	$44.6	$28.0
Accrued Payroll	73.0	102.0
Accrued Income Tax	3.7	17.1
Liabilities from Discontinued Operations	41.5	53.0
Short-Term Debt	300.5	301.1
Other Accrued and Current Liabilities (Note 6)	119.0	110.5
Deferred Revenue	599.7	567.0
Total Current Liabilities	1,182.0	1,178.7
Pension and Postretirement Benefits	565.7	588.2
Long-Term Debt	1,486.1	1,352.2
Liabilities for Unrecognized Tax Benefits	27.0	27.3
Other Non-Current Liabilities	49.8	34.4
Total Liabilities	3,310.6	3,180.8
Contingencies (Note 7)		
EQUITY		
DUN & BRADSTREET SHAREHOLDERS' EQUITY (DEFICIT)		
	—	—

Series A Junior Participating Preferred Stock, $0.01 par value per share, authorized - 0.5 shares; outstanding - none		
Preferred Stock, $0.01 par value per share, authorized - 9.5 shares; outstanding - none	—	—
Series Common Stock, $0.01 par value per share, authorized - 10.0 shares; outstanding - none	—	—
Common Stock, $0.01 par value per share, authorized - 200.0 shares; issued - 81.9 shares	0.8	0.8
Capital Surplus	284.2	279.3
Retained Earnings	2,830.6	2,831.1
Treasury Stock, at cost, 45.8 shares at June 30, 2015 and 46.0 shares at December 31, 2014	(3,381.2)	(3,392.4)
Accumulated Other Comprehensive Income (Loss)	(962.7)	(922.1)
Total Dun & Bradstreet Shareholders' Equity (Deficit)	(1,228.3)	(1,203.3)
Noncontrolling Interest	10.4	8.7
Total Equity (Deficit)	(1,217.9)	(1,194.6)
Total Liabilities and Shareholders' Equity (Deficit)	$2,092.7	$ 1,986.2

The accompanying notes are an integral part of the unaudited consolidated financial statements.

Table of Contents

The Dun & Bradstreet Corporation
Consolidated Statements of Cash Flows (Unaudited)

	Six Months Ended June 30,	
	2015	2014
	(Amounts in millions)	
Cash Flows from Operating Activities:		
Net Income	$35.3	$136.9
Less:		
Loss on Disposal of Business, Net of Income Taxes	(38.2)	—
Income from Discontinued Operations	2.2	4.8
Net Income from Continuing Operations, Net of Income Taxes	$71.3	$132.1
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	26.5	26.8
Amortization of Unrecognized Pension Loss	20.3	16.7
Income Tax Benefit from Stock-Based Awards	5.9	3.5
Excess Tax Benefit on Stock-Based Awards	(2.8)	(1.3)
Equity-Based Compensation	7.4	4.6
Restructuring Charge	9.6	9.9
Restructuring Payments	(8.2)	(8.9)
Changes in Deferred Income Taxes, Net	—	(59.8)
Changes in Accrued Income Taxes, Net	(15.6)	(3.4)
Changes in Current Assets and Liabilities:		
Decrease (Increase) in Accounts Receivable	127.4	132.8
Decrease (Increase) in Other Current Assets	8.7	(3.0)
(Decrease) Increase in Deferred Revenue	(10.5)	(24.7)
Increase (Decrease) in Accounts Payable	14.5	3.3
(Decrease) Increase in Accrued Liabilities	(32.9)	(15.7)
Increase (Decrease) in Other Accrued and Current Liabilities	0.5	—
Changes in Non-Current Assets and Liabilities:		
Decrease (Increase) in Other Long-Term Assets	9.9	32.2
Net (Decrease) Increase in Long-Term Liabilities	(19.2)	(26.3)
Net, Other Non-Cash Adjustments	(0.4)	(2.6)
Net Cash Provided by Operating Activities from Continuing Operations	212.4	216.2
Net Cash Provided by Operating Activities from Discontinued Operations	5.3	5.5
Net Cash Provided by Operating Activities	217.7	221.7
Cash Flows from Investing Activities:		
Payments for Acquisitions of Businesses, Net of Cash Acquired	(444.2)	(8.3)
Cash Settlements of Foreign Currency Contracts	(5.4)	(0.2)
Capital Expenditures	(4.8)	(2.4)
Additions to Computer Software and Other Intangibles	(24.6)	(15.9)
Net, Other	(0.1)	—
Net Cash Used in Investing Activities from Continuing Operations	(479.1)	(26.8)
Net Cash Used in Investing Activities from Discontinued Operations	(2.4)	(3.4)
Cash Flows Used In Investing Activities	(481.5)	(30.2)
Cash Flows from Financing Activities:		
Payments for Purchases of Treasury Shares	—	(170.0)
Net Proceeds from Stock-Based Awards	5.5	4.6
Payment of Debt Issuance Costs	(3.9)	—

Proceeds from Issuance of Long-Term Debt	298.8	—
Payments of Dividends	(33.3)	(32.3)
Proceeds from Borrowings on Credit Facilities	728.9	276.5
Payments of Borrowings on Credit Facilities	(894.0)	(225.3)
Excess Tax Benefit on Stock-Based Awards	2.8	1.3
Capital Lease and Other Long-Term Financing Obligation Payment	(0.3)	(0.5)
Net, Other	(0.2)	(0.1)
Net Cash Provided by (Used in) Financing Activities from Continuing Operations	104.3	(145.8)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(14.6)	4.3
(Decrease) Increase in Cash and Cash Equivalents	(174.1)	50.0
Cash and Cash Equivalents, Beginning of Period	319.4	235.9
Cash and Cash Equivalents, End of Period	$145.3	$285.9
Cash and Cash Equivalents of Discontinued Operations, End of Period	7.5	7.9
Cash and Cash Equivalents of Continuing Operations, End of Period	$137.8	$278.0
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for:		
Income Taxes, Net of Refunds	$43.1	$49.6
Interest	$22.6	$21.0

The accompanying notes are an integral part of the unaudited consolidated financial statements.

The Dun & Bradstreet Corporation
Consolidated Statements of Shareholders' Equity (Deficit) (Unaudited)
For the Six Months Ended June 30, 2015 and 2014
(Amounts in millions)

	Common Stock ($0.01 Par Value)	Capital Surplus	Retained Earnings	Treasury Stock	Cumulative Translation Adjustment	Pension Liability Adjustment	Derivative Financial Instrument	Total Dun & Bradstreet Shareholders' Equity (Deficit)	Noncontrolling Interest	Total Equity (Deficit)
Balance, December 31, 2013	$ 0.8	$ 270.0	$ 2,600.9	$ (3,181.3)	$ (186.7)	$ (552.2)	$ 0.1	$ (1,048.4)	$ 6.1	$ (1,042.3)
Net Income	—	—	135.2	—	—	—	—	135.2	1.7	136.9
Equity-Based Plans	—	2.3	—	10.6	—	—	—	12.9	—	12.9
Treasury Shares Acquired	—	—	—	(170.0)	—	—	—	(170.0)	—	(170.0)
Pension Adjustments, net of tax of $5.8	—	—	—	—	—	10.9	—	10.9	—	10.9
Dividend Declared	—	—	(32.5)	—	—	—	—	(32.5)	—	(32.5)
Change in Cumulative Translation Adjustment	—	—	—	—	7.0	—	—	7.0	0.1	7.1
Derivative Financial Instruments, net of tax of $0.1	—	—	—	—	—	—	(0.1)	(0.1)	—	(0.1)
Balance, June 30, 2014	$ 0.8	$ 272.3	$ 2,703.6	$ (3,340.7)	$ (179.7)	$ (541.3)	$ —	$ (1,085.0)	$ 7.9	$ (1,077.1)
Balance, December 31, 2014	$ 0.8	$ 279.3	$ 2,831.1	$ (3,392.4)	$ (233.4)	$ (688.7)	$ —	$ (1,203.3)	$ 8.7	$ (1,194.6)
Net Income	—	—	33.1	—	—	—	—	33.1	2.2	35.3
Payment to Noncontrolling Interest	—	—	—	—	—	—	—	—	(0.1)	(0.1)
Equity-Based Plans	—	4.9	—	11.2	—	—	—	16.1	—	16.1
Pension Adjustments, net of tax of $7.2	—	—	—	—	—	13.1	—	13.1	—	13.1

Dividend Declared	—	—	(33.6)	—	—	—	—	(33.6)	—	(33.6)
Change in Cumulative Translation Adjustment	—	—	—	—	(53.7)	—	—	(53.7)	(0.4)	(54.1)
Balance, June 30, 2015	$ 0.8	$ 284.2	$ 2,830.6	$ (3,381.2)	$ (287.1)	$ (675.6)	$ —	$ (1,228.3)	$ 10.4	$ (1,217.9)

The accompanying notes are an integral part of the unaudited consolidated financial statements.

Table of Contents

THE DUN & BRADSTREET CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
(Tabular dollar amounts in millions, except share and per share data)

Note 1 -- Basis of Presentation

These interim unaudited consolidated financial statements have been prepared in accordance with the instructions to the Quarterly Report on Form 10-Q. They should be read in conjunction with the consolidated financial statements and related notes, which appear in The Dun & Bradstreet Corporation's ("Dun & Bradstreet" or "we" or "us" or "our" or the "Company") Annual Report on Form 10-K for the year ended December 31, 2014. The unaudited consolidated results for interim periods do not include all disclosures required by accounting principles generally accepted in the United States of America ("GAAP") for annual financial statements and are not necessarily indicative of results for the full year or any subsequent period. In the opinion of our management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair statement of the unaudited consolidated financial position, results of operations and cash flows at the dates and for the periods presented have been included.

All inter-company transactions have been eliminated in consolidation.

On January 1, 2015, to further align with our strategy, we began reporting our business through two segments:

- Americas (which consists of our operations in the United States ("U.S."), Canada and Latin America); and
- Non-Americas (which primarily consists of our operations in the United Kingdom ("U.K."), the Netherlands, Belgium, Australia (which we divested in June 2015), Greater China, India and our Worldwide Network).

Prior to January 1, 2015, we managed and reported our business through the following three segments:

- North America (which consisted of our operations in the U.S. and Canada);
- Asia Pacific (which primarily consisted of our operations in Australia (which we divested in June 2015), Greater China, India and Asia Pacific Worldwide Network); and
- Europe and other International Markets (which primarily consisted of our operations in the U.K., the Netherlands, Belgium, Latin America and our European Worldwide Network).

In addition to the changes in our segment reporting that became effective January 1, 2015 that further align our external reporting with our strategy, we also began reporting and monitoring the performance of our Risk Management Solutions as Trade Credit and Other Enterprise Risk Management, and the results of our Sales & Marketing Solutions as Traditional Prospecting Solutions and Advanced Marketing Solutions. Trade Credit represents our traditional commercial credit products such as DNBi. Other Enterprise Risk Management includes all of our remaining Risk Management products, such as our compliance, supply chain, credit on self and D&B Direct risk solutions. Traditional Prospecting Solutions includes our Hoovers, Market Data Retrieval ("MDR") and marketing list solutions. Advanced Marketing Solutions includes all of our remaining Sales & Marketing Solutions products including Optimizer and DaaS (Customer Relationship Management ("CRM") and D&B Direct sales and marketing solutions).

The financial statements of the subsidiaries outside of the U.S. and Canada reflect results for the three month and six month periods ended May 31 in order to facilitate the timely reporting of the unaudited consolidated financial results and unaudited consolidated financial position.

In June 2015, we divested our business in Australia and New Zealand ("ANZ") for $169.1 million, which was part of our Non-Americas segment, and we have classified the assets and liabilities as "Current Assets from Discontinued Operations and Asset Held for Sale" and "Liabilities from Discontinued Operations" in our unaudited consolidated balance sheet at June 30, 2015. Accordingly, we have reclassified the historical financial results of our business in ANZ as discontinued operations for all periods presented as set forth in Item 1. of this Quarterly Report on Form 10-Q. In connection with this divestiture, we have also recorded a loss of $38.2 million (both pre-tax and after tax) on the disposal of our business in ANZ in the second quarter of 2015 in the unaudited consolidated statement of operations and comprehensive income (loss). As of June 30, 2015, we received proceeds of $159.0 million in our Non-Americas operations, which will be reflected in our third quarter results. See Note 15 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

Where appropriate, we have reclassified certain prior year amounts to conform to the current year presentation.

7

Table of Contents

Note 2 -- Recent Accounting Pronouncements
We consider the applicability and impact of all Accounting Standards Updates ("ASUs"). The ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on our consolidated financial position and/or results of operations.
In July 2015, the Financial Accounting Standards Board ("FASB") issued ASU 2015-12 "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965): I. Fully Benefit-Responsive Investment Contracts; II. Plan Investment Disclosures; III. Measurement Date Practical Expedient." This three-part ASU simplifies current benefit plan accounting and requires (i) fully benefit-responsive investment contracts ("FBRICs) to be measured, presented, and disclosed only at contract value and accordingly removes the requirement to reconcile their contract value to fair value; (ii) benefit plans to disaggregate their investments measured using fair value by general type, either on the face of the financial statements or in the notes to the financial statements; (iii) the net appreciation or depreciation in investments for the period to be presented in the aggregate rather than by general type, and removes certain disclosure requirements relevant to individual investments that represent five percent or more of net assets available for benefits. Further, the amendments in this ASU eliminate the requirement to disclose the investment strategy for certain investments that are measured using Net Asset Value ("NAV") per share using the practical expedient in the FASB ASC Topic 820. Part III of the ASU provides a practical expedient to permit employee benefit plans to measure investments and investment-related accounts as of the month-end that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with a month-end, while requiring certain additional disclosures. The amendments in Parts I and II of this standard are effective retrospectively for fiscal years beginning after December 15, 2015. The amendments in Part III of this standard are effective prospectively for fiscal years beginning after December 15, 2015. Early application for all amendments is permitted. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.
In May 2015, the FASB issued ASU 2015-08 "Business Combinations (Topic 805): Pushdown Accounting - Amendments to SEC Paragraphs Pursuant to Staff Accounting Bulletin No. 115." This standard removes the Securities and Exchange Commission's guidance on pushdown accounting from the FASB Accounting Standards Codification ("ASC"), and conforms it with ASU 2014-17 "Business Combinations (Topic 805): Pushdown Accounting (a Consensus of the FASB Emerging Issues Task Force)." This standard became effective upon issuance as it relates to new change-in-control events or to the most recent change-in-control events consistent with ASU 2014-17. The adoption of the amendments in this guidance did not have a material impact on our consolidated financial statements.
In May 2015, the FASB issued ASU 2015-07 "Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)." This standard removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the NAV per share practical expedient. In addition, this standard eliminates the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the NAV per share practical expedient, and instead limits the disclosure to those investments for which the entity has elected to measure fair value using the NAV practical expedient. The new standard retains the existing requirement to disclose information related to the nature and risks of investments for which fair value is measured using the NAV per share practical expedient and requires expanded disclosures. The standard is effective for fiscal years and the interim periods within those fiscal years beginning on or after December 15, 2015. The guidance should be applied retrospectively to all periods presented. Early adoption is permitted. We have adopted the guidance of this standard retrospectively during the second quarter ended June 30, 2015. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.
In April 2015, the FASB issued ASU 2015-05 "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement." This standard provides guidance to assist an entity in evaluating the accounting for fees paid by a customer in a cloud computing arrangement.

Specifically, the amendments in this update provide guidance to customers related to whether a cloud computing arrangement includes a software license. If the cloud computing arrangement includes a software license, the guidance requires that the customer account for the software license element of the arrangement in a manner consistent with the acquisition of other software licenses. Where the arrangement does not include a software license, the guidance requires the customer to account for the arrangement as a service contract. The amendments in this update apply only to internal-use software that a customer obtains access to in a hosting arrangement if certain criteria are met. The new standard supersedes certain guidance in ASC 350-40 “Internal-Use Software” which will require the accounting for all software licenses within the scope of such guidance to be consistent with the accounting for other licenses of intangible assets. The standard is effective for fiscal years and the interim periods within those fiscal years beginning on or after December 15, 2015. The guidance may be applied (i) prospectively to all

arrangements entered into or materially modified after the effective date, or (ii) retrospectively. The standard requires additional disclosures under each method of adoption. Early adoption is permitted. We are currently assessing the impact of the adoption of this authoritative guidance on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03 “Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs.” The new standard requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability in a manner consistent with the treatment for debt discounts. The amendments in this update do not affect the recognition and measurement guidance for debt issuance costs. In addition, the ASU requires that the amortization of debt issuance costs be reported as interest expense. The standard is effective for fiscal years and the interim periods within those fiscal years beginning on or after December 15, 2015. The guidance should be applied retrospectively to all prior periods presented in the financial statements, subject to the disclosure requirements for a change in an accounting principle. Early adoption is permitted for financial statements that have not been previously issued. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.

In January 2015, the FASB issued ASU 2015-01 “Income Statement Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items.” This standard eliminates such concept from existing GAAP. Under the new guidance an entity is no longer required to: (i) segregate an extraordinary item from the results of ordinary operations; (ii) separately present an extraordinary item on its income statement, net of tax, after income from continuing operations; and (iii) disclose income taxes and earnings-per share data applicable to an extraordinary item. The new standard retains the existing requirement to separately present on a pre-tax basis within income from continuing operations items that are of an unusual nature or occur infrequently. Additionally, the new standard requires similar separate presentation of items that are both unusual and infrequent in nature. The standard is effective for fiscal years and the interim periods within those fiscal years beginning on or after December 15, 2015. The guidance may be applied prospectively or retrospectively to all prior periods presented in the financial statements, with additional disclosures for entities electing prospective application. Early application is permitted as of the beginning of the fiscal year of adoption. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.

In November 2014, the FASB issued ASU 2014-17 “Business Combinations (Topic 805): Pushdown Accounting (a Consensus of the FASB Emerging Issues Task Force).” This standard provides an acquired business the option to apply pushdown accounting in its separate financial statements upon a change-in-control event. Concurrently, the SEC eliminated its guidance under SAB Topic 5.J. “New Basis of Accounting Required in Certain Circumstances” which had required or precluded pushdown accounting based on the percentage of ownership. The standard became effective upon issuance for new change-in-control events or to the most recent change-in-control event. An acquiree may elect to apply pushdown accounting retrospectively, as a change in accounting principle, for its most recent change-in-control event for which it did not previously apply pushdown accounting. The new standard requires the acquiree to provide certain disclosures upon election of pushdown accounting consistent with those required under the guidance for business combinations. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers (Topic 606),” which outlines a single comprehensive model to use in accounting for revenue arising from contracts with customers and supersedes and replaces nearly all existing GAAP revenue recognition guidance, including industry-specific guidance. The authoritative guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. The five steps are: (i) identify the contract with the customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations; and (v) recognize revenue when or as each performance obligation is satisfied. The authoritative guidance applies to all contracts with customers except those that are within the scope of other topics in the FASB ASC. The authoritative

guidance requires significantly expanded disclosures about revenue recognition and was initially effective for fiscal years and the interim periods within these fiscal years beginning on or after December 15, 2016. In July 2015, the FASB decided to defer for one year the effective date of this standard. The deferral will result in this standard being effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2017. In addition, the FASB decided to permit entities to early adopt the standard, however no earlier than the original effective date. Companies have the option of using either a full retrospective or a modified approach to adopting the authoritative guidance. We are currently assessing the impact of the adoption of this authoritative guidance on our consolidated financial statements.

In April 2014, the FASB issued ASU No. 2014-08, “Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity,” which changes the requirements for reporting discontinued operations by limiting it to disposals representing a strategic shift

that has or will have a major effect on the entity's operations and financial results. An entity is now required to: (i) present the assets and liabilities of a disposal group that includes a discontinued operation separately in the statement of financial position; and (ii) expand disclosures about the discontinued operations. The authoritative guidance is effective for fiscal years and the interim periods within those fiscal years beginning on or after December 15, 2014 and should be applied on a prospective basis. We adopted the provisions of this guidance in connection with the reporting and disclosure requirements related to the divestiture of our business in ANZ. See Note 15 to the unaudited consolidated financial statements included in this Quarterly Report for further details on the divestiture.

Note 3 -- Restructuring Charge

We incurred restructuring charges (which generally consist of employee severance and termination costs, contract terminations and/or costs to terminate lease obligations less assumed sublease income). These charges were incurred as a result of eliminating, consolidating, standardizing and/or automating our business functions.

Restructuring charges have been recorded in accordance with ASC 712-10, "Nonretirement Postemployment Benefits," or "ASC 712-10" and/or ASC 420-10, "Exit or Disposal Cost Obligations," or "ASC 420-10," as appropriate.

We record severance costs provided under an ongoing benefit arrangement once they are both probable and estimable in accordance with the provisions of ASC 712-10.

We account for one-time termination benefits, contract terminations and/or costs to terminate lease obligations less assumed sublease income in accordance with ASC 420-10, which addresses financial accounting and reporting for costs associated with restructuring activities. Under ASC 420-10, we establish a liability for costs associated with an exit or disposal activity, including severance and lease termination obligations, and other related costs, when the liability is incurred, rather than at the date that we commit to an exit plan. We reassess the expected cost to complete the exit or disposal activities at the end of each reporting period and adjust our remaining estimated liabilities, if necessary.

The determination of when we accrue for severance costs and which standard applies depends on whether the termination benefits are provided under an ongoing arrangement as described in ASC 712-10 or under a one-time benefit arrangement as defined by ASC 420-10. Inherent in the estimation of the costs related to the restructurings are assessments related to the most likely expected outcome of the significant actions to accomplish the exit activities. In determining the charges related to the restructurings, we had to make estimates related to the expenses associated with the restructurings. These estimates may vary significantly from actual costs depending, in part, upon factors that may be beyond our control. We will continue to review the status of our restructuring obligations on a quarterly basis and, if appropriate, record changes to these obligations in current operations based on management's most current estimates.

Three Months Ended June 30, 2015 vs. Three Months Ended June 30, 2014

During the three months ended June 30, 2015, we recorded a $4.8 million restructuring charge. The significant components of this charge included:

- Severance and termination costs of $4.8 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 50 employees were impacted. Of these 50 employees, approximately 40 employees exited the Company in the second quarter of 2015, with the remaining primarily exiting in the third quarter of 2015. The cash payments for these employees will be substantially completed by the first quarter of 2016; and

- There were no contract termination, lease termination obligations and other exit costs.

During the three months ended June 30, 2014, we recorded a $5.0 million restructuring charge. The significant components of this charge included:

- Severance and termination costs of $3.3 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 45 employees were impacted. Of these 45 employees, approximately 25 employees exited the Company in the second quarter of 2014, with the remaining primarily having exited in the third quarter of 2014. The

cash payments for these employees were substantially completed by the first quarter of 2015; and

- Contract termination, lease termination obligations and other exit costs including those to consolidate or close facilities of $1.7 million.

10

Table of Contents
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

Six Months Ended June 30, 2015 vs. Six Months Ended June 30, 2014
During the six months ended June 30, 2015, we recorded a $9.6 million restructuring charge. The significant components of this charge included:

- Severance and termination costs of $9.5 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 135 employees were impacted. Of these 135 employees, approximately 125 employees exited the Company in the first half of 2015, with the remaining primarily exiting in the third quarter of 2015. The cash payments for these employees will be substantially completed by the first quarter of 2016; and

- Contract termination, lease termination obligations and other exit costs including those to consolidate or close facilities of $0.1 million.

During the six months ended June 30, 2014, we recorded a $9.9 million restructuring charge. The significant components of this charge included:

- Severance and termination costs of $8.0 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 100 employees were impacted. Of these 100 employees, approximately 80 employees exited the Company in the first half of 2014, with the remaining primarily having exited in the second half of 2014. The cash payments for these employees were substantially completed by the first quarter of 2015; and

- Contract termination, lease termination obligations and other exit costs including those to consolidate or close facilities of $1.9 million.

The following tables set forth, in accordance with ASC 712-10 and/or ASC 420-10, the restructuring reserves and utilization:

	Severance and Termination	Contract Termination, Lease Termination Obligations and Other Exit Costs	Total
Restructuring Charges:			
Balance Remaining as of December 31, 2014	$8.1	$1.8	$9.9
Charge Taken during First Quarter 2015	4.7	0.1	4.8
Payments during First Quarter 2015	(2.5)	(0.3)	(2.8)
Balance Remaining as of March 31, 2015	$10.3	$1.6	$11.9
Charge Taken during the Second Quarter 2015	4.8	—	4.8
Payments during Second Quarter 2015	(5.3)	(0.3)	(5.6)
Balance Remaining as of June 30, 2015	$9.8	$1.3	$11.1

	Severance and Termination	Contract Termination, Lease Termination	Total

		Obligations and Other Exit Costs	
Restructuring Charges:			
Balance Remaining as of December 31, 2013	$5.8	$4.6	$10.4
Charge Taken during First Quarter 2014	4.7	0.2	4.9
Payments during First Quarter 2014	(2.0)	(3.9)	(5.9)
Balance Remaining as of March 31, 2014	$8.5	$0.9	$9.4
Charge Taken during Second Quarter 2014	3.3	1.7	5.0
Payments during Second Quarter 2014	(2.8)	(0.2)	(3.0)
Balance Remaining as of June 30, 2014	$9.0	$2.4	$11.4

Table of Contents
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

Note 4 -- Notes Payable and Indebtedness
Our borrowings are summarized in the following table:

	June 30, 2015	December 31, 2014
Debt Maturing Within One Year:		
Fixed-Rate Notes (Net of a $0.1 million and $0.2 million discount as of June 30, 2015 and December 31, 2014, respectively)	$299.9	$299.8
Fair Value Adjustment Related to Hedged Debt	$0.6	1.2
Other	—	0.1
Total Debt Maturing Within One Year	$300.5	$301.1
Debt Maturing After One Year:		
Long-Term Fixed-Rate Notes (Net of a $3.3 million and $2.3 million discount as of June 30, 2015 and December 31, 2014, respectively)	$1,046.7	$747.7
Credit Facility	439.4	604.5
Total Debt Maturing After One Year	$1,486.1	$1,352.2

Fixed-Rate Notes
In June 2015, we issued senior notes with a face value of $300 million that mature on June 15, 2020 (the “2020 notes”), bearing interest at a fixed annual rate of 4.00%, payable semi-annually. The interest rates applicable to the 2020 notes adjust if our debt ratings decline one level below the Standard & Poor’s BBB- credit rating and two levels below the Fitch BBB credit rating that we held on the date of issuance. After a rate adjustment, if our debt ratings are subsequently upgraded, the adjustment(s) would reverse. Interest rate increases are capped at 2.00% above the initial interest rate and the rate cannot adjust below the initial interest rate. As of June 30, 2015, no such adjustments to the interest rate were required. The 2020 notes carrying amount of $298.8 million, net of $1.2 million of remaining issuance discount, is recorded as “Long-Term Debt” in the unaudited consolidated balance sheet at June 30, 2015. In addition, in connection with the issuance, we incurred underwriting and other fees of approximately $2.8 million. These costs are being amortized over the life of the 2020 notes. The 2020 notes contain certain covenants that limit our ability to create liens, enter into sale and leaseback transactions and consolidate, merge or sell assets to another entity. We were in compliance with these non-financial covenants at June 30, 2015. The 2020 notes do not contain any financial covenants.
In December 2012, we issued senior notes with a face value of $450 million that mature on December 1, 2017 (the “2017 notes”), bearing interest at a fixed annual rate of 3.25%, payable semi-annually. In addition, in December 2012, we issued senior notes with a face value of $300 million that mature on December 1, 2022 (the “2022 notes”), bearing interest at a fixed annual rate of 4.375%, payable semi-annually. The proceeds were used in December 2012 to repay borrowings outstanding under our revolving credit facility and retire our then outstanding $400 million senior notes bearing interest at a fixed annual rate of 6.00%, which had a maturity date of April 1, 2013. The interest rates applicable to the 2017 notes and 2022 notes are subject to upward adjustment if our debt rating is decreased three levels below the Standard & Poor's and Fitch BBB+ credit ratings that we held on the date of issuance. After a rate adjustment, if our debt ratings are subsequently upgraded, the adjustment(s) would reverse. The maximum adjustment is 2.00% above the initial interest rates and the rates cannot adjust below the initial interest rates. As of June 30, 2015, no such adjustments to the interest rates were required. The 2017 notes and 2022 notes carrying amounts of $450.0 million and $297.8 million, net of less than $0.1 million and $2.2 million of remaining issuance discounts, respectively, are recorded as “Long-Term Debt” in the unaudited consolidated balance sheet at June 30, 2015.
The 2017 notes and 2022 notes were issued at discounts of less than $0.1 million and $2.9 million, respectively. In addition, in connection with the issuance, we incurred underwriting and other fees of approximately $3.4 million and $2.5 million for the 2017 notes and 2022 notes, respectively. These costs are being amortized over the life of the

applicable notes. The 2017 notes and 2022 notes contain certain covenants that limit our ability to create liens, enter into sale and leaseback transactions and consolidate, merge or sell assets to another entity. We were in compliance with these non-financial covenants at June 30, 2015 and December 31, 2014. The 2017 notes and 2022 notes do not contain any financial covenants.

In November 2010, we issued senior notes with a face value of $300 million that mature on November 15, 2015 (the “2015 notes”), bearing interest at a fixed annual rate of 2.875%, payable semi-annually. The proceeds were used in December 2010 to repay our then outstanding $300 million senior notes, bearing interest at a fixed annual rate of 5.50%, which had a

maturity date of March 15, 2011. The 2015 notes of $299.9 million, net of $0.1 million remaining discount, are recorded as “Short-Term Debt” in the unaudited consolidated balance sheet at June 30, 2015.
The 2015 notes were issued at a discount of $1.1 million, and, in connection with the issuance, we incurred underwriting and other fees of approximately $2.5 million. These costs are being amortized over the life of the 2015 notes. The 2015 notes contain certain covenants that limit our ability to create liens, enter into sale and leaseback transactions and consolidate, merge or sell assets to another entity. We were in compliance with these non-financial covenants at June 30, 2015 and December 31, 2014. The 2015 notes do not contain any financial covenants.
In November and December 2010, we entered into interest rate derivative transactions with aggregate notional amounts of $125 million. The objective of these hedges was to offset the change in fair value of the fixed rate 2015 notes attributable to changes in LIBOR. These transactions have been accounted for as fair value hedges. We have recognized the gain or loss on the derivative instruments, as well as the offsetting loss or gain on the hedged item, in “Other Income (Expense)—Net” in the consolidated statement of operations and comprehensive income (loss).
In March 2012, in connection with our objective to manage our exposure to interest rate changes and our policy to manage our fixed and floating interest rate debt mix, the interest rate derivatives discussed in the previous paragraph were terminated. This resulted in a gain of $0.3 million and the receipt of $5.0 million in cash on March 12, 2012, the swap termination settlement date. The gain of $0.3 million was recorded in “Other Income (Expense) - Net” in the consolidated statement of operations and comprehensive income (loss) during the year ended December 31, 2012. Approximately $0.8 million of derivative gains offset by a $0.5 million loss on the fair value adjustment related to the hedged debt were recorded through the date of termination in the results for the three months ended March 31, 2012. The $4.9 million adjustment in the carrying amount of the hedged debt at the date of termination is being amortized as an offset to “Interest Expense” in our consolidated statement of operations and comprehensive income (loss) over the remaining term of the 2015 notes. Approximately $0.6 million of amortization was recorded during the six months ended June 30, 2015, resulting in a balance of $0.6 million in the unaudited consolidated balance sheet at June 30, 2015.

Credit Facility

On July 23, 2014, we amended and extended our then-existing $800 million revolving credit facility, increasing the facility amount to $1 billion and extending the maturity to July 23, 2019. The $1 billion revolving credit facility was amended with commercial terms substantially similar to the then-existing $800 million revolving credit facility, with the same financial covenants, and at borrowing rates that reflect the prevailing market for companies of similar credit quality. The revolving credit facilities require the maintenance of interest coverage and total debt to Earnings Before Income Taxes, Depreciation and Amortization (“EBITDA”) ratios, which are defined in the credit agreement. We were in compliance with the $1 billion revolving credit facility financial and non-financial covenants at June 30, 2015 and December 31, 2014.

At June 30, 2015 and December 31, 2014, we had $439.4 million and $604.5 million, respectively, of borrowings outstanding under the $1 billion revolving credit facility with weighted average interest rates of 1.29% and 1.38%, respectively. We borrowed under this facility from time to time during the six months ended June 30, 2015 to supplement the timing of receipts in order to fund our working capital, our purchase of NetProspex for $124.2 million, net of cash assumed on January 5, 2015, and a portion of the consideration for our purchase of Dun & Bradstreet Credibility Corporation (“DBCC”) for $320 million in cash on May 12, 2015. We borrowed under this facility from time to time during the year ended December 31, 2014 to supplement the timing of receipts in order to fund our working capital and a portion of our share repurchases. This facility also supports our commercial paper program. Under this program, we may issue from time to time unsecured promissory notes in the commercial paper market in private placements exempt from registration under the Securities Act of 1933, as amended, for a cumulative face amount not

to exceed $800 million outstanding at any one time and with maturities not exceeding 364 days from the date of issuance. Outstanding commercial paper would effectively reduce the amount available for borrowing under our revolving credit facility. We did not borrow under our commercial paper program during the six months ended June 30, 2015 or 2014.

On May 14, 2015, we amended the facility to modify the total debt to EBITDA ratio from 4.0:1.0 to 4.5:1.0 for any fiscal quarter that ends before December 31, 2016. For fiscal quarters ending on or after December 31, 2016, the total debt to EBITDA ratio will return to 4.0:1.0.

Table of Contents
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

Term Loan
On May 14, 2015, we entered into a delayed draw unsecured term loan facility which provides for borrowings in the form of up to two drawdowns in an aggregate principal amount of up to $400 million at any time up to and including November 15, 2015 ("term loan facility"). The term loan facility matures five years from the date of the initial drawdown. Proceeds under the term loan facility can be used for general corporate purposes including the refinancing of the 2015 notes and the repayment of borrowings outstanding under the $1 billion revolving credit facility.

In connection with the placement of the term loan facility, we incurred $2.0 million in structuring and other fees. These costs will be amortized over the life of the term loan facility. Drawdowns are available at borrowing rates that reflect the prevailing market for companies of similar credit quality. Drawdowns under the term loan facility are repayable in prescribed quarterly installments as defined in the term loan facility credit agreement, with the balance repayable at maturity. We are permitted to make optional prepayments at any time. Amounts repaid under the term loan facility may not be reborrowed.

The term loan facility requires the maintenance of interest coverage and total debt to EBITDA ratios, which are defined in the term loan facility credit agreement and which are generally identical to those contained in the $1 billion revolving credit facility. We were in compliance with the term loan facility financial and non-financial covenants at June 30, 2015. At June 30, 2015, we did not have any borrowings outstanding under the term loan facility.

Other
Certain of our international operations had uncommitted lines of credit of $1.7 million and $1.8 million at June 30, 2015 and December 31, 2014, respectively. There were no borrowings outstanding under these lines of credit at June 30, 2015 and December 31, 2014, respectively. These arrangements have no material facility fees and no compensating balance requirements.

At June 30, 2015 and December 31, 2014, we were contingently liable under open standby letters of credit and bank guarantees issued by our banks in favor of third parties totaling $4.4 million and $4.6 million, respectively.

Interest paid for all outstanding debt totaled $22.6 million and $21.0 million during the six months ended June 30, 2015 and 2014, respectively.

Note 5 -- Earnings Per Share
We assess if any of our share-based payment transactions are deemed participating securities prior to vesting and therefore need to be included in the earnings allocation when computing Earnings Per Share ("EPS") under the two-class method. The two-class method requires earnings to be allocated between common shareholders and holders of participating securities. All outstanding unvested share-based payment awards that contain non-forfeitable rights to dividends are considered to be a separate class of common stock and should be included in the calculation of basic and diluted EPS. Based on a review of our stock-based awards, we have determined that for each of the three month and six month periods ended June 30, 2015 and 2014, none of our outstanding awards were deemed to be participating securities.

We are required to include in our computation of diluted EPS any contingently issuable shares that have satisfied all the necessary conditions by the end of the reporting period or that would have satisfied all necessary conditions if the end of the reporting period was the end of the performance period. Contingently issuable shares are shares the issuance of which is contingent upon the satisfaction of certain conditions other than just services. Beginning in 2013, we granted certain employees target awards of performance-based restricted stock units, in the form of leveraged restricted stock units or performance units. As the actual number of Dun & Bradstreet common shares ultimately received by the employee can range from zero to 200% of the target awards depending on the Company's actual performance against the pre-established market conditions or performance conditions, these awards are considered contingently issuable shares.

Table of Contents

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Income from Continuing Operations Attributable to Dun & Bradstreet	$29.6	$47.7	$69.1	$130.4
Less: Allocation to Participating Securities	—	—	—	—
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$29.6	$47.7	$69.1	$130.4
Income (Loss) from Discontinued Operations – Net of Income Taxes	(37.5)	2.2	(36.0)	4.8
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$(7.9)	$49.9	$33.1	$135.2
Weighted Average Number of Shares Outstanding – Basic	36.1	36.7	36.0	37.0
Dilutive Effect of Our Stock Incentive Plans	0.3	0.2	0.4	0.3
Weighted Average Number of Shares Outstanding – Diluted	36.4	36.9	36.4	37.3
Basic Earnings (Loss) Per Share of Common Stock:				
Income (Loss) from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.82	$1.30	$1.92	$3.52
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	(1.04)	0.06	(1.00)	0.13
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$(0.22)	$1.36	$0.92	$3.65
Diluted Earnings (Loss) Per Share of Common Stock:				
Income (Loss) from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.81	$1.29	$1.90	$3.49
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	(1.03)	0.06	(0.99)	0.13
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$(0.22)	$1.35	$0.91	$3.62

Stock-based awards (including contingently issuable shares) to acquire 77,847 shares and 75,714 shares of common stock were outstanding at the three month and six month periods ended June 30, 2015, respectively, as compared to 29,900 shares and 21,097 shares of common stock were outstanding at the three month and six month periods ended June 30, 2014, respectively, but were not included in the computation of diluted earnings per share because the assumed proceeds, as calculated under the treasury stock method, resulted in these awards being anti-dilutive. Our options generally expire ten years from the grant date and our stock awards vest generally within three to five years from the grant date.

Our share repurchases were as follows:

Program	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2015		2014		2015		2014	
	Shares	$ Amount	Shares	$ Amount	Shares	$ Amount	Shares	$ Amount
	(Dollar amounts in millions)				(Dollar amounts in millions)			
Share Repurchase Programs	—	$—	577,617	$60.0	—	(a) $—	1,390,940	(b) $145.0
Repurchases to Mitigate the Dilutive Effect of the Shares	—	—	115,245	12.0	—	(a) —	238,646	(c) 25.0

Issued Under Our Stock Incentive Plans and Employee Stock Purchase Plan (“ESPP”)								
Total Repurchases	—	$—	692,862	$ 72.0	—	$—	1,629,586	$ 170.0

(a) In August 2014, our Board of Directors approved a new $100 million share repurchase program to mitigate the dilutive effect of shares issued under our stock incentive plans and Employee Stock Purchase Program, and to be used for discretionary share repurchases from time to time. Use of the new $100 million share repurchase program for anti-dilutive share repurchases was authorized to commence upon the completion or expiration of our four-year, five million share repurchase program which expired in October 2014. Any use for discretionary share repurchases was authorized to commence upon the completion of our $1 billion discretionary program which was completed in August 2014. The new $100 million share repurchase program will remain open until it has been fully utilized. There is currently no

definitive timeline under which the program will be completed. As of June 30, 2015, we have not yet commenced repurchasing under this program.

(b) In August 2012, our Board of Directors approved a $500 million increase to our then-existing $500 million share repurchase program, for a total program authorization of $1 billion. The then-existing $500 million share repurchase program was approved by our Board of Directors in October 2011 and commenced in November 2011 upon completion of the previous $200 million share repurchase program. This program was completed in August 2014.

(c) In May 2010, our Board of Directors approved a four-year, five million share repurchase program to mitigate the dilutive effect of the shares issued under our stock incentive plans and ESPP. This program commenced in October 2010 and expired in October 2014. Of the 5,000,000 shares that were authorized for repurchase under this program, 2,682,492 shares were repurchased at the time this program expired in October 2014.

Note 6 -- Other Accrued and Current Liabilities

	June 30, 2015	December 31, 2014
Restructuring Accruals	$11.1	$9.9
Professional Fees (1)	35.0	30.7
Operating Expenses	40.2	37.6
Bond Interest Payable	3.9	3.4
Other Accrued Liabilities	28.8	28.9
	$119.0	$110.5

(1) The increase in professional fees was primarily related to technology spending as a result of our strategic investments.

Table of Contents
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

Note 7 -- Contingencies
We are involved in legal proceedings, claims and litigation arising in the ordinary course of business for which we believe that we have adequate reserves, and such reserves are not material to the consolidated financial statements. We record a liability when management believes that it is both probable that a liability has been incurred and we can reasonably estimate the amount of the loss. For such matters where management believes a liability is not probable but is reasonably possible, a liability is not recorded; instead, an estimate of loss or range of loss, if material individually or in the aggregate, is disclosed if reasonably estimable, or a statement will be made that an estimate of loss cannot be made. Once we have disclosed a matter that we believe is or could be material to us, we continue to report on such matter until there is finality of outcome or until we determine that disclosure is no longer warranted. Further, we believe our estimate of the aggregate range of reasonably possible losses, in excess of established reserves, for our legal proceedings was not material at June 30, 2015. In addition, from time-to-time, we may be involved in additional matters, which could become material and for which we may also establish reserve amounts, as discussed below.
China Operations
On March 18, 2012, we announced we had temporarily suspended our Shanghai Roadway D&B Marketing Services Co. Ltd. (“Roadway”) operations in China, pending an investigation into allegations that its data collection practices may have violated local Chinese consumer data privacy laws. Thereafter, the Company decided to permanently cease the operations of Roadway. In addition, we have been reviewing certain allegations that we may have violated the Foreign Corrupt Practices Act and certain other laws in our China operations. As previously reported, we have voluntarily contacted the Securities and Exchange Commission (“SEC”) and the United States Department of Justice (“DOJ”) to advise both agencies of our investigation, and we are continuing to meet with representatives of both the SEC and DOJ in connection therewith. Our investigation remains ongoing and is being conducted at the direction of the Audit Committee.
On September 28, 2012, Roadway was charged in a Bill of Prosecution, along with five former employees, by the Shanghai District Prosecutor with illegally obtaining private information of Chinese citizens. On December 28, 2012, the Chinese court imposed a monetary fine on Roadway and fines and imprisonment on four former Roadway employees. A fifth former Roadway employee was separated from the case.
During the three month and six month periods ended June 30, 2015, we incurred $0.8 million and $1.2 million of legal and other professional fees related to matters in China, respectively, as compared to $1.3 million and $1.6 million of legal and other professional fees related to matters in China for the three month and six month periods ended June 30, 2014, respectively.
As our investigation and our discussions with both the SEC and DOJ are ongoing, we cannot yet predict the ultimate outcome of the matter or its impact on our business, financial condition or results of operations. Based on our discussions with the SEC and DOJ, including an indication from the SEC in February and March 2015 of its initial estimate of the amount of net benefit potentially earned by the Company as a result of the challenged activities, we continue to believe that it is probable that the Company will incur a loss related to the government's investigation. We will be meeting with the Staff of the SEC to obtain and to further understand the assumptions and methodologies underlying their current estimate of net benefit and will subsequently provide a responsive position. The DOJ also advised the Company in February 2015 that they will be proposing terms of a potential settlement, but we are unable to predict the timing or terms of any such proposal. Accordingly, we are unable at this time to reasonably estimate the amount or range of any loss, although it is possible that the amount of such loss could be material. In accordance with ASC 450, “Contingencies,” or “ASC 450,” no amount in respect of any potential liability in this matter, including for penalties, fines or other sanctions, has been accrued in the consolidated financial statements.
Dun & Bradstreet Credibility Corporation v. Dun & Bradstreet, Inc., and The Dun & Bradstreet Corporation, Index No. 650568/2014 (N.Y. State Supreme Court)
On February 20, 2014, Dun & Bradstreet Credibility Corporation (“DBCC”) filed an action in the Supreme Court of the State of New York for the County of New York against the Company. DBCC was an unaffiliated entity with license

rights to use the Company's brand name and to sell certain of the Company's products. The complaint alleges that the Company breached the Commercial Services Agreement ("CSA"), entered into by the Company and DBCC on July 30, 2010 in connection with DBCC's acquisition of the Company's North American Self Awareness Solution business. The complaint alleged that the Company breached several of the CSA's terms, and that the Company tried to terminate the CSA through improper means. The Complaint alleged causes of action for breach of contract; breach of the covenant of good faith and fair dealing, in the alternative; intentional interference with prospective economic advantage; and declaratory judgment. The

Table of Contents

Complaint sought damages and declaratory and injunctive relief. The Company was served with the Complaint on February 24, 2014. On March 10, 2014, the court entered an order staying the lawsuit to permit the parties to attempt to resolve the matter in mediation. In May 2015, the Company acquired the parent company of DBCC, Credibility Corporation ("Credibility"); coincident with the closing of the transaction, the claims in this matter were released and a stipulation discontinuing the action with prejudice was filed on May 15, 2015. On May 22, 2015, the Court dismissed the case with prejudice. Accordingly, we will no longer be reporting on this matter.
In accordance with ASC 450 Contingencies, we did not believe that a loss in connection with this matter was probable. Accordingly, no amounts have been accrued for it in our consolidated financial statements.
Dun & Bradstreet Credibility Corporation Class Action Litigations
In May 2015, the Company acquired the parent company of DBCC pursuant to a merger transaction and, as a result, assumed all of DBCC's obligations in the class action litigation matters described below. As described in Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q, a part of the merger consideration was placed in escrow to indemnify the Company against a portion of the losses, if any, arising out of such class action litigation matters, subject to a cap and other conditions.
O&R Construction, LLC v. Dun & Bradstreet Credibility Corporation, et al., No. 2:12 CV 02184 (TSZ) (W.D. Wash.)
On December 13, 2012, plaintiff O&R Construction LLC filed a putative class action in the United States District Court for the Western District of Washington against the Company and DBCC. In May 2015, the Company acquired the parent company of DBCC, Credibility. The complaint alleged, among other things, that defendants violated the antitrust laws, used deceptive marketing practices to sell the CreditBuilder credit monitoring products and allegedly misrepresented the nature, need and value of the products. The plaintiff purports to sue on behalf of a putative class of purchasers of CreditBuilder and seeks recovery of damages and equitable relief. DBCC was served with the complaint on December 14, 2012. The Company was served with the complaint on December 17, 2012. On February 18, 2013, the defendants filed motions to dismiss the complaint. On April 5, 2013, plaintiff filed an amended complaint in lieu of responding to the motion. The amended complaint dropped the antitrust claims and retained the deceptive practices allegations. The defendants filed new motions to dismiss the amended complaint on May 3, 2013. On August 23, 2013, the Court heard the motions and denied DBCC's motion but granted the Company's motion. Specifically, the Court dismissed the contract claim against the Company with prejudice, and dismissed all the remaining claims against the Company without prejudice. On September 23, 2013, plaintiff filed a Second Amended Complaint ("SAC"). The SAC alleges claims for negligence, defamation and unfair business practices under Washington state law against the Company for alleged inaccuracies in small business credit reports.
The SAC also alleges liability against the Company under a joint venture or agency theory for practices relating to CreditBuilder. As against DBCC, the SAC alleges claims for negligent misrepresentation, fraudulent concealment, unfair and deceptive acts, breach of contract and unjust enrichment. DBCC filed a motion to dismiss the claims that were based on a joint venture or agency liability theory. The Company filed a motion to dismiss the SAC. On January 9, 2014, the Court heard argument on the defendants' motions. It dismissed with prejudice the claims against the defendants based on a joint venture or agency liability theory. The Court denied the Company's motion with respect to the negligence, defamation and unfair practices claims. On January 23, 2014, the defendants answered the SAC. At a court conference on December 17, 2014, plaintiff informed the Court that it would not be seeking to certify a nationwide class, but instead limit the class to CreditBuilder purchasers in Washington. On May 29, 2015, plaintiff filed motions for class certification against D&B and DBCC. On July 29, 2015, Defendants filed oppositions to the motions for class certification. In accordance with ASC 450, we do not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.
Die-Mension Corporation v. Dun & Bradstreet Credibility Corporation et al., No. 2:14-cv-00855 (TSZ) (W.D. Wash.) (filed as No. 1:14-cv-392 (N.D. Oh.))

On February 20, 2014, plaintiff Die-Mension Corporation ("Die-Mension") filed a putative class action in the United States District Court for the Northern District of Ohio against the Company and DBCC, purporting to sue on behalf of a putative class of all purchasers of a CreditBuilder product in the United States or in such state(s) as the Court may certify. The complaint alleged that DBCC used deceptive marketing practices to sell the CreditBuilder credit monitoring products. As against the Company, the complaint alleged a violation of Ohio's Deceptive Trade Practices Act ("DTPA"), defamation, and negligence. As against DBCC, the complaint alleged violations of the DTPA, negligent misrepresentation and concealment.

On March 4, 2014, in response to a direction from the Ohio court, Die-Mension withdrew its original complaint and filed an amended complaint. The amended complaint contains the same substantive allegations as the original complaint, but

limits the purported class to small businesses in Ohio that purchased the CreditBuilder product. On March 12, 2014, DBCC agreed to waive service of the amended complaint and on March 13, 2014, the Company agreed to waive service. On May 5, 2014, the Company and DBCC filed a Joint Motion to Transfer the litigation to the Western District of Washington. On June 9, 2014, the Ohio court issued an order granting the Defendants' Joint Motion to Transfer. On June 22, 2014, the case was transferred to the Western District of Washington. Pursuant to an order entered on December 17, 2014 by the Washington court, this case was coordinated for pre-trial discovery purposes with related cases transferred to the Western District of Washington. On January 6, 2015, the Court entered a stipulation and order setting forth the case management schedule. On January 15, 2015, Defendants filed motions to dismiss the amended complaint. In response, Die-Mension filed a second amended complaint on March 13, 2015. On April 3, 2015, Defendants filed motions to dismiss the second amended complaint, and on May 22, 2015, Die-Mension filed its oppositions to the motions. Defendants filed reply briefs on June 12, 2015. On July 17, 2015, Die-Mension filed motions for class certification against the Company and DBCC.

Discovery in the case is ongoing and the Company is continuing to investigate the allegations. In accordance with ASC 450, we therefore do not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Vinotemp International Corporation and CPrint®, Inc. v. Dun & Bradstreet Credibility Corporation, et al., No. 2:14-cv-01021 (TSZ) (W.D. Wash.) (filed as No. 8:14-cv-00451 (C.D. Cal.))

On March 24, 2014, plaintiffs Vinotemp International Corporation ("Vinotemp") and CPrint®, Inc. ("CPrint") filed a putative class action in the United States District Court for the Central District of California against the Company and DBCC. Vinotemp and CPrint purport to sue on behalf of all purchasers of DBCC's CreditBuilder product in the state of California. The complaint alleges that DBCC used deceptive marketing practices to sell the CreditBuilder credit monitoring products, in violation of §17200 and §17500 of the California Business and Professions Code. The complaint also alleges negligent misrepresentation and concealment against DBCC. As against the Company, the complaint alleges that the Company entered false and inaccurate information on credit reports in violation of § 17200 of the California Business and Professions Code, and also alleges negligence and defamation claims.

On March 31, 2014, the Company agreed to waive service of the complaint and on April 2, 2014, DBCC agreed to waive service. On June 13, 2014, the Company and DBCC filed a Joint Unopposed Motion to Transfer the litigation to the Western District of Washington. On July 2, 2014, the California court granted the Defendants' Joint Motion to Transfer, and on July 8, 2014, the case was transferred to the Western District of Washington. Pursuant to an order entered on December 17, 2014 by the Washington court, this case was coordinated for pre-trial discovery purposes with related cases transferred to the Western District of Washington. On January 6, 2015, the Court entered a stipulation and order setting forth the case management schedule. On January 15, 2015, Defendants filed motions to dismiss the complaint. In response, plaintiffs filed an amended complaint on March 13, 2015. On April 3, 2015, Defendants filed motions to dismiss the amended complaint, and on May 22, 2015, plaintiffs filed their oppositions to the motions. Defendants filed reply briefs on June 12, 2015. On July 17, 2015, Plaintiffs filed motions for class certification against the Company and DBCC.

Discovery in the case is ongoing, and the Company is continuing to investigate the allegations. In accordance with ASC 450, we therefore do not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Flow Sciences Inc. v. Dun & Bradstreet Credibility Corporation, et al., No. 2:14-cv-01404 (TSZ) (W.D. Wash.) (filed as No. 7:14-cv-128 (E.D.N.C.))

On June 13, 2014, plaintiff Flow Sciences Inc. ("Flow Sciences") filed a putative class action in the United States District Court for the Eastern District of North Carolina against the Company and DBCC. Flow Sciences purports to sue on behalf of all purchasers of DBCC's CreditBuilder product in the state of North Carolina. The complaint alleges that the Company and DBCC engaged in deceptive practices in connection with DBCC's sale of the CreditBuilder credit monitoring products, in violation of North Carolina's Unfair Trade Practices Act, N.C. Gen. Stat. § 75-1.1 et seq. In addition, as against the Company, the complaint alleges negligence and defamation claims. The complaint also alleges negligent misrepresentation and concealment against DBCC.

On June 18, 2014, DBCC agreed to waive service of the complaint and on June 26, 2014, the Company agreed to waive service of the complaint. On August 4, 2014, the Company and DBCC filed a Joint Unopposed Motion to Transfer the litigation to the Western District of Washington. On September 8, 2014, the North Carolina court granted the motion to transfer, and on September 9, 2014, the case was transferred to the Western District of Washington. Pursuant to an order

---

entered on December 17, 2014 by the Washington court, this case was coordinated for pre-trial discovery purposes with related cases transferred to the Western District of Washington. On January 6, 2015, the Court entered a stipulation and order setting forth the case management schedule. On January 15, 2015, Defendants filed motions to dismiss the complaint. In response, Flow Sciences filed an amended complaint on March 13, 2015. On April 3, 2015, Defendants filed motions to dismiss the amended complaint, and on May 22, 2015, Flow Science filed its oppositions to the motions. Defendants filed reply briefs on June 12, 2015. On July 17, 2015, Flow Sciences filed motions for class certification against the Company and DBCC.

Discovery in the case is ongoing, and the Company is continuing to investigate the allegations. In accordance with ASC 450 Contingencies, we therefore do not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Altaflo, LLC v. Dun & Bradstreet Credibility Corporation, et al., No. 2:14-cv-01288 (TSZ) (W.D. Wash.) (filed as No. 2:14-cv-03961 (D.N.J.))

On June 20, 2014, plaintiff Altaflo, LLC ("Altaflo") filed a putative class action in the United States District Court for the District of New Jersey against the Company and DBCC. Altaflo purports to sue on behalf of all purchasers of DBCC's CreditBuilder product in the state of New Jersey. The complaint alleges that the Company and DBCC engaged in deceptive practices in connection with DBCC's sale of the CreditBuilder credit monitoring products, in violation of the New Jersey Consumer Fraud Act, N.J. Stat. § 56:8-1 et seq. In addition, as against the Company, the complaint alleges negligence and defamation claims. The complaint also alleges negligent misrepresentation and concealment against DBCC.

On June 26, 2014, the Company agreed to waive service of the complaint, and on July 2, 2014, DBCC agreed to waive service. On July 29, 2014, the Company and DBCC filed a Joint Unopposed Motion to Transfer the litigation to the Western District of Washington. On July 31, 2014, the New Jersey court granted the Defendants' Joint Motion to Transfer, and the case was transferred to the Western District of Washington on August 20, 2014. Pursuant to an order entered on December 17, 2014 by the Washington court, this case was coordinated for pre-trial discovery purposes with related cases transferred to the Western District of Washington. On January 6, 2015, the Court entered a stipulation and order setting forth the case management schedule. On January 15, 2015, Defendants filed motions to dismiss the complaint. In response, Altaflo filed an amended complaint on March 13, 2015. On April 3, 2015, Defendants filed motions to dismiss the amended complaint, and on May 22, 2015, Altaflo filed its oppositions to the motions. Defendants filed reply briefs on June 12, 2015. On July 17, 2015, Altaflo filed motions for class certification against the Company and DBCC.

Discovery in the case is ongoing, and the Company is continuing to investigate the allegations. In accordance with ASC 450 Contingencies, we therefore do not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Sentry Insurance, a Mutual Company v. The Dun & Bradstreet Corporation and Dun & Bradstreet, Inc., No. 2:15-cv-01952 (SRC) (D.N.J.)

On March 17, 2015, Sentry Insurance filed a Declaratory Judgment Action in the United States District Court for the District of New Jersey against The Dun & Bradstreet Corporation and Dun & Bradstreet, Inc. (collectively, the "Company"). The Complaint seeks a judicial declaration that Sentry, which issued a General Commercial Liability insurance policy (the "CGL Policy"), to the Company, does not have a duty under the CGL Policy to provide the Company with a defense or indemnification in connection with five putative class action complaints (the "Class

Actions") filed against the Company and DBCC. Against the Company, the Class Actions complaints allege negligence, defamation and violations of state laws prohibiting unfair and deceptive practices in connection with DBCC's marketing and sale of credit monitoring products. Sentry's Complaint alleges that the Company is not entitled to a defense or indemnification for any losses it sustains in the Class Actions because the underlying claims in the Class Actions fall within various exceptions in the CGL policy, including exclusions for claims: (i) that arise from D&B's provision of "professional services"; (ii) that are based on intentional or fraudulent acts; and (iii) that are based on conduct that took place prior to the beginning of the CGL Policy periods. On March 26, 2015, Sentry filed and served an Amended Complaint which added several exhibits but did not otherwise materially differ from the original Complaint. The Company filed an Answer to the Amended Complaint on April 16, 2015 and also asserted counterclaims. In addition, the parties have held informal discussions regarding a possible resolution to the dispute. The Company is in the initial stages of investigating the allegations. In accordance with ASC 450 Contingencies, we therefore do

not have sufficient information upon which to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Other Matters

In addition, in the normal course of business, and including without limitation, our merger and acquisition activities and financing transactions, Dun & Bradstreet indemnifies other parties, including customers, lessors and parties to other transactions with Dun & Bradstreet, with respect to certain matters. Dun & Bradstreet has agreed to hold the other parties harmless against losses arising from a breach of representations or covenants, or arising out of other claims made against certain parties. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. Dun & Bradstreet has also entered into indemnity obligations with its officers and directors.

Additionally, in certain circumstances, Dun & Bradstreet issues guarantee letters on behalf of our wholly-owned subsidiaries for specific situations. It is not possible to determine the maximum potential amount of future payments under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Historically, payments made by Dun & Bradstreet under these agreements have not had a material impact on the consolidated financial statements.

Note 8 -- Income Taxes

For the three months ended June 30, 2015, our effective tax rate was 34.6% as compared to 34.3% for the three months ended June 30, 2014. The effective tax rate for the three months ended June 30, 2015, as compared to the three months ended June 30, 2014, was negatively impacted by non-deductible transaction costs incurred as part of the acquisition of DBCC. For the three months ended June 30, 2015, there are no known changes in our effective tax rate that either have had or that we expect may reasonably have a material impact on our operations or future performance.

For the six months ended June 30, 2015, our effective tax rate was 32.6% as compared to (8.3)% for the six months ended June 30, 2014. The effective tax rate for the six months ended June 30, 2015, was positively impacted by earnings in jurisdictions with lower tax rates and negatively impacted by non-deductible transaction costs incurred as part of the acquisition of NetProspex and DBCC. The effective tax rate for the six months ended June 30, 2014 was positively impacted by the release of reserves of $58.7 million, net of cash paid, for uncertain tax positions due to the effective settlement of audits for the 2007 - 2009 tax years. For the six months ended June 30, 2015, there are no known changes in our effective tax rate that either have had or that we expect may reasonably have a material impact on our operations or future performance.

The total amount of gross unrecognized tax benefits as of June 30, 2015 was $25.6 million. The amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is $23.8 million, net of related additional tax benefits. During the three months ended June 30, 2015, we decreased our unrecognized tax benefits by approximately $0.1 million, net of increases. During the six months ended June 30, 2015, we decreased our unrecognized tax benefits by approximately $0.5 million, net of increases. The decrease is primarily due to a settlement with taxing authorities within one of our state jurisdictions. We anticipate that it is reasonably possible that total unrecognized tax benefits will decrease by approximately $20 million within the next twelve months as a result of the expiration of applicable statutes of limitation.

We or one of our subsidiaries file income tax returns in the U.S. federal, and various state, local and foreign jurisdictions. In the U.S. federal jurisdiction, we are no longer subject to examination by the Internal Revenue Service (“IRS”) for years prior to 2011. In state and local jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2010. In foreign jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2009.

We recognize accrued interest expense related to unrecognized tax benefits in income tax expense. The total amount of interest expense recognized for the three month and six month periods ended June 30, 2015 was $0.2 million and $0.3 million, net of tax benefits, respectively, as compared to $0.4 million and $0.7 million, net of tax benefits, for the

three month and six month periods ended June 30, 2014, respectively. The total amount of accrued interest as of June 30, 2015 was $3.2 million, net of tax benefits, as compared to $4.4 million, net of tax benefits, as of June 30, 2014.

Table of Contents
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except share and per share data)

Note 9 -- Pension and Postretirement Benefits
The following table sets forth the components of the net periodic cost (income) associated with our pension plans and our postretirement benefit obligations:

	Pension Plans				Postretirement Benefit Obligations			
	For the Three Months Ended June 30,		For the Six Months Ended June 30,		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014	2015	2014	2015	2014
Components of Net Periodic Cost (Income):								
Service Cost	$1.0	$1.0	$2.0	$2.1	$0.2	$0.2	$0.4	$0.4
Interest Cost	18.3	19.8	36.7	39.5	0.2	0.2	0.3	0.4
Expected Return on Plan Assets	(25.6)	(25.2)	(51.3)	(50.4)	—	—	—	—
Amortization of Prior Service Cost (Credit)	0.1	0.1	0.2	0.2	(0.1)	(0.4)	(0.3)	(0.8)
Recognized Actuarial Loss (Gain)	10.7	8.9	21.4	17.8	(0.6)	(0.2)	(1.0)	(0.5)
Net Periodic Cost (Income)	$4.5	$4.6	$9.0	$9.2	$(0.3)	$(0.2)	$(0.6)	$(0.5)

We previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2014 that we expected to contribute approximately $22.4 million to our U.S. Non-Qualified plans and non-U.S. pension plans and that we expected to contribute approximately $2.7 million to our postretirement benefit plan for the year ended December 31, 2015. As of June 30, 2015, we have made contributions to our U.S. Non-Qualified and non-U.S. pension plans of $9.6 million and $3.6 million to our postretirement benefit plan. In addition, we received total subsidies of $3.9 million for the six months ended June 30, 2015, under the previous retiree medical program covered by a group-based company sponsored Medicare Part D program, or EGWP, which more than offset our year-to-date contributions. For the year ended December 31, 2015, we expect to make contributions of approximately $2.0 million for our postretirement benefit plan, net of subsidies received. Effective January 1, 2015, we provide our eligible retirees and dependents age 65 or older access to coverage in the individual Medicare market. We also provide an annual contribution towards retirees' premiums and other out-of-pocket expenses.

Note 10 -- Segment Information

The operating segments reported below are our segments for which separate financial information is available and upon which operating results are evaluated by management on a timely basis to assess performance and to allocate resources.

On January 1, 2015, to further align with our strategy, we began reporting our business through two segments:

- Americas (which consists of our operations in the U.S., Canada and Latin America); and
- Non-Americas (which primarily consists of our operations in the U.K., the Netherlands, Belgium, Australia (which we divested in June 2015), Greater China, India and our Worldwide Network).

Prior to January 1, 2015, we managed and reported our business through the following three segments:

- North America (which consisted of our operations in the U.S. and Canada);
- Asia Pacific (which primarily consisted of our operations in Australia (which we divested in June 2015), Greater China, India and Asia Pacific Worldwide Network); and
- Europe and other International Markets (which primarily consisted of our operations in the U.K., the Netherlands, Belgium, Latin America and our European Worldwide Network).

We have conformed prior period amounts to reflect the new segment structure.

Our customer solution sets are D&B Risk Management Solutions™ and D&B Sales & Marketing Solutions™. Inter-segment sales are immaterial, and no single customer accounted for 10% or more of our total revenue. For management reporting purposes, we evaluate business segment performance before restructuring charges and intercompany transactions,

because these charges are not a component of our ongoing income or expenses and may have a disproportionate positive or negative impact on the results of our ongoing underlying business.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Revenue:				
Americas	$302.9	$287.5	$583.8	$569.4
Non-Americas	72.5	80.5	147.8	158.7
Consolidated Core	375.4	368.0	731.6	728.1
Divested and Other Businesses	—	—	—	0.1
Consolidated Total	$375.4	$368.0	$731.6	$728.2
Operating Income (Loss):				
Americas	$67.2	$81.5	$135.1	$161.2
Non-Americas	18.7	22.4	40.6	41.0
Total Segments	85.9	103.9	175.7	202.2
Corporate and Other (1)	(27.7)	(20.8)	(52.4)	(39.4)
Consolidated Total	58.2	83.1	123.3	162.8
Non-Operating Income (Expense), Net (2)	(12.9)	(10.7)	(20.6)	(42.4)
Income Before Provision for Income Taxes and Equity in Net Income of Affiliates	$45.3	$72.4	$102.7	$120.4

(1) The following table summarizes “Corporate and Other:”

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Corporate Costs	$(16.2)	$(14.6)	$(32.4)	$(28.0)
Restructuring Expense	(4.8)	(5.0)	(9.6)	(9.9)
Acquisition-Related Costs (a)	(5.9)	—	(9.2)	—
Legal and Other Professional Fees and Shut-Down Costs Related to Matters in China	(0.8)	(1.2)	(1.2)	(1.5)
Total Corporate and Other	$(27.7)	$(20.8)	$(52.4)	$(39.4)

(a) The acquisition-related costs (i.e., banker's fees) for the three month and six month periods ended June 30, 2015 were primarily related to the acquisition of DBCC and NetProspex. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

(2) The following table summarizes “Non-Operating Income (Expense):”

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Interest Income	$0.4	$0.4	$0.8	$0.7
Interest Expense	(11.8)	(10.8)	(23.2)	(21.4)
Other Income (Expense) - Net (a)	(1.5)	(0.3)	1.8	