GOLDMAN SACHS GROUP INC
Form 424B2
March 04, 2019
Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-219206

GS Finance Corp.

$1,580,000

Leveraged Buffered S&P 500® Index-Linked Notes due 2021

guaranteed by

The Goldman Sachs Group, Inc.

The notes do not bear interest. The amount that you will be paid on your notes on the stated maturity date (February 26, 2021) is based on the performance of the S&P 500® Index as measured from the trade date (February 28, 2019) to and including the determination date (February 21, 2021).

If the final index level on the determination date is greater than the initial index level of 2,784.49, the return on your notes will be positive and will equal 1.25 times the index return, subject to the maximum settlement amount of $1,220 for each $1,000 face amount of your notes.

If the final index level declines by up to 15% from the initial index level, you will receive the face amount of your notes. If the final index level declines by more than 15% from the initial index level, the return on your notes will be negative and will equal the index return plus 15%. You could lose a significant portion of the face amount of your notes.

To determine your payment at maturity, we will calculate the index return, which is the percentage increase or decrease in the final index level from the initial index level. At maturity, for each $1,000 face amount of your notes, you will receive an amount in cash equal to:

- if the index return is positive (the final index level is greater than the initial index level), the sum of (i) $1,000 plus (ii) the product of (a) $1,000 times (b) 1.25 times (c) the index return, subject to the maximum settlement amount;
- if the index return is zero or negative but not below -15% (the final index level is equal to the initial index level or is less than the initial index level, but not by more than 15%), $1,000; or
- if the index return is negative and is below -15% (the final index level is less than the initial index level by more than 15%), the sum of (i) $1,000 plus (ii) the product of (a) the sum of the index return plus 15% times (b) $1,000. You will receive less than the face amount of your notes.

You should read the disclosure herein to better understand the terms and risks of your investment, including the credit risk of GS Finance Corp. and The Goldman Sachs Group, Inc. See page PS-11.

The estimated value of your notes at the time the terms of your notes are set on the trade date is equal to approximately $989 per $1,000 face amount. For a discussion of the estimated value and the price at which Goldman Sachs & Co. LLC would initially buy or sell your notes, if it makes a market in the notes, see the following page.

Original issue date:	March 5, 2019	Original issue price:	100% of the face amount
Underwriting discount:	0.7% of the face amount*	Net proceeds to the issuer:	99.3% of the face amount

*See "Supplemental Plan of Distribution; Conflicts of Interest" on page PS-18 for additional information regarding the fees comprising the underwriting discount.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense. The notes are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

Goldman Sachs & Co. LLC

Pricing Supplement No. 5,210 dated February 28, 2019.

The issue price, underwriting discount and net proceeds listed above relate to the notes we sell initially. We may decide to sell additional notes after the date of this pricing supplement, at issue prices and with underwriting discounts and net proceeds that differ from the amounts set forth above. The return (whether positive or negative) on your investment in notes will depend in part on the issue price you pay for such notes.

GS Finance Corp. may use this prospectus in the initial sale of the notes. In addition, Goldman Sachs & Co. LLC or any other affiliate of GS Finance Corp. may use this prospectus in a market-making transaction in a note after its initial sale. Unless GS Finance Corp. or its agent informs the purchaser otherwise in the confirmation of sale, this prospectus is being used in a market-making transaction.

Estimated Value of Your Notes

The estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by Goldman Sachs & Co. LLC (GS&Co.) and taking into account our credit spreads) is equal to approximately $989 per $1,000 face amount, which is less than the original issue price. The value of your notes at any time will reflect many factors and cannot be predicted; however, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would initially buy or sell notes (if it makes a market, which it is not obligated to do) and the value that GS&Co. will initially use for account statements and otherwise is equal to approximately the estimated value of your notes at the time of pricing, plus an additional amount (initially equal to $11 per $1,000 face amount).

Prior to February 28, 2020, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market, which it is not obligated to do) will equal approximately the sum of (a) the then-current estimated value of your notes (as determined by reference to GS&Co.'s pricing models) plus (b) any remaining additional amount (the additional amount will decline to zero on a straight-line basis from the time of pricing through February 27, 2020). On and after February 28, 2020, the price (not including GS&Co.'s customary bid and ask spreads) at which GS&Co. would buy or sell your notes (if it makes a market) will equal approximately the then-current estimated value of your notes determined by reference to such pricing models.

About Your Prospectus

The notes are part of the Medium-Term Notes, Series E program of GS Finance Corp. and are fully and unconditionally guaranteed by The Goldman Sachs Group, Inc. This prospectus includes this pricing supplement and the accompanying documents listed below. This pricing supplement constitutes a supplement to the documents listed below, does not set forth all of the terms of your notes and therefore should be read in conjunction with such documents:

Product supplement no. 1,738 dated July 10, 2017

General terms supplement no. 1,734 dated July 10, 2017

Prospectus supplement dated July 10, 2017

Prospectus dated July 10, 2017

The information in this pricing supplement supersedes any conflicting information in the documents listed above. In addition, some of the terms or features described in the listed documents may not apply to your notes.

We refer to the notes we are offering by this pricing supplement as the "offered notes" or the "notes". Each of the offered notes has the terms described below. Please note that in this pricing supplement, references to "GS Finance Corp.", "we", "our" and "us" mean only GS Finance Corp. and do not include its subsidiaries or affiliates, references to "The Goldman Sachs Group, Inc.", our parent company, mean only The Goldman Sachs Group, Inc. and do not include its subsidiaries or affiliates and references to "Goldman Sachs" mean The Goldman Sachs Group, Inc. together with its consolidated subsidiaries and affiliates, including us. The notes will be issued under the senior debt indenture, dated as of October 10, 2008, as supplemented by the First Supplemental Indenture, dated as of February 20, 2015, each among us, as issuer, The Goldman Sachs Group, Inc., as guarantor, and The Bank of New York Mellon, as trustee. This indenture, as so supplemented and as further supplemented thereafter, is referred to as the "GSFC 2008 indenture" in the accompanying prospectus supplement. The notes will be issued in book-entry form and represented by a master global note.

[redacted]

[redacted]

You should be willing to forgo:

gains greater than a maximum settlement amount of 122% of the face amount in exchange for (i) 1.25x leveraged upside participation if the underlier return is positive and (ii) a buffer against loss of principal in the event of a decline of up to 15% in the final underlier level relative to the initial underlier level.

interest payments and risk losing a substantial portion of your investment for the potential to earn 125% of any positive underlier return up to a maximum settlement amount of 122% of the face amount.

Your maximum return on your notes will not be greater than 22%, and you could lose a substantial portion of your investment if the underlier return is less than -15%.

[redacted]

At maturity, for each $1,000 face amount, the investor will receive (in each case as a percentage of the face amount):

if the final underlier level is greater than 100% of the initial underlier level, 100% plus 125% times the underlier return, subject to a maximum settlement amount of 122%;

if the final underlier level is equal to or less than 100% of the initial underlier level but greater than or equal to 85% of the initial underlier level, 100%; or

if the final underlier level is less than 85% of the initial underlier level, 100% minus 1% for every 1% that the final underlier level has declined below 85% of the initial underlier level

If the final underlier level declines by more than 15% from the initial underlier level, the return on the notes will be negative and the investor could lose a substantial portion of their investment in the notes.

[redacted]

Issuer:	GS Finance Corp.
Guarantor:	The Goldman Sachs Group, Inc.
Underlier:	The S&P 500® Index (current Bloomberg symbol: “SPX Index”)
Face Amount:	$1,580,000 in the aggregate; each note will have a face amount equal to $1,000
Trade Date:	February 28, 2019
Settlement Date:	March 5, 2019
Determination Date:	February 21, 2021
Stated Maturity Date:	February 26, 2021
Initial Underlier Level:	2,784.49
Final Underlier Level:	The closing level of the underlier on the determination date
Underlier Return:	The quotient of (i) the final underlier level minus the initial underlier level divided by (ii) the initial underlier level, expressed as a positive or negative percentage
Upside Participation Rate:	125%
Buffer Level:	85% of the initial underlier level (equal to an underlier return of -15%)
Buffer Amount:	15%
Buffer Rate:	100%
Maximum Settlement Amount:	$1,220
Cap Level:	117.6% of the initial underlier level
CUSIP/ISIN:	40056EXK9 / US40056EXK99

PS-3

[redacted]

[redacted]

200.000%	122.000%
195.000%	122.000%
170.000%	122.000%
145.000%	122.000%
117.600%	122.000%
115.000%	118.750%
110.000%	112.500%
105.000%	106.250%
100.000%	100.000%
96.000%	100.000%
92.000%	100.000%
88.000%	100.000%
85.000%	100.000%
75.000%	90.000%
50.000%	65.000%
25.000%	40.000%
0.000%	15.000%

[redacted]

Please read the section entitled "Additional Risk Factors Specific to Your Notes" of this pricing supplement as well as the risks and considerations described in the accompanying prospectus dated July 10, 2017, in the accompanying prospectus supplement dated July 10, 2017, under "Additional Risk Factors Specific to the Underlier-Linked Notes" in the accompanying product supplement no. 1,738 dated July 10, 2017, and under "Additional Risk Factors Specific to the Notes" in the accompanying general terms supplement no. 1,734 dated July 10, 2017.

TERMS AND CONDITIONS

(Terms From Pricing Supplement No. 5,210 Incorporated Into Master Note No. 2)

These terms and conditions relate to pricing supplement no. 5,210 dated February 28, 2019 of GS Finance Corp. and The Goldman Sachs Group, Inc. with respect to the issuance by GS Finance Corp. of its Leveraged Buffered S&P 500® Index-Linked Notes due 2021 and the guarantee thereof by The Goldman Sachs Group, Inc.

The provisions below are hereby incorporated into master note no. 2, dated August 22, 2018. References herein to "this note" shall be deemed to refer to "this security" in such master note no. 2, dated August 22, 2018. Certain defined terms may not be capitalized in these terms and conditions even if they are capitalized in master note no. 2, dated August 22, 2018. Defined terms that are not defined in these terms and conditions shall have the meanings indicated in such master note no. 2, dated August 22, 2018, unless the context otherwise requires.
CUSIP / ISIN: 40056EXK9 / US 40056EXK99

Company (Issuer): GS Finance Corp.

Guarantor: The Goldman Sachs Group, Inc.

Underlier: the S&P 500® Index (current Bloomberg symbol: "SPX Index"), or any successor underlier, as it may be modified, replaced or adjusted from time to time as provided herein

Face amount: $1,580,000 in the aggregate on the original issue date; the aggregate face amount may be increased if the company, at its sole option, decides to sell an additional amount on a date subsequent to the trade date.

Authorized denominations: $1,000 or any integral multiple of $1,000 in excess thereof

Principal amount: On the stated maturity date, the company will pay, for each $1,000 of the outstanding face amount, an amount, if any, in cash equal to the cash settlement amount.

Cash settlement amount:

if the final underlier level is greater than or equal to the cap level, the maximum settlement amount;
if the final underlier level is greater than the initial underlier level but less than the cap level, the sum of (1) $1,000 plus (2) the product of (i) $1,000 times (ii) the upside participation rate times (iii) the underlier return;
if the final underlier level is equal to or less than the initial underlier level but greater than or equal to the buffer level, $1,000; or

if the final underlier level is less than the buffer level, the sum of (1) $1,000 plus (2) the product of (i) $1,000 times (ii) the buffer rate times (iii) the sum of the underlier return plus the buffer amount

Initial underlier level: 2,784.49

Final underlier level: the closing level of the underlier on the determination date, subject to adjustment as provided in "— Consequences of a market disruption event or non-trading day" and "— Discontinuance or modification of the underlier" below

Cap level: 117.6% of the initial underlier level

Maximum settlement amount: $1,220

Upside participation rate: 125%

Underlier return: the quotient of (1) the final underlier level minus the initial underlier level divided by (2) the initial underlier level, expressed as a percentage

Buffer level: 85% of the initial underlier level

Buffer rate: 100%

Buffer amount: 15%

Trade date: February 28, 2019

Original issue date: March 5, 2019

Determination date: February 21, 2021, unless the calculation agent determines that a market disruption event occurs or is continuing on such day or such day is not a trading day. In that event, the determination date will be the first following trading day on which the calculation agent determines that a market disruption event does not occur and is not continuing. However, the determination date will not be postponed to a date later than the originally scheduled stated maturity date or, if the originally scheduled stated maturity date is not a business day, later than the first business day after the originally scheduled stated maturity date. If a market disruption event occurs or is continuing on the day that is the last possible determination date or such last possible day is not a trading day, that day will nevertheless be the determination date.

Stated maturity date: February 26, 2021, unless that day is not a business day, in which case the stated maturity date will be postponed to the next following business day. The stated maturity date will also be postponed if the determination date is postponed as described under "— Determination date" above. In such a case, the stated maturity date will be postponed by the same number of business day(s) from but excluding the originally scheduled determination date to and including the actual determination date.

Closing level: for any given trading day, the official closing level of the underlier or any successor underlier published by the underlier sponsor on such trading day

Trading day: a day on which the respective principal securities markets for all of the underlier stocks are open for trading, the underlier sponsor is open for business and the underlier is calculated and published by the underlier sponsor

Successor underlier: any substitute underlier approved by the calculation agent as a successor underlier as provided under "— Discontinuance or modification of the underlier" below

Underlier sponsor: at any time, the person or entity, including any successor sponsor, that determines and publishes the underlier as then in effect. The notes are not sponsored, endorsed, sold or promoted by the underlier sponsor or any of its affiliates and the underlier sponsor and its affiliates make no representation regarding the advisability of investing in the notes.

Underlier stocks: at any time, the stocks that comprise the underlier as then in effect, after giving effect to any additions, deletions or substitutions

Market disruption event: With respect to any given trading day, any of the following will be a market disruption event with respect to the underlier:

a suspension, absence or material limitation of trading in underlier stocks constituting 20% or more, by weight, of the underlier on their respective primary markets, in each case for more than two consecutive hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion,

a suspension, absence or material limitation of trading in option or futures contracts relating to the underlier or to underlier stocks constituting 20% or more, by weight, of the underlier in the respective primary markets for those contracts, in each case for more than two consecutive hours of trading or during the one-half hour before the close of trading in that market, as determined by the calculation agent in its sole discretion, or

underlier stocks constituting 20% or more, by weight, of the underlier, or option or futures contracts, if available, relating to the underlier or to underlier stocks constituting 20% or more, by weight, of the underlier do not trade on what were the respective primary markets for those underlier stocks or contracts, as determined by the calculation agent in its sole discretion,

and, in the case of any of these events, the calculation agent determines in its sole discretion that such event could materially interfere with the ability of the company or any of its affiliates or a similarly situated person to unwind all or a material portion of a hedge that could be effected with respect to this note.

The following events will not be market disruption events:

- a limitation on the hours or numbers of days of trading, but only if the limitation results from an announced change in the regular business hours of the relevant market, and
- a decision to permanently discontinue trading in option or futures contracts relating to the underlier or to any underlier stock.

For this purpose, an “absence of trading” in the primary securities market on which an underlier stock is traded, or on which option or futures contracts relating to the underlier or an underlier stock are traded, will not include any time when that market is itself closed for trading under ordinary circumstances. In contrast, a suspension or limitation of trading in an underlier stock or in option or futures contracts, if available, relating to the underlier or an underlier stock in the primary market for that stock or those contracts, by reason of:

- a price change exceeding limits set by that market,
- an imbalance of orders relating to that underlier stock or those contracts, or
- a disparity in bid and ask quotes relating to that underlier stock or those contracts,

will constitute a suspension or material limitation of trading in that stock or those contracts in that market.

Consequences of a market disruption event or a non-trading day: If a market disruption event occurs or is continuing on a day that would otherwise be the determination date or such day is not a trading day, then the determination date will be postponed as described under "— Determination date" above.

If the calculation agent determines that the closing level of the underlier that must be used to determine the cash settlement amount is not available on the postponed determination date because of a market disruption event, a non-trading day or for any other reason (except as described under "— Discontinuance or modification of the underlier" below), the calculation agent will nevertheless determine the closing level of the underlier based on its assessment, made in its sole discretion, of the level of the underlier on that day.

Discontinuance or modification of the underlier: If the underlier sponsor discontinues publication of the underlier and the underlier sponsor or any other person or entity publishes a substitute underlier that the calculation agent determines is comparable to the underlier and approves as a successor underlier, or if the calculation agent designates a substitute underlier, then the calculation agent will determine the amount payable on the stated maturity date by reference to such successor underlier.

If the calculation agent determines that the publication of the underlier is discontinued and there is no successor underlier, the calculation agent will determine the amount payable on the stated maturity date by a computation methodology that the calculation agent determines will as closely as reasonably possible replicate the underlier.

If the calculation agent determines that the underlier, the underlier stocks or the method of calculating the underlier is changed at any time in any respect — including any split or reverse-split of the underlier and any addition, deletion or substitution and any reweighting or rebalancing of the underlier stocks and whether the change is made by the underlier sponsor under its existing policies or following a modification of those policies, is due to the publication of a successor underlier, is due to events affecting one or more of the underlier stocks or their issuers or is due to any other reason — and is not otherwise reflected in the level of the underlier by the underlier sponsor pursuant to the then-current underlier methodology of the underlier, then the calculation agent will be permitted (but not required) to make such adjustments in the underlier or the method of its calculation as it believes are appropriate to ensure that the final underlier level, used to determine the amount payable on the stated maturity date, is equitable.

All determinations and adjustments to be made by the calculation agent with respect to the underlier may be made by the calculation agent in its sole discretion. The calculation agent is not obligated to make any such adjustments.

Calculation agent: Goldman Sachs & Co. LLC ("GS&Co.")

Tax characterization: The holder, on behalf of itself and any other person having a beneficial interest in this note, hereby agrees with the company (in the absence of a change in law, an administrative determination or a judicial ruling to the contrary) to characterize this note for all U.S. federal income tax purposes as a pre-paid derivative contract in respect of the underlier.

Overdue principal rate: the effective Federal Funds rate

HYPOTHETICAL EXAMPLES

The following examples are provided for purposes of illustration only. They should not be taken as an indication or prediction of future investment results and merely are intended to illustrate the impact that the various hypothetical underlier levels on the determination date could have on the cash settlement amount at maturity assuming all other variables remain constant.

The examples below are based on a range of final underlier levels that are entirely hypothetical; the underlier level on any day throughout the life of the notes, including the final underlier level on the determination date, cannot be predicted. The underlier has been highly volatile in the past — meaning that the underlier level has changed considerably in relatively short periods — and its performance cannot be predicted for any future period.

The information in the following examples reflects hypothetical rates of return on the offered notes assuming that they are purchased on the original issue date at the face amount and held to the stated maturity date. If you sell your notes in a secondary market prior to the stated maturity date, your return will depend upon the market value of your notes at the time of sale, which may be affected by a number of factors that are not reflected in the table below, such as interest rates, the volatility of the underlier, the creditworthiness of GS Finance Corp., as issuer, and the creditworthiness of The Goldman Sachs Group, Inc., as guarantor. In addition, the estimated value of your notes at the time the terms of your notes are set on the trade date (as determined by reference to pricing models used by GS&Co.) is less than the original issue price of your notes. For more information on the estimated value of your notes, see "Additional Risk Factors Specific to Your Notes — The Estimated Value of Your Notes At the Time the Terms of Your Notes Are Set On the Trade Date (as Determined By Reference to Pricing Models Used By GS&Co.) Is Less Than the Original Issue Price Of Your Notes" on page PS-11 of this pricing supplement. The information in the examples also reflects the key terms and assumptions in the box below.

Key Terms and Assumptions	
Face amount	$1,000
Upside participation rate	125%
Cap level	117.6% of the initial underlier level
Maximum settlement amount	$1,220
Buffer level	85% of the initial underlier level
Buffer rate	100%
Buffer amount	15%
Neither a market disruption event nor a non-trading day occurs on the originally scheduled determination date	
No change in or affecting any of the underlier stocks or the method by which the underlier sponsor calculates the underlier	
Notes purchased on original issue date at the face amount and held to the stated maturity date	

For these reasons, the actual performance of the underlier over the life of your notes, as well as the amount payable at maturity may bear little relation to the hypothetical examples shown below or to the historical underlier levels shown elsewhere in this pricing supplement. For information about the historical levels of the underlier during recent periods, see "The Underlier — Historical Closing Levels of the Underlier" below. Before investing in the offered notes, you should consult publicly available information to determine the levels of the underlier between the date of this pricing supplement and the date of your purchase of the offered notes.

Also, the hypothetical examples shown below do not take into account the effects of applicable taxes. Because of the U.S. tax treatment applicable to your notes, tax liabilities could affect the after-tax rate of return on your notes to a comparatively greater extent than the after-tax return on the underlier stocks.

The levels in the left column of the table below represent hypothetical final underlier levels and are expressed as percentages of the initial underlier level. The amounts in the right column represent the hypothetical cash settlement amounts, based on the corresponding hypothetical final underlier level, and are expressed as percentages of the face amount of a note (rounded to the nearest one-thousandth of a percent). Thus, a hypothetical cash settlement amount of 100.000% means that the value of the cash payment that we would deliver for each $1,000 of the outstanding face amount of the offered notes on the stated maturity date would equal 100.000% of the face amount of a note, based on the corresponding hypothetical final underlier level and the assumptions noted above.

Hypothetical Final Underlier Level (as Percentage of Initial Underlier Level)	Hypothetical Cash Settlement Amount (as Percentage of Face Amount)
200.000%	122.000%
195.000%	122.000%
170.000%	122.000%
145.000%	122.000%
117.600%	122.000%
115.000%	118.750%
110.000%	112.500%
105.000%	106.250%
100.000%	100.000%
96.000%	100.000%
92.000%	100.000%
88.000%	100.000%
85.000%	100.000%
75.000%	90.000%
50.000%	65.000%
25.000%	40.000%
0.000%	15.000%

If, for example, the final underlier level were determined to be 25.000% of the initial underlier level, the cash settlement amount that we would deliver on your notes at maturity would be 40.000% of the face amount of your notes, as shown in the table above. As a result, if you purchased your notes on the original issue date at the face amount and held them to the stated maturity date, you would lose 60.000% of your investment (if you purchased your notes at a premium to face amount you would lose a correspondingly higher percentage of your investment).If the final underlier level were determined to be 0.000% of the initial underlier level, you would lose 85.000% of your investment in the notes. In addition, if the final underlier level were determined to be 200.000% of the initial underlier level, the cash settlement amount that we would deliver on your notes at maturity would be capped at the maximum settlement amount, or 122.000% of each $1,000 face amount of your notes, as shown in the table above. As a result, if you held your notes to the stated maturity date, you would not benefit from any increase in the final underlier level over 117.600% of the initial underlier level.

The following chart shows a graphical illustration of the hypothetical cash settlement amounts that we would pay on your notes on the stated maturity date, if the final underlier level were any of the hypothetical levels shown on the horizontal axis. The hypothetical cash settlement amounts in the chart are expressed as percentages of the face amount of your notes and the hypothetical final underlier levels are expressed as percentages of the initial underlier level. The chart shows that any hypothetical final underlier level of less than 85.000% (the section left of the 85.000% marker on the horizontal axis) would result in a hypothetical cash settlement amount of less than 100.000% of the face amount of your notes (the section below the 100.000% marker on the vertical axis) and, accordingly, in a loss of principal to the holder of the notes. The chart also shows that any hypothetical final underlier level of greater than or equal to 117.600% (the section right of the 117.600% marker on the horizontal axis) would result in a capped return on your investment.

The cash settlement amounts shown above are entirely hypothetical; they are based on market prices for the underlier stocks that may not be achieved on the determination date and on assumptions that may prove to be erroneous. The actual market value of your notes on the stated maturity date or at any other time, including any time you may wish to sell your notes, may bear little relation to the hypothetical cash settlement amounts shown above, and these amounts should not be viewed as an indication of the financial return on an investment in the offered notes. The hypothetical cash settlement amounts on notes held to the stated maturity date in the examples above assume you purchased your notes at their face amount and have not been adjusted to reflect the actual issue price you pay for your notes. The return on your investment (whether positive or negative) in your notes will be affected by the amount you pay for your notes. If you purchase your notes for a price other than the face amount, the return on your investment will differ from, and may be significantly lower than, the hypothetical returns suggested by the above examples. Please read "Additional Risk Factors Specific to the Underlier-Linked Notes — The Market Value of Your Notes May Be Influenced by Many Unpredictable Factors" on page S-32 of the accompanying product supplement no. 1,738.

Payments on the notes are economically equivalent to the amounts that would be paid on a combination of other instruments. For example, payments on the notes are economically equivalent to a combination of an interest-bearing bond bought by the holder and one or more options entered into between the holder and us (with one or more implicit option premiums paid over time). The discussion in this paragraph does not modify or affect the terms of the notes or the U.S. federal income tax treatment of the notes, as described elsewhere in this pricing supplement.

We cannot predict the actual final underlier level or what the market value of your notes will be on any particular trading day, nor can we predict the relationship between the underlier level and the market value of your notes at any time prior to the stated maturity date. The actual amount that you will receive at maturity and the rate of return on the offered notes will depend on the actual final underlier level determined by the calculation agent as described above. Moreover, the assumptions on which the hypothetical returns are based may turn out to be inaccurate. Consequently, the amount of cash to be paid in respect of your notes on the stated maturity date may be very different from the information reflected in the examples above.

ADDITIONAL RISK FACTORS SPECIFIC TO YOUR NOTES

An investment in your notes is subject to the risks described below, as well as the risks and
camily:inherit;font-size:8pt;">$
0.91

Weighted Average Number of Shares Outstanding-Basic
36.3

36.1

36.2

36.0

Weighted Average Number of Shares Outstanding-Diluted
36.6

36.4

36.5

36.4

Cash Dividend Paid Per Common Share
$
0.48

$
0.46

$
0.97

$
0.93

Other Comprehensive Income, Net of Income Taxes:

Net Income from Continuing Operations
$
19.9

$
30.9

$
50.6

$
71.3

Loss from Discontinued Operations, Net of Income Taxes (1)
—

(37.5
)

—

(36.0
)
Net Income (Loss)
19.9

(6.6
)

50.6

35.3

Foreign Currency Translation Adjustments, no Tax Impact
9.9

(10.4
)

(12.3
)

(54.1
)
Defined Benefit Pension Plans:

Prior Service Costs, Net of Tax Benefit (Expense) (2)
(0.2
)

—

(0.4
)

(0.1
)
Net Actuarial Gain, Net of Tax Benefit (Expense) (3)
6.0

6.6

12.0

13.2

Total Other Comprehensive Income (Loss)
15.7

(3.8
)

(0.7
)

(41.0
)
Comprehensive Income (Loss), Net of Income Taxes

35.6

(10.4
)

49.9

(5.7
)
Less: Comprehensive Income Attributable to the Noncontrolling Interest
(1.1
)

(1.1
)

(1.7
)

(1.8
)
Comprehensive Income (Loss) Attributable to Dun & Bradstreet
$
34.5

$
(11.5
)

$
48.2

$
(7.5
)

(1) Tax Benefit (Expense) of $(0.1) million and $2.2 million during the three month and six month periods ended June 30, 2015, respectively. See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

(2) Tax Benefit (Expense) of $0.1 million during the three months ended June 30, 2016 and no tax impact during the three months ended June 30, 2015. Tax Benefit (Expense) of $0.2 million and $0.1 million during the six months ended June 30, 2016 and 2015, respectively.

(3) Tax Benefit (Expense) of $(3.1) million and $(3.5) million during the three months ended June 30, 2016 and 2015, respectively. Tax Benefit (Expense) of $(6.4) million and $(7.3) million during the six months ended June 30, 2016 and 2015, respectively.

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

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The Dun & Bradstreet Corporation
Consolidated Balance Sheets (Unaudited)

	June 30, 2016	December 31, 2015
	(Amounts in millions, except per share data)	
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 379.1	$ 365.7
Accounts Receivable, Net of Allowance of $22.4 at June 30, 2016 and $20.6 at December 31, 2015	411.1	523.5
Other Receivables	19.8	13.7
Prepaid Taxes	6.4	6.4
Deferred Income Tax	—	12.0
Other Prepaids	35.9	36.7
Other Current Assets	1.7	1.6
Total Current Assets	854.0	959.6
Non-Current Assets		
Property, Plant and Equipment, Net of Accumulated Depreciation of $54.7 at June 30, 2016 and $54.3 at December 31, 2015	34.3	27.2
Computer Software, Net of Accumulated Amortization of $363.3 at June 30, 2016 and $348.1 at December 31, 2015	110.7	102.6
Goodwill (Note 15)	703.9	704.0
Deferred Income Tax	104.7	93.8
Other Receivables	3.6	4.2
Other Intangibles (Note 15)	312.1	326.2
Other Non-Current Assets	39.6	48.9
Total Non-Current Assets	1,308.9	1,306.9
Total Assets	$ 2,162.9	$ 2,266.5
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 54.6	$ 31.3
Accrued Payroll	76.8	108.8
Accrued Income Tax	14.6	28.7
Short-Term Debt	20.0	20.0
Other Accrued and Current Liabilities (Note 6)	142.5	122.6
Deferred Revenue	630.5	647.8
Total Current Liabilities	939.0	959.2
Pension and Postretirement Benefits	525.8	558.0
Long-Term Debt	1,715.6	1,797.0
Liabilities for Unrecognized Tax Benefits	8.9	8.3
Other Non-Current Liabilities	50.5	49.3
Total Liabilities	3,239.8	3,371.8
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	296.6	292.2
Retained Earnings	2,946.5	2,932.8
Treasury Stock, at cost, 45.6 shares at June 30, 2016 and 45.8 shares at December 31, 2015	(3,367.7)	(3,377.1)
Accumulated Other Comprehensive Income (Loss)	(966.2)	(965.5)
Total Dun & Bradstreet Shareholders' Equity (Deficit)	(1,090.0)	(1,116.8)
Noncontrolling Interest	13.1	11.5
Total Equity (Deficit)	(1,076.9)	(1,105.3)
Total Liabilities and Shareholders' Equity (Deficit)	$ 2,162.9	$ 2,266.5

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

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

	Six Months Ended June 30,	
	2016	2015
	(Amounts in millions)	
Cash Flows from Operating Activities:		
Net Income	$ 50.6	$ 35.3
Less:		
Loss on Disposal of Business, Net of Income Taxes	—	(38.2)
Income from Discontinued Operations	—	2.2
Net Income from Continuing Operations	$ 50.6	$ 71.3
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	33.7	26.5
Amortization of Unrecognized Pension Loss	17.8	20.3
Income Tax Benefit from Stock-Based Awards	3.9	5.9
Excess Tax Benefit on Stock-Based Awards	(0.4)	(2.8)
Equity-Based Compensation	9.7	7.4
Restructuring Charge	15.6	9.6
Restructuring Payments	(20.7)	(8.2)
Changes in Deferred Income Taxes, Net	(1.6)	—
Changes in Accrued Income Taxes, Net	(17.4)	(15.6)
Changes in Current Assets and Liabilities, Net of Acquisitions:		
(Increase) Decrease in Accounts Receivable	105.2	127.4
(Increase) Decrease in Other Current Assets	1.0	8.7
Increase (Decrease) in Deferred Revenue	(17.6)	(10.5)
Increase (Decrease) in Accounts Payable	23.1	14.5
Increase (Decrease) in Accrued Liabilities	(2.9)	(32.9)
Increase (Decrease) in Other Accrued and Current Liabilities	—	0.5
Changes in Non-Current Assets and Liabilities, Net of Acquisitions:		
(Increase) Decrease in Other Long-Term Assets	12.0	9.9
Net Increase (Decrease) in Long-Term Liabilities	(31.3)	(19.2)
Net, Other Non-Cash Adjustments	0.2	(0.4)
Net Cash Provided by Operating Activities from Continuing Operations	180.9	212.4
Net Cash Provided by Operating Activities from Discontinued Operations	—	5.3
Net Cash Provided by Operating Activities	180.9	217.7
Cash Flows from Investing Activities:		
Payments for Acquisitions of Businesses, Net of Cash Acquired	—	(444.2)
Cash Settlements of Foreign Currency Contracts	(6.8)	(5.4)
Capital Expenditures	(9.5)	(4.8)
Additions to Computer Software and Other Intangibles	(23.4)	(24.6)
Net, Other	—	(0.1)
Net Cash Used in Investing Activities from Continuing Operations	(39.7)	(479.1)
Net Cash Used in Investing Activities from Discontinued Operations	—	(2.4)
Cash Flows Used In Investing Activities	(39.7)	(481.5)
Cash Flows from Financing Activities:		
Net Proceeds from Stock-Based Plans	4.0	5.5
Payment of Debt Issuance Costs	—	(3.9)
Proceeds from Issuance of Long-Term Debt	—	298.8

Payments of Dividends	(35.0)	(33.3)
Proceeds from Borrowings on Credit Facilities	220.4	728.9
Payments of Borrowings on Credit Facilities	(293.0)	(894.0)
Payments of Borrowings on Term Loan Facilities	(10.0)	—
Excess Tax Benefit on Stock-Based Awards	0.4	2.8
Payment for Capital Lease and Other Long-Term Financing Obligation	(0.2)	(0.3)
Net, Other	(1.5)	(0.2)
Net Cash (Used in) Provided by Financing Activities from Continuing Operations	(114.9)	104.3
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(12.9)	(14.6)
Increase (Decrease) in Cash and Cash Equivalents	13.4	(174.1)
Cash and Cash Equivalents, Beginning of Period	365.7	319.4
Cash and Cash Equivalents, End of Period	$ 379.1	$ 145.3
Cash and Cash Equivalents of Discontinued Operations, End of Period	—	7.5
Cash and Cash Equivalents of Continuing Operations, End of Period	$ 379.1	$ 137.8
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for:		
Income Taxes, Net of Refunds	$ 40.3	$ 43.1
Interest	$ 26.8	$ 22.6

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

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The Dun & Bradstreet Corporation
Consolidated Statements of Shareholders' Equity (Deficit) (Unaudited)
For the Six Months Ended June 30, 2016 and 2015
(Amounts in millions)

	Common Stock ($0.01 Par Value)	Capital Surplus	Retained Earnings	Treasury Stock	Cumulative Translation Adjustment	Pension Liability Adjustment	Total Dun & Bradstreet Shareholders' Equity (Deficit)	Noncontrolling Interest	Total Equity (Deficit)
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 expense 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)
Balance, December 31, 2015	$ 0.8	$292.2	$2,932.8	$(3,377.1)	$(291.7)	$(673.8)	$(1,116.8)	$ 11.5	$(1,105.3)
Net Income	—	—	48.8	—	—	—	48.8	1.8	50.6
Payment to Noncontrolling Interest	—	—	—	—	—	—	—	(0.2)	(0.2)
Equity-Based Plans	—	4.4	—	9.4	—	—	13.8	—	13.8
Pension Adjustments, net of tax expense of $6.2	—	—	—	—	—	11.6	11.6	—	11.6
Dividend Declared	—	—	(35.1)	—	—	—	(35.1)	—	(35.1)
Change in Cumulative Translation Adjustment	—	—	—	—	(12.3)	—	(12.3)	—	(12.3)
Balance, June 30, 2016	$ 0.8	$296.6	$2,946.5	$(3,367.7)	$(304.0)	$(662.2)	$(1,090.0)	$ 13.1	$(1,076.9)

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

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THE DUN & BRADSTREET CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
(Tabular dollar amounts in millions, except 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, 2015. 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.
We manage and report our business through the following 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, Greater China, India and our Dun & Bradstreet Worldwide Network).

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 $169.8 million, which was part of our Non-Americas segment. 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. See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.
The prior period consolidated balance sheet was adjusted associated with the adoption of Accounting Standards Update ("ASU") No. 2015-03 "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs" in the first quarter of 2016. The impact was $6.2 million and $7.1 million at June 30, 2016 and December 31, 2015, respectively. See Note 2 and Note 4 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.
Note 2 -- Recent Accounting Pronouncements
We consider the applicability and impact of all ASUs. The ASUs not listed below were assessed and determined to be either not applicable or are expected to have an immaterial impact on our consolidated financial position and/or results of operations.
Recently Adopted Accounting Pronouncements
In November 2015, the Financial Accounting Standards Board ("FASB") issued ASU No. 2015-17 "Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes." This standard requires entities to present deferred tax assets and deferred tax liabilities to be classified as noncurrent in the balance sheet. The standard is effective for fiscal years and the interim periods within those fiscal years beginning after December 15, 2016. The guidance can be applied either prospectively or retrospectively. In the period that the ASU is adopted, an entity will need to disclose the nature of and the reason for the change in accounting principle. If the new guidance is applied prospectively, the entity should disclose that prior balance sheets were not retrospectively adjusted. If the new guidance is applied retrospectively, the entity will need to disclose the quantitative effects of the change on the prior balance sheets presented. Early adoption was permitted. We adopted this standard in the first quarter of 2016 on a prospective basis. The impact to the prior periods is immaterial, and as a result, the prior period consolidated balance sheet was not retrospectively adjusted.

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

In August 2015, the FASB issued ASU No. 2015-15 “Interest-Imputation (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements.” This standard incorporates into the Accounting Standards Codification (“ASC”) the Securities and Exchange Commission’s (“SEC”) view on the presentation and subsequent measurement of debt issuance costs related to line-of-credit arrangements. The SEC staff announced that it would not object to an entity presenting the cost of securing a revolving line-of-credit as an asset, regardless of whether a balance is outstanding. The guidance in this ASU provides an alternative for presentation of these costs. This guidance retains the requirement to subsequently amortize the deferred debt issuance costs ratably over the term of the line-of-credit arrangement. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.
In July 2015, the FASB issued ASU No. 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 were effective retrospectively for fiscal years beginning after December 15, 2015. The amendments in Part III of this standard were effective prospectively for fiscal years beginning after December 15, 2015. Early application for all amendments was permitted. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.
In April 2015, the FASB issued ASU No. 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 was 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 was permitted. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.
In April 2015, the FASB issued ASU No. 2015-03. 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 was 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 was permitted for financial statements that have not been previously issued. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements. See Note 4 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

In January 2015, the FASB issued ASU No. 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 was 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 was permitted as of the beginning of the fiscal year of adoption. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.” The standard changes the impairment model for most financial assets and certain other instruments. For trade and other receivables, held-to-maturity debt securities, loans and other instruments, entities will be required to use a new forward-looking “expected loss” model that generally will result in the earlier recognition of allowances for losses. For available-for-sale debt securities with unrealized losses, entities will measure credit losses in a manner similar to what they do today, except that the losses will be recognized as allowances rather than reductions in the amortized cost of the securities. Entities will have to disclose significantly more information, including information they use to track credit quality by year of origination for most financing receivables. The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2019. The guidance requires entities to apply the amendments through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective (that is, a modified-retrospective approach). For certain assets (such as debt securities for which an other-than-temporary impairment has been recognized before the effective date), a prospective transition approach is required. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-09 “Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting.” This guidance simplifies several aspects of accounting for employee share-based payment transactions, including the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. The guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2016. Early adoption will be permitted in any interim or annual reporting period for which financial statements have not yet been issued or have not been made available for issuance. We are currently assessing the impact of the adoption of this authoritative guidance on our consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-07 “Simplifying the Transition to the Equity Method of Accounting.” This guidance eliminates the requirement to apply the equity method of accounting retrospectively when a reporting entity obtains significant influence over a previously held investment. The standard is effective for fiscal years beginning after December 15, 2016 and the interim periods within those years. Early adoption is permitted. The guidance should be applied prospectively for investments that qualify for the equity method of accounting after the effective date. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-05 “Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships.” This guidance clarifies that a change in counterparty to a derivative contract, in and of itself, does not require the dedesignation of a hedging relationship. The standard is effective for fiscal years beginning after December 15, 2016 and interim periods within those years. Early adoption is permitted. Entities may adopt the guidance prospectively or use a modified retrospective approach to apply it to derivatives outstanding during all or a

portion of the periods presented in the period of adoption. We do not expect that the adoption of this authoritative guidance will have a material impact on our consolidated financial statements.
In February 2016, the FASB issued ASU No. 2016-02 “Leases (Topic 842).” This standard requires entities that lease assets to recognize on the balance sheet, subject to certain exceptions, the assets and liabilities for the rights and obligations created by those leases. The standard is effective for fiscal years and the interim periods within those fiscal years beginning after December 15, 2018. The guidance is required to be applied by the modified retrospective transition approach. Early adoption is permitted. We are currently assessing the impact of the adoption of this authoritative guidance on our consolidated financial statements.

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

New Revenue Recognition Standard:
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 August 2015, the FASB issued ASU No. 2015-14 "Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date." This standard defers for one year the effective date of ASU No. 2014-09. The deferral will result in this standard being effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2017. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016 including interim reporting periods within that reporting period.
In March 2016, the FASB issued ASU No. 2016-08 "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)." This guidance amends the principal versus agent guidance in the new revenue standard. The amendments retain the guidance that the principal in an arrangement controls a good or service before it is transferred to a customer. The amendments clarify how an entity should identify the unit of accounting for principal versus agent evaluation and how it should apply the control principle to certain types of arrangements, such as service transactions. The amendments also reframe the indicators to focus on evidence that an entity is acting as a principal rather than an agent, revise examples in the new standard and add new examples.
In April 2016, the FASB issued ASU No. 2016-10 "Revenue From Contracts With Customers (Topic 606): Identifying Performance Obligations and Licensing." The guidance amends identifying performance obligations and accounting for licenses of intellectual property in the new revenue standard. The amendments address implementation issues that were raised by stakeholders and discussed by the Revenue Recognition Transition Resource Group. The amendments updated examples and added several new examples to illustrate the new guidance.
In May 2016, the FASB issued ASU No. 2016-11, "Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of Securities and Exchange Commission ("SEC") Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting (SEC Update)" which rescinds certain SEC guidance from the FASB Accounting Standards Codification in response to announcements made by the SEC staff at the EITF's March 3, 2016, meeting.
In May 2016, the FASB issued ASU No. 2016-12, "Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients," which amends certain aspects of ASU No. 2014-09 such as assessing collectibility, presentation of sales taxes, noncash consideration, and completed contracts and contract modifications at transition.
We will adopt the new revenue guidance on January 1, 2018 and apply the modified retrospective transition method. We are currently assessing the impact of the adoption of this authoritative guidance on our consolidated financial statements.
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

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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, 2016 vs. Three Months Ended June 30, 2015

During the three months ended June 30, 2016, we recorded a $5.9 million restructuring charge. This charge is comprised of:

- Severance and termination costs of $5.9 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 90 employees were impacted. Of these 90 employees, approximately 65 employees exited the Company by the end of the second quarter of 2016, with the remaining primarily to exit by the end of the third quarter of 2016. The cash payments for these employees will be substantially completed by the end of the first quarter of 2017.

During the three months ended June 30, 2015, we recorded a $4.8 million restructuring charge. This charge is comprised of:

- 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 by the end of the second quarter of 2015, with the remaining primarily having exited by the end of the third quarter of 2015. The cash payments for these employees were substantially completed by the end of the first quarter of 2016.

Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

During the six months ended June 30, 2016, we recorded a $15.6 million restructuring charge. This charge is comprised of:

- Severance and termination costs of $15.6 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 255 employees were impacted. Of these 255 employees, approximately 210 employees exited the Company by the end of the first half of 2016, with the remaining primarily to exit by the end of the third quarter of 2016. The cash payments for these employees will be substantially completed by the end of the first quarter of 2017.

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 by the end of the first half of 2015, with the remaining primarily having exited by the end of the third quarter of 2015. The cash payments for these employees were substantially completed by the end of the first quarter of 2016; and

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

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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, 2015	$ 18.6	$ 2.3	$20.9
Charge Taken during First Quarter 2016	9.7	—	9.7
Payments during First Quarter 2016	(10.1)	(0.3)	(10.4)
Balance Remaining as of March 31, 2016	$ 18.2	$ 2.0	$20.2
Charge Taken during the Second Quarter 2016	5.9	—	5.9
Payments during Second Quarter 2016	(10.0)	(0.4)	(10.4)
Balance Remaining as of June 30, 2016	$ 14.1	$ 1.6	$15.7

	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 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

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

	Maturity	June 30, 2016		December 31, 2015	
		Principal Amount	Carrying Value	Principal Amount	Carrying Value
Debt Maturing Within One Year:					
Term Loan Facility		$20.0	$20.0	$20.0	$20.0
Total Short-Term Debt		$20.0	$20.0	$20.0	$20.0

Debt Maturing After One Year:					
3.25% senior notes issued in December 2012 (1) (4) (5)	December 1, 2017	$450.0	$449.0	$450.0	$448.7
4.375% senior notes issued in December 2012 (2) (4) (5)	December 1, 2022	300.0	296.6	300.0	296.3
4.00% senior notes issued in June 2015 (3) (4) (6)	June 15, 2020	300.0	296.9	300.0	296.5
Term Loan Facility (7)	November 13, 2020	365.0	363.5	375.0	373.3
Revolving Credit Facility	July 23, 2019	309.6	309.6	382.2	382.2
Commercial Paper Program		—	—	—	—
Total Long-Term Debt		$1,724.6	$1,715.6	$1,807.2	$1,797.0

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(1) The notes were issued at a discount of less than $0.1 million with a remaining balance of less than $0.1 million at June 30, 2016. In connection with the issuance, we incurred underwriting and other fees of approximately $3.4 million, with a remaining balance of $1.0 million as of June 30, 2016.

(2) The notes were issued at a discount of $2.9 million with a remaining balance of $1.9 million at June 30, 2016. In connection with the issuance, we incurred underwriting and other fees of approximately $2.5 million, with a remaining balance of $1.5 million as of June 30, 2016.

(3) The notes were issued at a discount of $1.2 million with a remaining balance of $0.9 million at June 30, 2016. In connection with the issuance, we incurred underwriting and other fees of approximately $2.9 million, with a remaining balance of $2.2 million as of June 30, 2016.

(4) The 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, 2016 and December 31, 2015. The notes do not contain any financial covenants.

(5) The interest rates are subject to upward adjustment if our debt ratings decline three levels below the Standard & Poor's® and/or 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, 2016, no such adjustments to the interest rates were required.

(6) The interest rates are subject to an adjustment if our debt ratings decline one level below the Standard & Poor's BBB- credit rating and/or 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. The maximum adjustment is 2.00% above the initial interest rate and the rate cannot adjust below the initial interest rate. As of June 30, 2016, no such adjustments to the interest rate were required.

(7) In connection with the placement of the term loan facility, we incurred $1.9 million in structuring and other fees, with a remaining balance of $1.5 million as of June 30, 2016.

In the first quarter of 2016, we adopted ASU No. 2015-03 "Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs." As required, the guidance was applied retrospectively to all prior periods. Accordingly, we have reclassified balances related to debt issuance costs from "Other Non-Current Assets" to "Long Term Debt" for all prior periods. Debt issuance costs are presented as a direct deduction from the carrying amount of the related debt liability. The impact to our consolidated balance sheet was $6.2 million and $7.1 million at June 30, 2016 and December 31, 2015, respectively.

Term Loan Facility

On May 14, 2015, we entered into a delayed draw unsecured term loan facility which provided 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 (the "term loan facility"). The term loan facility matures five years from the date of the initial drawdown. Proceeds under the term loan facility were designated to be used for general corporate purposes including the refinancing of the 2.875% senior notes that matured in November 2015 and the repayment of borrowings outstanding under the $1 billion revolving credit facility. Borrowings under the term loan facility bear interest at a rate of LIBOR plus a spread of 137.5 basis points. Our initial draw down under the term loan facility in the amount of $400 million was made in November 2015, establishing a facility maturity of November 2020. We also committed to repay the borrowings in prescribed installments over the five year period. Repayments expected to be made within one year are classified as "Short-Term Debt" and the remaining outstanding balance is classified as "Long-Term Debt." The weighted average interest rates associated with the outstanding balances as of June 30, 2016 and December 31, 2015 were 1.83% and 1.73%, respectively.

The term loan facility requires the maintenance of interest coverage and total debt to Earnings Before Income Taxes, Depreciation and Amortization ("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, 2016 and December 31, 2015.

Revolving Credit Facility and Commercial Paper Program

We currently have a $1 billion revolving credit facility maturing in July 2019. Borrowings under the $1 billion revolving credit facility bear interest at a rate of LIBOR plus a spread of 110.0 basis points. The revolving credit facility requires the maintenance of interest coverage and total debt to EBITDA ratios which are defined in the $1 billion revolving credit facility

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credit agreement. We were in compliance with the $1 billion revolving credit facility financial and non-financial covenants at June 30, 2016 and December 31, 2015.
In accordance with ASC 470, "Debt," a short-term obligation that will be refinanced with successive short-term obligations may be classified as non-current as long as the cumulative period covered by the financing agreement is uninterrupted and extends beyond one year. Accordingly, the outstanding balances under the revolving credit facility were classified as "Long-Term Debt" as of June 30, 2016 and December 31, 2015, respectively. The weighted average interest rates associated with the outstanding balances as of June 30, 2016 and December 31, 2015 were 1.78% and 1.51%, respectively.

We borrowed under this facility from time to time during the six months ended June 30, 2016 and the year ended December 31, 2015 to supplement the timing of receipts in order to fund our working capital. We also borrowed under this facility during the year ended December 31, 2015 to fund the acquisition of NetProspex and a portion of the consideration for Dun & Bradstreet Credibility Corp ("DBCC"). 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 $1 billion revolving credit facility. We did not borrow under our commercial paper program during the six months ended June 30, 2016 or during the year ended December 31, 2015.
Other
At June 30, 2016 and December 31, 2015, we were contingently liable under open standby letters of credit and bank guarantees issued by our banks in favor of third parties totaling $2.7 million and $2.6 million, respectively.
Interest paid for all outstanding debt totaled $26.8 million and $22.6 million during the six months ended June 30, 2016 and 2015, 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 the three month and six month periods ended June 30, 2016 and 2015, none of our stock-based awards were deemed to be participating securities.
We are required to include in our computation of diluted EPS any contingently issuable shares that would have satisfied all the necessary conditions by the end of the reporting period as if it were the end of the performance period. Contingently issuable shares are shares that have an issuance contingent upon the satisfaction of certain conditions other than just services. We have 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 award depending on the Company's actual performance against the pre-established market conditions or performance conditions, these awards are considered contingently issuable shares.

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$18.8	$29.6	$48.8	$69.1
Loss from Discontinued Operations – Net of Income Taxes	—	(37.5)	—	(36.0)
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$18.8	$(7.9)	$48.8	$33.1
Weighted Average Number of Shares Outstanding – Basic	36.3	36.1	36.2	36.0
Dilutive Effect of Our Stock Incentive Plans	0.3	0.3	0.3	0.4
Weighted Average Number of Shares Outstanding – Diluted	36.6	36.4	36.5	36.4
Basic Earnings (Loss) Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.52	$0.82	$1.35	$1.92
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	(1.04)	—	(1.00)
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$0.52	$(0.22)	$1.35	$0.92
Diluted Earnings (Loss) Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.51	$0.81	$1.34	$1.90
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	(1.03)	—	(0.99)
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$0.51	$(0.22)	$1.34	$0.91

Stock-based awards (including contingently issuable shares) to acquire 23,721 shares and 37,372 shares of common stock were outstanding at the three month and six month periods ended June 30, 2016, respectively, as compared to 77,847 and 75,714 shares of common stock that were outstanding at the three month and six month periods ended June 30, 2015, 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.

No shares were repurchased during the three month and six month periods ended June 30, 2016 and 2015. We currently have in place a $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. This program was approved by our Board of Directors in August 2014 and 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, 2016, we have not yet commenced repurchasing under this program.

Note 6 -- Other Accrued and Current Liabilities

	June 30, 2016	December 31, 2015
Restructuring Accruals	$ 15.7	$ 20.9
Professional Fees (1)	34.7	29.1
Operating Expenses	42.1	45.0
Other Accrued Liabilities (2)	50.0	27.6

	$ 142.5	$ 122.6

(1) The increase in professional fees from December 31, 2015 to June 30, 2016 was primarily related to technology spending as a result of our strategic investments.

(2) The increase in other accrued liabilities from December 31, 2015 to June 30, 2016 was primarily related to the accrual for legal matters of $28 million recorded in the second quarter of 2016, partially offset by a payment of the DBCC contingent consideration liability in the second quarter of 2016.

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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, other than specifically stated below to the contrary, 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, 2016. 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. In accordance with ASC 450, “Contingencies,” or “ASC 450,” during the three months ended June 30, 2016, we accrued approximately $28 million with respect to the matters set forth 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, 2016, we incurred $0.6 million and $1.2 million, respectively, of legal and other professional fees related to matters in China as compared to $0.8 million and $1.2 million of legal and other professional fees related to matters in China for the three month and six month periods ended June 30, 2015, 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 ultimate impact on our business, financial condition or results of operations. Based on our discussions with the SEC and DOJ, including indications from the SEC of its 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. 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. We continue to have follow-up meetings with the SEC and DOJ, most recently meeting with the SEC in June 2016 and with the DOJ in July 2016, and the parties are still discussing the evidence and other factors to help bring this matter to resolution. In our June 2016 meetings with the SEC, the SEC provided us with its current net benefit calculations, but has not indicated whether it will impose additional penalties. In accordance with ASC 450, an amount in respect of this matter has been accrued in the consolidated financial statements as of June 30, 2016. We are still in discussions with the DOJ to determine what range of penalties the DOJ might propose. Accordingly, we remain unable at this time to reasonably estimate the final amount or ultimate range of any loss, although it is possible that the amount of such additional loss could be material.

Dun & Bradstreet Credibility Corp. 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. In June 2016, we agreed to release the escrows after the Company was indemnified for $2.0 million out of such escrow accounts.

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O&R Construction, LLC v. Dun & Bradstreet Credibility Corp., 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 the Company and DBCC. On July 29, 2015, Defendants filed oppositions to the motions for class certification.
On September 16, 2015, plaintiff filed reply briefs in support of the motions for class certification. At the request of the parties, on October 30, 2015, the Court entered an order striking plaintiff's class certification motions without prejudice and striking all upcoming deadlines while the parties negotiated a written settlement agreement. On February 11, 2016, the parties entered into a written settlement term sheet, and on May 16, 2016, the parties executed a settlement agreement, which is subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement.
Our ultimate liability related to this matter is contingent upon our insurance coverage and we do not expect the impact will be material to our financial results (see further discussion of Sentry matter below).
Die-Mension Corporation v. Dun & Bradstreet Credibility Corp. 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

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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. On September 9, 2015, the Washington court entered an order denying the Company's motion to dismiss, and on September 10, 2015, it entered an order granting DBCC's motion to dismiss without prejudice. At the request of the parties, on October 30, 2015, the Court entered an order striking plaintiff's class certification motions without prejudice and striking all upcoming deadlines while the parties negotiated a written settlement agreement. On February 11, 2016, the parties entered into a written settlement term sheet, and on May 16, 2016, the parties executed a settlement agreement, which is subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement.

Our ultimate liability related to this matter is contingent upon our insurance coverage and we do not expect the impact will be material to our financial results (see further discussion of Sentry matter below).

Vinotemp International Corporation and CPrint®, Inc. v. Dun & Bradstreet Credibility Corp., 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. On September 9, 2015, the Washington court entered an order denying the Company's motion to dismiss. At the request of the parties, on October 30, 2015, the Court entered an order striking plaintiff's class certification motions and DBCC's motion to dismiss without prejudice and striking all upcoming deadlines while the parties negotiated a written settlement agreement. On February 11, 2016, the parties entered into a written settlement term sheet, and on May 16, 2016, the parties executed a settlement agreement, which is subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement.

Our ultimate liability related to this matter is contingent upon our insurance coverage and we do not expect the impact will be material to our financial results (see further discussion of Sentry matter below).

Flow Sciences Inc. v. Dun & Bradstreet Credibility Corp., 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

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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. On September 9, 2015, the Washington court entered an order denying the Company’s motion to dismiss and on October 19, 2015, it entered an order denying DBCC’s motion to dismiss. At the request of the parties, on October 30, 2015, the Court entered an order striking plaintiff’s class certification motions without prejudice and striking all upcoming deadlines while the parties negotiated a written settlement agreement. On February 11, 2016, the parties entered into a written settlement term sheet, and on May 16, 2016, the parties executed a settlement agreement, which is subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement.

Our ultimate liability related to this matter is contingent upon our insurance coverage and we do not expect the impact will be material to our financial results (see further discussion of Sentry matter below).

Altaflo, LLC v. Dun & Bradstreet Credibility Corp., 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. On September 9, 2015, the Washington court entered an order denying the Company’s motion to dismiss, and on October 19, 2015, it entered an order granting DBCC’s motion to dismiss without prejudice. At the request of the parties, on October 30, 2015, the Court entered an order striking plaintiff’s class certification motions without prejudice and striking all upcoming deadlines while the parties negotiated a written settlement agreement. On February 11, 2016, the parties entered into a written settlement term sheet, and on May 16, 2016, the parties executed a settlement agreement, which is subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement.

Our ultimate liability related to this matter is contingent upon our insurance coverage and we do not expect the impact will be material to our financial results (see further discussion of Sentry matter below).

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

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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 Dun and Bradstreet'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. We do not believe the exclusions are applicable under governing law interpreting similar provisions. 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. A preliminary conference with the Court was held on July 28, 2015 and the parties subsequently served their respective document demands and interrogatories, although no documents have been exchanged yet. In addition, the parties have held informal discussions regarding a possible resolution including the possibility of mediating the dispute. The litigation was temporarily stayed to accommodate the parties' efforts to resolve the dispute amicably, but the stay has expired. The parties have been unable to settle the matter. On June 30, 2016, the Company filed a motion to join National Union Fire Insurance Company of Pittsburgh as an additional party due to National Union's separate obligations under an errors & omissions policy to indemnify the Company for its losses in the Class Actions. The motion to join National Union is awaiting a decision, and a discovery conference with the Court has been scheduled for September 1, 2016. The Company and National Union are discussing entering into an Interim Funding Agreement, under which National Union would fund the Company's share of the settlement amount in the Class Actions (less the policy's retention), with both the Company and National Union continuing to reserve their respective rights. The Company is continuing to investigate the allegations, and discovery in this action is still in the very early stages. 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.

Jeffrey A. Thomas v. Dun & Bradstreet Credibility Corp., No. 2:15 cv 03194-BRO-GJS (C.D. Cal.)

On April 28, 2015, Jeffrey A. Thomas ("Plaintiff") filed suit against DBCC in the United States District Court for the Central District of California. The complaint alleges that DBCC violated the Telephone Consumer Protection Act ("TCPA") (47 U.S.C. § 227) because it placed telephone calls to Plaintiff's cell phone using an automatic telephone dialing system ("ATDS"). The TCPA generally prohibits the use of an ATDS to place a call to a cell phone for non-emergency purposes and without the prior express written consent of the called party. The TCPA provides for statutory damages of $500 per violation, which may be trebled to $1,500 per violation at the discretion of the court if the plaintiff proves the defendant willfully violated the TCPA. Plaintiff seeks to represent a class of similarly situated individuals who received calls on their cell phones from an ATDS. DBCC was served with a copy of the summons and complaint on April 30, 2015. On May 22, 2015, the Company made a statutory offer of judgment. Plaintiff did not respond to the offer. DBCC filed a motion to dismiss the complaint on June 12, 2015, which the Court denied on August 5, 2015. DBCC filed an Answer and asserted its Affirmative Defenses on November 12, 2015. Discovery commenced and the Court issued a schedule for amended pleadings, discovery, the filing of any class certification motion and trial.

During the discovery period, the parties agreed to attempt to settle the dispute through mediation. On June 2, 2016 the parties conducted one day of mediation, and shortly after the mediation, the parties reached an agreement to settle the dispute on a class-wide basis. The parties are in the process of drafting a written settlement agreement and all attendant documents. The parties informed the Court of their agreement, and on June 22, 2016 the Court entered an Order requiring the parties to file a motion for preliminary approval of the proposed settlement, together with all accompanying documents, on or before August 4, 2016, or otherwise provide the Court with a Joint Status Report with an update on the settlement. In the same Order the Court vacated all previously scheduled dates and deadlines.

In accordance with ASC 450 Contingencies, a reserve has been accrued by the Company for this matter in the consolidated financial statements as of June 30, 2016.

Other Matters

In addition, in the normal course of business, and including without limitation, our merger and acquisition activities, strategic relationships 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

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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, 2016, our effective tax rate was 42.9% as compared to 34.6% for the three months ended June 30, 2015. The increase in the effective tax rate in 2016 is primarily attributable to a higher non-deductible expense in the second quarter of 2016 related to the legal reserve associated with the ongoing SEC and DOJ investigation of our China operations (See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q). The effective tax rate for the second quarter of 2015 was negatively impacted by non-deductible transaction costs incurred that were associated with the acquisition of DBCC. For the three months ended June 30, 2016, there are no other known changes in our effective tax rate that either have had or that we reasonably expect may have a material impact on our future performance.

For the six months ended June 30, 2016, our effective tax rate was 34.0% as compared to 32.6% for the six months ended June 30, 2015. The increase in the effective tax rate in 2016 is primarily attributable to a higher non-deductible expense in the second quarter of 2016 related to the legal reserve associated with the ongoing SEC and DOJ investigation of our China operations, partially offset by the impact of the adjustment to the net deferred tax liability related to the net operating loss carryforwards associated with our NetProspex acquisition in 2015. The effective tax rate for the six months ended June 30, 2015 was negatively impacted by non-deductible transaction costs incurred that were associated with the acquisition of NetProspex and DBCC. For the six months ended June 30, 2016, there are no known changes in our effective tax rate that either have had or that we reasonably expect may have a material impact on our future performance.

The total amount of gross unrecognized tax benefits as of June 30, 2016 was $12.5 million. The amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is $11.8 million, net of related tax benefits. We anticipate that it is reasonably possible that total unrecognized tax benefits will decrease by approximately $7 million within the next twelve months as a result of the expiration of applicable statutes of limitation and audit settlements.

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 2012. In state and local jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2011. In foreign jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2010.

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, 2016 was $0.1 million and $0.2 million, respectively, net of tax benefits, as compared to $0.2 million and $0.3 million, net of tax benefits, for the three month and six month periods ended June 30, 2015, respectively. The total amount of accrued interest as of June 30, 2016 was $0.7 million, net of tax benefits, as compared to $3.2 million, net of tax benefits, as of June 30, 2015.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
(Tabular dollar amounts in millions, except 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,	
	2016	2015	2016	2015	2016	2015	2016	2015
Components of Net Periodic Cost (Income):								
Service Cost	$0.8	$1.0	$1.5	$2.0	$0.2	$0.2	$0.4	$0.4
Interest Cost	14.6	18.3	29.8	36.7	0.1	0.2	0.2	0.3
Expected Return on Plan Assets	(24.3)	(25.6)	(48.6)	(51.3)	—	—	—	—
Amortization of Prior Service Cost (Credit)	—	0.1	0.1	0.2	(0.4)	(0.1)	(0.8)	(0.3)
Recognized Actuarial Loss (Gain)	9.6	10.7	19.3	21.4	(0.4)	(0.6)	(0.8)	(1.0)
Net Periodic Cost (Income)	$0.7	$4.5	$2.1	$9.0	$(0.5)	$(0.3)	$(1.0)	$(0.6)

Effective January 1, 2016, we changed the approach used to measure service and interest cost components of net periodic benefit costs for our pension and postretirement benefit plans. Previously, we measured service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the plan obligations. For 2016, we elected to measure service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows ("Spot Rate Approach"). We believe the new approach provides a more precise measurement of service and interest costs by improving the correlation between projected benefit cash flows and their corresponding spot rates on the yield curve. This change does not affect the measurement of our plan obligations and it is accounted for as a change in accounting estimate, which is applied prospectively. This change in estimate is expected to reduce our 2016 pension and postretirement net periodic cost by approximately $14 million when compared to the prior estimate of approximately $19 million discussed in our Annual Report on Form 10-K for the year ended December 31, 2015. The reduction in pension and postretirement net periodic cost is primarily driven by the lower interest cost related to the U.S. Qualified Plan. The weighted average discount rate used to develop the 2016 interest and service cost for the U.S. Qualified Plan under the Spot Rate Approach was 3.04%. The weighted average discount rate used to measure the benefit obligation for the U.S. Qualified plan as of December 31, 2015 was 3.89%.

We previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2015 that we expected to contribute approximately $29 million to our U.S. Non-Qualified plans and non-U.S. pension plans and $2 million to our postretirement benefit plan for the year ended December 31, 2016. As of June 30, 2016, we have made contributions to our U.S. Non-Qualified and non-U.S. pension plans of $14.0 million and we have made contributions of $0.9 million to our postretirement benefit plan.

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.

We manage and report our business through two segments:

- Americas (which consists of our operations in the U.S., Canada and Latin America); and
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Non-Americas (which primarily consists of our operations in the U.K., the Netherlands, Belgium, Greater China, India and our Dun & Bradstreet Worldwide Network).

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.

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue:				
Americas	$329.1	$302.9	$636.1	$583.8
Non-Americas	69.7	72.5	137.7	147.8
Consolidated Total	$398.8	$375.4	$773.8	$731.6
Operating Income (Loss):				
Americas	$83.7	$67.2	$153.3	$135.1
Non-Americas	14.2	18.7	27.2	40.6
Total Segments	97.9	85.9	180.5	175.7
Corporate and Other (1)	(51.4)	(27.7)	(80.8)	(52.4)
Consolidated Total	46.5	58.2	99.7	123.3
Non-Operating Income (Expense) - Net (2)	(13.4)	(12.9)	(25.6)	(20.6)
Income Before Provision for Income Taxes and Equity in Net Income of Affiliates	$33.1	$45.3	$74.1	$102.7

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Corporate Costs	$(18.4)	$(16.2)	$(37.5)	$(32.4)
Restructuring Expense	(5.9)	(4.8)	(15.6)	(9.6)
Acquisition-Related Costs (a)	(0.6)	(5.9)	(0.6)	(9.2)
Accrual for Legal Matters (b)	(26.0)	—	(26.0)	—
Legal and Other Professional Fees and Shut-Down Costs Related to Matters in China	(0.5)	(0.8)	(1.1)	(1.2)
Total Corporate and Other	$(51.4)	$(27.7)	$(80.8)	$(52.4)

(a) The acquisition-related costs (e.g., banker's fees) for the three months and six month periods ended June 30, 2015 were primarily related to the acquisition of NetProspex and DBCC.

(b) The accrual for legal matters for the three month and six month periods ended June 30, 2016 is related to litigation (Jeffrey A. Thomas v. Dun & Bradstreet Credibility Corp.), net of an indemnification from the DBCC acquisition escrows, and the ongoing SEC and DOJ investigation of our China operations. See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Interest Income	$0.5	$0.4	$1.0	$0.8
Interest Expense	(13.4)	(11.8)	(26.9)	(23.2)
Other Income (Expense) - Net (a)	(0.5)	(1.5)	0.3	1.8

Non-Operating Income (Expense) - Net	$(13.4)	$(12.9)	$(25.6)	$(20.6)

(a) The decrease in Other Expense - Net for the three months ended June 30, 2016 as compared to the three months ended June 30, 2015 was primarily due to higher expenses on debt-related costs and other non-recurring items in the prior year period. The decrease in Other Income - Net for the six months ended June 30, 2016 as compared to the six months ended June 30, 2015 was primarily due to a decrease in dividend income from our minority-interest investments.

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

Supplemental Geographic and Customer Solution Set Information:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Customer Solution Set Revenue:				
Americas:				
Risk Management Solutions	$184.0	$174.4	$361.8	$334.8
Sales & Marketing Solutions	145.1	128.5	274.3	249.0
Total Americas Revenue	329.1	302.9	636.1	583.8
Non-Americas:				
Risk Management Solutions	$58.1	$59.2	$114.7	$119.7
Sales & Marketing Solutions	11.6	13.3	23.0	28.1
Total Non-Americas Revenue	69.7	72.5	137.7	147.8
Consolidated Total:				
Risk Management Solutions	$242.1	$233.6	$476.5	$454.5
Sales & Marketing Solutions	156.7	141.8	297.3	277.1
Consolidated Total Revenue	$398.8	$375.4	$773.8	$731.6

	At June 30, 2016	At December 31, 2015
Assets:		
Americas (3)	$1,327.2	$ 1,451.3
Non-Americas (4)	660.2	787.1
Total Segments	1,987.4	2,238.4
Corporate and Other (5)	175.5	28.1
Consolidated Total	$2,162.9	$ 2,266.5
Goodwill:		
Americas	$561.2	$ 562.6
Non-Americas	142.7	141.4
Consolidated Total	$703.9	$ 704.0

(3) The decrease in assets in the Americas segment to $1,327.2 million at June 30, 2016 from $1,451.3 million at December 31, 2015 was primarily due to a decrease in accounts receivable resulting from the cyclical sales pattern of our Americas business and a decrease in other intangibles driven by the current year amortization related to the acquisition of DBCC and NetProspex in 2015.

(4) The decrease in assets in the Non-Americas segment to $660.2 million at June 30, 2016 from $787.1 million at December 31, 2015 was primarily driven by a lower cash balance mainly due to cash remitted in December 2015 from our foreign operations to the U.S. which was used to repay short-term debt, a decrease in accounts receivable resulting from the cyclical sales pattern of our Non-Americas business, and the negative impact of foreign currency translation.

(5) The increase in assets in Corporate and Other to $175.5 million at June 30, 2016 from $28.1 million at December 31, 2015 was primarily due to a net increase in cash primarily due to the timing of cash remitted from our foreign operations to the U.S.

Note 11 -- Financial Instruments

We employ established policies and procedures to manage our exposure to changes in interest rates and foreign currencies. We use foreign exchange forward and option contracts to hedge short-term foreign currency denominated loans and certain third-party and intercompany transactions. We may also use foreign exchange forward contracts to hedge our net

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investments in our foreign subsidiaries. In addition, we may use interest rate derivatives to hedge a portion of the interest rate exposure on our outstanding debt or in anticipation of a future debt issuance, as discussed under “Interest Rate Risk Management” below.

We do not use derivative financial instruments for trading or speculative purposes. If a hedging instrument ceases to qualify as a hedge in accordance with hedge accounting guidelines, any subsequent gains and losses are recognized currently in income. Collateral is generally not required for these types of instruments.

By their nature, all such instruments involve risk, including the credit risk of non-performance by counterparties. However, at June 30, 2016 and December 31, 2015, there was no significant risk of loss in the event of non-performance of the counterparties to these financial instruments. We control our exposure to credit risk through monitoring procedures.

Our trade receivables do not represent a significant concentration of credit risk at June 30, 2016 and December 31, 2015, because we sell to a large number of customers in different geographical locations and industries.

Interest Rate Risk Management

Our objective in managing our exposure to interest rates is to limit the impact of interest rate changes on our earnings, cash flows and financial position, and to lower our overall borrowing costs. To achieve these objectives, we maintain a policy that floating-rate debt be managed within a minimum and maximum range of our total debt exposure. To manage our exposure and limit volatility, we may use fixed-rate debt, floating-rate debt and/or interest rate swaps. We recognize all derivative instruments as either assets or liabilities at fair value in the statement of financial position. As of June 30, 2016 and December 31, 2015, we did not have any interest rate derivatives outstanding.

Foreign Exchange Risk Management

Our objective in managing exposure to foreign currency fluctuations is to reduce the volatility caused by foreign exchange rate changes on the earnings, cash flows and financial position of our global operations. We follow a policy of hedging balance sheet positions denominated in currencies other than the functional currency applicable to each of our various subsidiaries. In addition, we are subject to foreign exchange risk associated with our international earnings and net investments in our foreign subsidiaries. We use short-term, foreign exchange forward and, from time to time, option contracts to execute our hedging strategies. Typically, these contracts have maturities of 12 months or less. These contracts are denominated primarily in the British pound sterling, the Euro and the Canadian dollar. The gains and losses on the forward contracts associated with our balance sheet positions are recorded in “Other Income (Expense) – Net” in the unaudited consolidated statements of operations and comprehensive income and are essentially offset by the losses and gains on the underlying foreign currency transactions. Our foreign exchange forward contracts are not designated as hedging instruments under authoritative guidance.

As in prior years, we have hedged substantially all balance sheet positions denominated in a currency other than the functional currency applicable to each of our various subsidiaries with short-term, foreign exchange forward contracts. In addition, we may use foreign exchange forward contracts to hedge certain net investment positions. The underlying transactions and the corresponding foreign exchange forward contracts are marked-to-market at the end of each quarter and the fair value impacts are reflected within the unaudited consolidated financial statements.

As of June 30, 2016 and December 31, 2015, the notional amounts of our foreign exchange contracts were $249.4 million and $326.8 million, respectively.

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

Fair Values of Derivative Instruments in the Consolidated Balance Sheet

	Asset Derivatives				Liability Derivatives			
	June 30, 2016		December 31, 2015		June 30, 2016		December 31, 2015	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives not designated as hedging instruments								
Foreign exchange forward contracts	Other Current Assets	$ 0.8	Other Current Assets	$ 0.5	Other Accrued & Current Liabilities	$ 0.4	Other Accrued & Current Liabilities	$ 0.3
Total derivatives not designated as hedging instruments		$ 0.8		$ 0.5		$ 0.4		$ 0.3
Total Derivatives		$ 0.8		$ 0.5		$ 0.4		$ 0.3

Our foreign exchange forward contracts are not designated as hedging instruments under authoritative guidance.

The Effect of Derivative Instruments on the Consolidated Statement of Operations and Comprehensive Income (Loss)

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Recognized in Income on Derivatives			
		For the Three Months Ended June 30,		For the Six Months Ended June 30,	
		2016	2015	2016	2015
Foreign exchange forward contracts	Non-Operating Income (Expenses) – Net	$ (7.4)	$ 3.0	$ (6.8)	$ (6.0)

Fair Value of Financial Instruments

Our financial assets and liabilities that are reflected in the consolidated financial statements include derivative financial instruments, cash and cash equivalents, accounts receivable, other receivables, accounts payable, short-term borrowings and long-term borrowings. We use short-term foreign exchange forward contracts to hedge short-term foreign currency-denominated intercompany loans and certain third-party and intercompany transactions. Fair value for derivative financial instruments is determined utilizing a market approach.

We have a process for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, we use quotes from independent pricing vendors based on recent trading activity and other relevant information including market interest rate curves and referenced credit spreads.

In addition to utilizing external valuations, we conduct our own internal assessment of the reasonableness of the external valuations by utilizing a variety of valuation techniques including Black-Scholes option pricing and discounted cash flow models that are consistently applied. Inputs to these models include observable market data, such as yield curves, and foreign exchange rates where applicable. Our assessments are designed to identify prices that do not accurately reflect the current market environment, those that have changed significantly from prior valuations and other anomalies that may indicate that a price may not be accurate. We also follow established routines for reviewing and reconfirming valuations with the pricing provider, if deemed appropriate. In addition, the pricing provider has an established challenge process in place for all valuations, which facilitates identification and resolution of potentially erroneous prices. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. These adjustments include amounts to reflect counterparty credit quality and our own creditworthiness and constraints on liquidity. For inactive markets that do not have observable pricing or sufficient trading volumes, or for positions that are subject to transfer restrictions, valuations are adjusted to reflect illiquidity and/or non-transferability. Such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate will be used.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while we believe our valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

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

The following table presents information about our assets and liabilities measured at fair value on a recurring basis as of June 30, 2016 and December 31, 2015, and indicates the fair value hierarchy of the valuation techniques utilized by us to determine such fair value. Level inputs, as defined by authoritative guidance, are as follows:

Level Input:	Input Definition:
Level I	Observable inputs utilizing quoted prices (unadjusted) for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are either directly or indirectly observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs for the asset or liability in which little or no market data exists therefore requiring management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The following table summarizes fair value measurements by level at June 30, 2016 for assets and liabilities measured at fair value on a recurring basis:

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Balance at June 30, 2016
Assets:				
Cash Equivalents (1)	$ 256.8	$ —	$ —	$ 256.8
Other Current Assets:				
Foreign Exchange Forwards (2)	$ —	$ 0.8	$ —	$ 0.8
Liabilities:				
Other Accrued and Current Liabilities:				
Foreign Exchange Forwards (2)	$ —	$ 0.4	$ —	$ 0.4
Contingent Consideration (3)	$ —	$ —	$ 3.9	$ 3.9
Other Non-Current Liabilities:				
Contingent Consideration (3)	$ —	$ —	$ 5.2	$ 5.2

(1) Cash equivalents represent fair value as it consists of highly liquid investments with an initial term from the date of purchase by the Company to maturity of three months or less.

(2) Primarily represents foreign currency forward contracts. Fair value is determined utilizing a market approach and considers a factor for nonperformance in the valuation.

(3) Relates to our contingent consideration liability associated with the acquisition of DBCC in the second quarter of 2015. There was no change in the fair value related to the contingent consideration liability during the six months ended June 30, 2016. A payment of $6.0 million was made during the six months ended June 30, 2016. Fair value is estimated based on an option-pricing model. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2016. There were no transfers in or transfers out of Level 3 in the fair value hierarchy for the six months ended June 30, 2016.

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The following table summarizes fair value measurements by level at December 31, 2015 for assets and liabilities measured at fair value on a recurring basis:

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Balance at December 31, 2015
Assets:				
Cash Equivalents (1)	$ 346.3	$ —	$ —	$ 346.3
Other Current Assets:				
Foreign Exchange Forwards (2)	$ —	$ 0.5	$ —	$ 0.5
Liabilities:				
Other Accrued and Current Liabilities:				
Foreign Exchange Forwards (2)	$ —	$ 0.3	$ —	$ 0.3
Contingent Consideration (3)	$ —	$ —	$ 6.0	$ 6.0
Other Non-Current Liabilities:				
Contingent Consideration (3)	$ —	$ —	$ 9.1	$ 9.1

(1) Cash equivalents represent fair value as it consists of highly liquid investments with an initial term from the date of purchase by the Company to maturity of three months or less.

(2) Primarily represents foreign currency forward contracts. Fair value is determined utilizing a market approach and considers a factor for nonperformance in the valuation.

(3) Relates to our contingent consideration liability associated with the acquisition of DBCC in the second quarter of 2015. Fair value is estimated based on an option-pricing model.

There were no transfers between Levels 1 and 2 for the year ended December 31, 2015. There were no transfers in or transfers out of Level 3 in the fair value hierarchy for the year ended December 31, 2015.

At June 30, 2016 and December 31, 2015, the fair value of cash and cash equivalents, accounts receivable, other receivables and accounts payable approximated carrying value due to the short-term nature of these instruments. The estimated fair values of other financial instruments subject to fair value disclosures, determined based on valuation models using discounted cash flow methodologies with market data inputs from globally recognized data providers and third-party quotes from major financial institutions (categorized as Level II in the fair value hierarchy), are as follows:

	Balance at June 30, 2016		December 31, 2015	
	Carrying Amount (Asset) Liability	Fair Value (Asset) Liability	Carrying Amount (Asset) Liability	Fair Value (Asset) Liability
Short-term and Long-term Debt	$1,042.5	$ 1,079.7	$1,041.5	$ 1,051.3
Revolving Credit Facility	$309.6	$ 305.9	$382.2	$ 386.6
Term Loan Facility	$383.5	$ 385.0	$393.3	$ 409.7

Items Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities that are recorded at fair value on a recurring basis, we are required to record assets and liabilities at fair value on a nonrecurring basis as required by GAAP. Generally, assets are recorded at fair value on a nonrecurring basis as a result of impairment charges.

During the three month and six month periods ended June 30, 2016, we did not measure any assets or liabilities at fair value on a nonrecurring basis.

During the three month and six month periods ended June 30, 2015, we recorded a loss of $38.2 million related to the divestiture of our business in ANZ. Our business in ANZ, which was classified as discontinued operations and held for sale at June 30, 2015, was measured at the lower of its carrying amount or fair value less cost to sell based on Level II inputs. The loss was recorded in the results of the discontinued operations. See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

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Note 12 -- Accumulated Other Comprehensive Income

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive income ("AOCI") as of June 30, 2016 and 2015:

	Foreign Currency Translation Adjustments	Defined Benefit Pension Plans	Total
Balance, December 31, 2014	$ (233.4)	$(688.7)	$(922.1)
Other Comprehensive Income Before Reclassifications	(53.7)	—	(53.7)
Amounts Reclassified From Accumulated Other Comprehensive Income, net of tax	—	13.1	13.1
Balance, June 30, 2015	$ (287.1)	$(675.6)	$(962.7)
Balance, December 31, 2015	$ (291.7)	$(673.8)	$(965.5)
Other Comprehensive Income Before Reclassifications	(12.3)	—	(12.3)
Amounts Reclassified From Accumulated Other Comprehensive Income, net of tax	—	11.6	11.6
Balance, June 30, 2016	$ (304.0)	$(662.2)	$(966.2)

The following table summarizes the reclassifications out of AOCI as of June 30, 2016 and 2015:

Details About Accumulated Other Comprehensive Income Components	Affected Line Item in the Statement Where Net Income is Presented	Amount Reclassified from Accumulated Other Comprehensive Income (Loss) Three Months Ended June 30, 2016	2015	Amount Reclassified from Accumulated Other Comprehensive Income Six Months Ended June 30, 2016	2015
Defined Benefit Pension Plans:					
Amortization of Prior Service Costs	Selling and Administrative Expenses	$ (0.2)	$ —	$ (0.4)	$ (0.1)
	Operating Expenses	(0.1)	—	(0.2)	—
Amortization of Actuarial Gain/Loss	Selling and Administrative Expenses	6.2	6.3	12.4	13.1
	Operating Expenses	2.9	3.8	6.0	7.3
Total Before Tax		8.8	10.1	17.8	20.3
Tax (Expense) or Benefit		(3.0)	(3.5)	(6.2)	(7.2)
Total After Tax		$ 5.8	$ 6.6	$ 11.6	$ 13.1
Total Reclassifications for the Period, Net of Tax		$ 5.8	$ 6.6	$ 11.6	$ 13.1

Note 13 -- Acquisitions

Dun & Bradstreet Credibility Corp.

On May 12, 2015, we acquired a 100% equity interest in DBCC. DBCC provides business credit building and credibility solutions. The company's headquarters is in Los Angeles, CA, with offices throughout the United States. As a result of this acquisition, we formed a new business, Dun & Bradstreet Emerging Businesses, a combination of DBCC's technology and data solutions with Dun & Bradstreet's small and mid-sized operations. The new business has been established to expand our capabilities to deliver more sophisticated solutions to the diverse needs of emerging business customers. The results of DBCC have been included in our consolidated financial statements since the date of acquisition.

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The acquisition was accounted for in accordance with ASC 805, "Business Combinations." The acquisition was accounted for as a purchase transaction, and accordingly, the assets and liabilities of the acquired entity were recorded at their estimated fair values at the date of the acquisition. Total consideration included an initial cash payment of $320.0 million, at the closing of the transaction, and an earnout of up to $30.0 million based on the achievement of sales, EBITDA, operating expense and operating income targets through December 31, 2018. In connection with this potential earnout payment, we recorded total contingent consideration liability of $11.2 million initially, representing the estimated fair value of the contingent consideration we expected to pay. The fair value of the contingent liability was subsequently adjusted to $8.5 million in the third quarter of 2015, as a result of applying the higher risk premium based upon further analysis. As of December 31, 2015, the fair value of the contingent consideration liability was further adjusted to $15.1 million, inclusive of a $6.6 million adjustment that was not considered a measurement-period adjustment in accordance with ASC 805. A payment of $6.0 million was made in the second quarter of 2016 associated with DBCC's performance in 2015. As of June 30, 2016, the fair value of the contingent liability balance was $9.1 million.

Of the $320.0 million initial cash payment, 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 certain class action litigation matters and for other customary matters, subject to caps and other conditions. As of the acquisition date, discovery in the cases was ongoing, and the Company was investigating the allegations. We therefore did not have sufficient information upon which to determine that a loss in connection with these litigations was probable, reasonably possible or estimable, and thus no reserve was established nor was a range of loss disclosed. Hence no associated indemnification asset was recognized on the acquisition date. In June 2016, we agreed to release the escrows after the Company was indemnified for $2.0 million out of such escrow accounts. See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

As a result of the acquisition, DBCC's previous claim under its pending legal action against us was discontinued with prejudice. We also effectively terminated other preexisting contractual arrangements with DBCC. We have determined that these preexisting relationships were settled at market value on the acquisition date and therefore no settlement gain or loss was recognized. Transaction costs of $6.9 million were included in operating expenses in the consolidated statement of operations and comprehensive income (loss).

The preliminary fair values of the acquired assets and liabilities were subject to change within the one-year measurement period. We obtained information to determine the fair values of the net assets acquired at the acquisition date during the measurement period. Since the initial valuation reflected in our financial results as of June 30, 2015, we have recorded adjustments to the preliminary valuation of assets and liabilities, resulting in a net decrease of goodwill of $2.7 million in the third quarter of 2015. The reduction of $2.7 million in goodwill reflected an adjustment to the fair value of the contingent consideration liability as noted above. We have also early adopted ASU 2015-16 "Business Combinations (Topic 805)" in the third quarter of 2015. Accordingly, adjustments to the initial purchase price allocation identified during the measurement period were recognized in the reporting period in which the adjustment amounts are determined. During the first quarter of 2016, we recorded a measurement-period adjustment of $2.7 million, resulting in a net decrease of goodwill of $2.7 million. The adjustment was primarily as a result of an adjustment to the deferred tax liability based on the finalization of DBCC's 2014 tax return.

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We have finalized purchase price allocation as of March 31, 2016 as shown in the table below:

	Amortization Life (years)	Preliminary Purchase Price Allocation at December 31, 2015	Measurement Period Adjustments	Final Purchase Price Allocation at March 31, 2016
Current Assets		$ 2.0	$ —	$ 2.0
Intangible Assets:				—
Reacquired Right	Indefinite	153.2	—	153.2
Customer Relationships	8.0	82.5	—	82.5
Technology	6.5	45.6	—	45.6
Goodwill	Indefinite	207.4	(2.7)	204.7
Other		3.5	—	3.5
Total Assets Acquired		$ 494.2	$ (2.7)	$ 491.5
Deferred Revenue		$ 45.6	$ —	$ 45.6
Deferred Tax Liability		107.0	(3.1)	103.9
Other Liabilities		13.1	0.4	13.5
Total Liabilities Assumed		$ 165.7	$ (2.7)	$ 163.0
Total Upfront Purchase Price		$ 320.0	$ —	$ 320.0
Fair Value of Contingent Consideration		8.5	—	8.5
Total Consideration		$ 328.5	$ —	$ 328.5

The fair value of the reacquired right intangible asset was determined by applying the income approach; specifically, a multi-period excess earnings method. The valuation was based on the present value of the net earnings, or after-tax cash flows attributable to the measured asset.

The technology intangible asset represents DBCC's innovative technology platform that enables product launching and fulfillment, customer relationship management, telephony, finance, data warehousing and business intelligence. The fair value of this intangible asset was determined by applying the income approach; specifically, a relief-from-royalty method.

The fair value of the customer relationships intangible asset was determined by applying the replacement cost approach.

The fair value of the contingent consideration was estimated based on an option-pricing model. The model estimated the possible outcome of each of the performance targets (e.g. Revenue) during the earnout period and the associated estimated expected earn out payments. The expected earn out payments were then discounted to present value on the acquisition date.

The fair value of deferred revenue was determined based on estimated direct costs to fulfill the related obligations, plus a reasonable profit margin.

The goodwill was assigned to our North America reporting unit, which is part of the Americas reportable segment. The value of the goodwill is associated with the strength of DBCC's management team and its business model. The combined expertise will enhance our ability to develop products and provide us growth opportunities with small and mid-size businesses. The intangible assets, with useful lives from 6.5 to 8 years, are being amortized over a weighted-average useful life of 7.5 years. The intangibles have been recorded within Other Intangibles in our consolidated balance sheet since the date of acquisition.

Income Taxes

We established deferred tax liabilities on certain intangibles acquired as part of the acquisition for which there is no tax basis. In addition, the goodwill acquired is not deductible for tax purposes.

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NetProspex
On January 5, 2015, we acquired a 100% equity interest in NetProspex. NetProspex is based out of Waltham, Massachusetts and provides business-to-business professional contact data and data management services. The acquisition combines NetProspex's comprehensive professional contact database with our global data and analytics. This will further enable our customers to better understand their ideal customers, identify and prioritize opportunities, and grow their business. The results of NetProspex have been included in our unaudited consolidated financial statements since the date of acquisition.
The acquisition was accounted for as a purchase transaction in accordance with ASC 805 "Business Combinations", and accordingly, the assets and liabilities of the acquired entity were recorded at their estimated fair values at the date of the acquisition. The acquisition was valued at $124.5 million, net of cash assumed. Transaction costs of $2.3 million were included in operating expenses in the unaudited consolidated statement of operations and comprehensive income (loss).
We have finalized the purchase price allocation as of December 31, 2015 as shown in the table below:

	Amortization Life (years)	Initial Purchase Price Allocation at March 31, 2015	Measurement Period Adjustments	Final Purchase Price Allocation at December 31, 2015
Current Assets		$ 10.8	$ —	$ 10.8
Intangible Assets:				
Data Supply Agreement	5.5	1.1	—	1.1
Customer Relationships	5.5	6.5	—	6.5
Database	2.0	3.2	—	3.2
Technology	6.5	18.8	—	18.8
Database Screening Tool	9.0	9.5	—	9.5
Goodwill	Indefinite	87.0	(1.9)	85.1
Other		1.0	—	1.0
Total Assets Acquired		$ 137.9	$ (1.9)	$ 136.0
Total Liabilities Assumed		9.5	(1.9)	7.6
Total Purchase Price		$ 128.4	$ —	$ 128.4
Less:				
Cash Assumed		(4.2)	—	(4.2)
Acceleration of Vesting for NetProspex Options		0.3	—	0.3
Net Cash Consideration		$ 124.5	$ —	$ 124.5

On the acquisition date, certain of NetProspex's outstanding options were accelerated for vesting. In accordance with ASC 805, the amounts paid for the acceleration of the vesting for the options that are without existing change in control clauses are treated as post-acquisition expense. As a result, $0.3 million was included in "Operating Costs" in our Americas segment for the three months ended March 31, 2015.
The measurement-period adjustment recorded in the third and fourth quarter of 2015 for NetProspex was related to the deferred tax liability based on additional tax credit and net operating loss carryforwards identified during the period.

The adjustment has resulted in a net decrease of goodwill of $1.9 million.

The technology intangible asset represents NetProspex's data service platform and method to deliver customer services and solutions. The fair value of this intangible asset was determined by applying the income approach; specifically, a relief-from-royalty method.

The database screening tool intangible asset is a key component in NetProspex's data management process. It facilitates efficient identification and classification of data during collection as well as customer engagement. The fair value of this intangible asset was determined by applying the income approach through a discounted cash flow analysis.

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The fair value of the customer relationships and data supply agreement intangible assets was determined by applying the income approach through a discounted cash flow analysis.
The fair value of the database intangible asset was determined by applying the replacement cost approach.
The fair value of the deferred revenue was determined based on estimated direct costs to fulfill the related obligations, plus a reasonable profit margin.
The goodwill was assigned to our North America reporting unit, which is part of the Americas reportable segment. The primary item that generated the goodwill is the value of NetProspex's workforce and its process associated with product development which provides potential growth opportunity in Sales and Marketing Solutions. The intangible assets, with useful lives from 2 to 9 years, are being amortized over a weighted-average useful life of 6.5 years. The intangibles have been recorded as "Trademarks, Patents and Other" within Other Intangibles in our consolidated balance sheet since the date of acquisition.
Income Taxes
We established deferred tax liabilities on certain intangibles acquired as part of the acquisition for which there is no tax basis. In addition, the goodwill acquired is not deductible for tax purposes.
Unaudited Pro Forma Financial Information
The following unaudited pro forma statements of operations data presents the combined results of the Company and its acquisition of DBCC completed during the year ended December 31, 2015, assuming that the business acquisition completed during 2015 had occurred on January 1, 2014. The results of NetProspex has been included in our consolidated financial statements since the acquisition date of January 5, 2015.

	Three Months Ended June 30, 2015	Six Months Ended June 30, 2015
Reported GAAP Revenue (1)	$375.4	$731.6
Add: DBCC Preacquisition Revenue	15.8	49.8
Pro Forma Revenue	$391.2	$781.4
Reported GAAP Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders (2)	$(7.9)	$33.1
Pro Forma Adjustments - Net of Income Tax:		
Preacquisition Net Income (Losses)	(3.3)	0.3
Amortization for Intangible Assets	(1.4)	(4.0)
Acquisition-Related Costs	4.0	6.6
Pro Forma Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$(8.6)	$36.0

(1) Reported GAAP revenue includes revenue from DBCC and NetProspex since their respective acquisition dates of $17.1 million and $20.8 million, for the three month and six month periods ended June 30, 2015, respectively, net of the impact of the deferred revenue fair value adjustment of $6.2 million and $6.8 million, respectively.
(2) Reported GAAP Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders includes net loss from DBCC and NetProspex since their respective acquisition dates of $4.0 million and $7.1 million for the three month and six month periods ended June 30, 2015, respectively.

Note 14 -- Discontinued Operations
As part of our growth strategy, we decided to shift our business in ANZ to a Worldwide Network partner model. On June 12, 2015, we entered into an agreement with Archer Capital ("Archer") to sell our business in ANZ. The transaction was completed on June 30, 2015, or the third quarter of 2015 for our subsidiaries outside the U.S. and Canada reflecting a quarter end of May 31. In accordance with ASC 360, "Property, Plant and Equipment", the assets

and liabilities of our business in ANZ were classified separately as discontinued operations held for sale at June 30, 2015. The results of the business were reflected as discontinued operations in the unaudited consolidated statements of operations and comprehensive income for all periods presented since the second quarter of 2015 in accordance with ASC 205-20, "Discontinued Operations." In addition, a long-lived asset classified as held for sale is measured at the lower of its carrying amount or fair value less cost to sell.

(Tabular dollar amounts in millions, except per share data)

The sale was valued at $169.8 million, of which we received proceeds of $159.7 million as of June 30, 2016, inclusive of a working capital adjustment of $0.7 million received in the fourth quarter of 2015. The remaining proceeds of $10.1 million are being held in an escrow account until the resolution of certain contingent events as defined in the Share Sale Agreement. Under the agreement the escrow funds may be used to reimburse certain future costs incurred by Archer related to data supplier arrangements and specified technology and data operation infrastructure upgrades over the next three years since the disposal date. A reserve was established based on our estimate of the probable outcome of the contingent events discussed above. As of June 30, 2016 and December 31, 2015, the balance of the reserve was $5.9 million. As of June 30, 2015, the reserve balance was $7.0 million. As a result, we recorded a loss of $38.2 million on the disposal of our business in ANZ in the second quarter of 2015. Our business in ANZ was historically recorded in our Non-Americas segment.

In connection with the divestiture, we also entered into a commercial service agreement with the initial term of five years through 2020. The agreement is renewable subject to certain terms and conditions. Under the agreement, Archer will act as the exclusive distributor of our products and services in the ANZ territory, and we will act as Archer's exclusive product distributor outside the ANZ territory. As part of this commercial service agreement, we also entered into a trademark license agreement with the same term as the commercial service agreement. Under the trademark agreement, Archer is granted an exclusive right to use our domain name and trademark in the ANZ territories with certain restrictions. We will receive total royalty payments of approximately $8.0 million during the initial five-year period.

Results of the discontinued operations were comprised of:

	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2015
Revenue	$21.6	$41.6
Operating Expenses	4.1	7.7
Selling and Administrative Expenses	14.6	27.4
Depreciation and Amortization	2.4	4.9
Operating Costs	21.1	40.0
Operating Income (Loss)	0.5	1.6
Non-Operating Income (Expense) - Net	0.3	(1.6)
Income (Loss) before Provision for Income Taxes	0.8	—
Provision for Income Taxes (Benefit)	0.1	(2.2)
Income (Loss) from Discontinued Operations	$0.7	$2.2
Loss in Disposal, Net of Income Taxes	$(38.2)	$(38.2)

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Assets and liabilities from discontinued operations related to the divestiture of our business in ANZ were comprised of:

	At June 30, 2015
Cash and Cash Equivalents	$7.5
Accounts Receivable	20.1
Deferred Income Tax	8.8
Property, Plant and Equipment	5.3
Computer Software	8.2
Other Intangibles	26.9
Goodwill	131.6
Other Long-Term Assets	2.7
Valuation Allowance for Carrying Value	(38.2)
Total Assets	$172.9
Accounts Payable	$2.4
Other Accrued and Current Liabilities	6.1
Accrued Income Tax	3.2
Deferred Revenue	14.5
Deferred Tax Liabilities	11.1
Other Long-Term Liabilities	4.2
Total Liabilities	$41.5

The assets and liabilities related to the ANZ operations were removed from our unaudited consolidated balance sheet during the third quarter of 2015.

Note 15 -- Goodwill and Other Intangibles

Computer Software and Goodwill:

	Computer Software	Goodwill
December 31, 2015	$ 102.6	$ 704.0
Additions at Cost (1)	11.7	—
Amortization	(7.1)	—
Other (2)	(0.6)	(3.3)
March 31, 2016	106.6	700.7
Additions at Cost (1)	11.2	—
Amortization	(7.8)	—
Other (3)	0.7	3.2
June 30, 2016	$ 110.7	$ 703.9

(1) Computer Software - Primarily due to software related enhancements on products and the purchase of third party licenses.

(2) Goodwill - Primarily attributable to a purchase accounting measurement-period adjustment associated with the acquisition of DBCC in prior year. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

(3) Computer Software and Goodwill - Primarily due to the impact of foreign currency fluctuations.

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Other Intangibles:

	Customer Relationships	Trademark and Other	Total
December 31, 2015	$ 88.8	$ 237.4	$326.2
Acquisitions	—	—	—
Additions at Cost	—	—	—
Amortization	(3.1)	(4.0)	(7.1)
Other	(0.3)	0.2	(0.1)
March 31, 2016 (net of accumulated amortization of $17.3 million and $82.3 million for Customer Relationships and Trademark and Other, respectively)	85.4	233.6	319.0
Acquisitions	—	—	—
Additions at Cost	—	0.3	0.3
Amortization	(3.1)	(4.1)	(7.2)
Other	0.2	(0.2)	—
June 30, 2016 (net of accumulated amortization of $20.7 million and $86.0 million for Customer Relationships and Trademark and Other, respectively)	$ 82.5	$ 229.6	$312.1

Note 16 -- Subsequent Events
Dividend Declaration
In August 2016, the Board of Directors approved the declaration of a dividend of $0.4825 per share of common stock for the third quarter of 2016. This cash dividend will be payable on September 9, 2016 to shareholders of record at the close of business on August 24, 2016.
Divestitures
As part of our growth strategy, we have decided to shift our businesses in Latin America and Benelux to a Worldwide Network partner model. On August 1, 2016, our Board approved the divestiture of our operations in Latin America and Benelux. As a result, we entered into a definitive agreement with CB Alliance to sell our Latin America businesses, and a separate definitive agreement to sell our Benelux businesses to a financial investor that is in the process of closing on the acquisition of Altares, our current Worldwide Network partner in France. Both transactions also include long-term commercial arrangements where we will receive future cash payments primarily for our global data, brand licensing and technology services. Both transactions are expected to close by the end of September 2016 and are subject to ordinary closing conditions. In accordance with ASC 360, “Property, Plant and Equipment,” the assets and liabilities of our Latin America and Benelux operations will be reported as “Assets Held for Sale” and “Liabilities Held for Sale” until the transactions are closed.
Latin America
The sale is valued at approximately $11 million, for which we expect to receive a five-year note with an interest rate of 2% per annum. We expect to record a pre-tax loss of approximately $14 million on the divestiture in the third quarter of 2016 reflecting a net book value of approximately $6 million primarily consisting of goodwill of $6 million. The net book value is subject to changes in the assets and liabilities as well as changes in the currency exchange rates on the closing date. The expected loss is primarily as a result of the release of a cumulative translation adjustment of approximately $16 million. Our businesses in Latin America were historically included in our Americas segment. Transaction costs associated with the divestiture are expected to be approximately $3 million.
Benelux
The sale is valued at approximately $28 million, which will be paid upon the closing of the transaction. We expect to record a pre-tax loss of approximately $74 million on the divestiture in the third quarter of 2016 reflecting a net book value of approximately $24 million primarily consisting of goodwill of $33 million, accounts receivable of $15 million and deferred revenue of $21 million. The net book value is subject to changes in the assets and liabilities as

well as a change in the currency exchange rate on the closing date. The expected loss is primarily as a result of the release of a cumulative translation adjustment

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of approximately $73 million. Our businesses in Benelux were historically included in our Non-Americas segment. Transaction costs associated with the divestiture are expected to be approximately $5 million.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Business Overview

The Dun & Bradstreet Corporation ("Dun & Bradstreet" or "we" or "us" or "our" or the "Company") grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics.

Dun & Bradstreet® is the world's leading source of commercial data, analytics and insight on businesses. Our global commercial database as of June 30, 2016 contained more than 250 million business records. We transform commercial data into valuable insight which is the foundation of our global solutions that customers rely on to make critical business decisions.

Dun & Bradstreet provides solution sets that meet a diverse set of customer needs globally. Customers use Risk Management Solutions™ to mitigate credit, compliance and supplier risk, increase cash flow and drive increased profitability, and Sales & Marketing Solutions™ to better use data to grow sales and improve marketing effectiveness and also for data management capabilities that provide effective and cost efficient marketing solutions to increase revenue from new and existing customers.

How We Manage Our Business

In addition to reporting generally accepted accounting principles in the United States of America ("GAAP") results, the Company evaluates performance and reports on a total company basis and on a business segment level basis its results (such as revenue, operating income, operating income growth, operating margin, net income, tax rate and diluted earnings per share) on an "As Adjusted" basis. The term "As Adjusted" refers to the following: the elimination of the effect on revenue due to purchase accounting fair value adjustments to deferred revenue; restructuring charges; other non-core gains and charges that are not in the normal course of our business (such as gains and losses on sales of businesses, impairment charges and material tax and legal settlements); acquisition and divestiture-related fees (such as costs for bankers, legal fees, diligence costs and retention payments); and acquisition-related intangible amortization expense. A recurring component of our "As Adjusted" basis is our restructuring charges, which we believe do not reflect our underlying business performance. Such charges are variable from period to period based upon actions identified and taken during each period. Additionally, our "As Adjusted" results exclude the results of Discontinued Operations. Management reviews operating results on an "As Adjusted" basis on a monthly basis and establishes internal budgets and forecasts based upon such measures. Management further establishes annual and long-term compensation such as salaries, target cash bonuses and target equity compensation amounts based on performance on an "As Adjusted" basis and a significant percentage weight is placed upon performance on an "As Adjusted" basis in determining whether performance objectives have been achieved. Management believes that by reflecting these adjustments to our GAAP financial measures, business leaders are provided incentives to recommend and execute actions that support our long-term growth strategy rather than being influenced by the potential impact one of these items can have in a particular period on their compensation. The Company adjusts for these items because they do not reflect the Company's underlying business performance and they may have a disproportionate positive or negative impact on the results of its ongoing business operations. We believe that the use of our non-GAAP financial measures provides useful supplemental information to our investors.

We also isolate the effects of changes in foreign exchange rates on our revenue growth because we believe it is useful for investors to be able to compare revenue from one period to another, both after and before the effects of foreign exchange. The change in our operating performance attributable to foreign currency rates is determined by converting both our prior and current periods by a constant rate. As a result, we monitor our "As Adjusted" revenue growth both after and before the effects of foreign exchange.

We also analyze "As Adjusted" revenue growth on an organic basis because management believes this information provides important insight into the underlying/ongoing performance of the business. Organic revenue excludes; (1) revenue from acquired businesses for one year from the date of the acquisition and (2) net divested revenue which we define as the historical revenues from the divested businesses net of the annual ongoing future revenue streams resulting from the commercial arrangements entered into in connection with such divestitures.

We may from time to time use the term “sales”, which we define as the value of committed customer contracts. This term is often referred to as “bookings” or “commitments” by other companies.
In June 2015, we divested our business in Australia and New Zealand (“ANZ”) for $169.8 million, which was part of our Non-Americas segment. Accordingly, we have reclassified the historical financial results of our business in ANZ as

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discontinued operations for all periods presented as set forth in Item 1. of this Quarterly Report on Form 10-Q. See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

We monitor free cash flow as a measure of our business. We define free cash flow as net cash provided by operating activities minus capital expenditures and additions to computer software and other intangibles. Free cash flow measures our available cash flow for potential debt repayment, acquisitions, stock repurchases, dividend payments and additions to cash, cash equivalents and short-term investments. We believe free cash flow to be relevant and useful to our investors as this measure is used by our management in evaluating the funding available after supporting our ongoing business operations and our portfolio of investments.

Free cash flow should not be considered as a substitute measure for, or superior to, net cash flows provided by operating activities, investing activities or financing activities. Therefore, we believe it is important to view free cash flow as a complement to the consolidated statements of cash flows.

We report and monitor 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, D&B Credit and all other products that help customers assess payment risk. 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 Hoover’s and our educational marketing business Market Data Retrieval (“MDR”). Advanced Marketing Solutions includes all of our remaining Sales & Marketing Solutions products including Optimizer, the NetProspex product suite and Data-as-a-Service (“DaaS”) solutions (e.g., Customer Relationship Management (“CRM”) and D&B Direct sales and marketing solutions).

We evaluate our business based on the following supplemental revenue metrics: (1) for Trade Credit we further evaluate it by “DNBi®”, which includes D&B Credit, and “Other Trade Credit” and (2) for total revenue we further evaluate it by “Direct” and “Alliance & Partners”. We define “DNBi” as our interactive, online application that offers customers a subscription based real time access to our most complete and up-to-date global information, comprehensive monitoring and portfolio. We define “Other Trade Credit” as products and services used to manage credit risk and to support our customers’ internal credit risk decisioning processes. We define “Direct” as when we hold the relationship with the end customer. We define “Alliance & Partners” as where we do not maintain the end relationship with the customer of our content (e.g., Alliances, Dun & Bradstreet Worldwide Network Partners, Third Party or Broker type relationships). Management believes these measures provide further insight into our revenue performance.

The adjustments discussed herein to our results as determined under GAAP are among the primary indicators management uses as a basis for our planning and forecasting of future periods, to allocate resources, to evaluate business performance and, as noted above, for compensation purposes. However, these financial measures (e.g., results on an “As Adjusted” basis and free cash flow) are not prepared in accordance with GAAP, and should not be considered in isolation or as a substitute for total revenue, operating income, operating income growth, operating margin, net income, tax rate, diluted earnings per share, or net cash provided by operating activities, investing activities and financing activities prepared in accordance with GAAP. In addition, it should be noted that because not all companies calculate these financial measures similarly, or at all, the presentation of these financial measures is not likely to be comparable to measures of other companies.

See “Results of Operations” below for a discussion of our results reported on a GAAP basis.

Overview

We manage and report our business through the following 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, Greater China, India and our Dun & Bradstreet Worldwide Network).

The financial statements of our 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.

The following table presents the contribution by segment to revenue:

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	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue:				
Americas	83%	81%	82%	80%
Non-Americas	17%	19%	18%	20%

The following table presents contributions by customer solution set to revenue:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue by Customer Solution Set:				
Risk Management Solutions	61%	62%	62%	62%
Sales & Marketing Solutions	39%	38%	38%	38%

Our customer solution sets are discussed in greater detail in “Item 1. Business” in our Annual Report on Form 10-K for the year ended December 31, 2015.

Critical Accounting Policies and Estimates

In preparing the unaudited consolidated financial statements and accounting for the underlying transactions and balances reflected therein, we have applied the critical accounting policies described in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2015 with the following update.

Effective January 1, 2016, we changed the approach used to measure service and interest cost components of net periodic benefit costs for our pension and postretirement benefit plans. Previously, we measured service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the plan obligations. Beginning in 2016, we elected to measure service and interest costs by applying the specific spot rates along that yield curve to the plans’ liability cash flows (“Spot Rate Approach”). We believe the new approach provides a more precise measurement of service and interest costs by improving the correlation between projected benefit cash flows and their corresponding spot rates on the yield curve. This change does not affect the measurement of our plan obligations and it is accounted for as a change in accounting estimate which is applied prospectively. See Note 9 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q and “Matters Impacting Both Operating Expenses and Selling and Administrative Expenses” below for further detail.

Recently Issued Accounting Standards

See Note 2 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for disclosure of the impact that recent accounting pronouncements may have on the unaudited consolidated financial statements.

Results of Operations

The following discussion and analysis of our financial condition and results of operations are based upon the unaudited consolidated financial statements and should be read in conjunction with the unaudited consolidated financial statements and related notes set forth in Item 1. of this Quarterly Report on Form 10-Q and the audited financial statements and related notes set forth in Item 8. of our Annual Report on Form 10-K for the year ended December 31, 2015, all of which have been prepared in accordance with GAAP.

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Consolidated Revenue

The following table presents our total revenue by segment:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Americas	$ 329.1	$ 302.9	$ 636.1	$ 583.8
Non-Americas	69.7	72.5	137.7	147.8
Total Revenue	$ 398.8	$ 375.4	$ 773.8	$ 731.6

The following table presents our total revenue by customer solution set:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$242.1	$233.6	$ 476.5	$ 454.5
Sales & Marketing Solutions	156.7	141.8	297.3	277.1
Total Revenue	$398.8	$375.4	$ 773.8	$ 731.6

Three Months Ended June 30, 2016 vs. Three Months Ended June 30, 2015

Total revenue increased $23.4 million, or 6% (7% increase before the effect of foreign exchange), for the three months ended June 30, 2016 as compared to the three months ended June 30, 2015. The increase in total revenue was driven by an increase in Americas total revenue of $26.2 million, or 9% (both before and after the effect of foreign exchange), partially offset by a decrease in Non-Americas total revenue of $2.8 million, or 4% (1% decrease before the effect of foreign exchange).

We acquired a 100% equity interest in Dun & Bradstreet Credibility Corporation (“DBCC”) during the second quarter of 2015 and a 100% equity interest in NetProspex during the first quarter of 2015. In accordance with ASC 805, “Business Combinations,” deferred revenue at the acquisition date was recorded at fair value based on the estimated cost to provide the related services plus a reasonable profit margin on such costs. The impact of the deferred revenue fair value adjustment was a reduction of $0.5 million and $6.2 million for the three months ended June 30, 2016 and 2015, respectively.

The increase in total revenue was primarily due to:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015;
- Growth in our Integration Manager product driven by increased spend by a large customer; and
- Increased revenue through our DaaS CRM alliances and our D&B Direct offering;

partially offset by:

- Decreased revenue of our subscription plans primarily due to a decline in sales in prior quarters;
- The negative impact of foreign exchange; and
- More of our revenue is being deferred out as we shift more of our sales to newer, embedded products where revenue is recognized over time.

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Customer Solution Sets

On a customer solution set basis, total revenue reflects:

- An $8.5 million, or 4% increase (both before and after the effect of foreign exchange), in Risk Management Solutions. The increase was driven by an increase in revenue in Americas of $9.6 million, or 5% (6% increase before the effect of foreign exchange), partially offset by a decrease in revenue in Non-Americas of $1.1 million, or 2% (less than 1% increase before the effect of foreign exchange); and

- A $14.9 million, or 10% increase (11% increase before the effect of foreign exchange), in Sales & Marketing Solutions. The increase was driven by an increase in revenue in Americas of $16.6 million, or 13% (both before and after the effect of foreign exchange), partially offset by a decrease in Non-Americas of $1.7 million, or 13% (10% decrease before the effect of foreign exchange).

Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

Total revenue increased $42.2 million, or 6% (7% increase before the effect of foreign exchange), for the six months ended June 30, 2016 as compared to the six months ended June 30, 2015. The increase in total revenue was driven by an increase in Americas total revenue of $52.3 million, or 9% (both before and after the effect of foreign exchange), partially offset by a decrease in Non-Americas total revenue of $10.1 million, or 7% (3% decrease before the effect of foreign exchange).

We acquired a 100% equity interest in Dun & Bradstreet Credibility Corporation (“DBCC”) during the second quarter of 2015 and a 100% equity interest in NetProspex during the first quarter of 2015. In accordance with ASC 805, “Business Combinations,” deferred revenue at the acquisition date was recorded at fair value based on the estimated cost to provide the related services plus a reasonable profit margin on such costs. The impact of the deferred revenue fair value adjustment was a reduction of $3.1 million and $6.8 million for the six months ended June 30, 2016 and 2015, respectively.

The increase in total revenue was primarily due to:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015;
- Growth in our Integration Manager product driven by increased spend by a large customer; and
- Increased revenue through our DaaS CRM alliances and our D&B Direct offering;

partially offset by:

- Decreased revenue of our subscription plans primarily due to a decline in sales in prior quarters;
- The negative impact of foreign exchange; and
- More of our revenue is being deferred out as we shift more of our sales to newer, embedded products where revenue is recognized over time.

Customer Solution Sets

On a customer solution set basis, total revenue reflects:

- A $22.0 million, or 5% increase (6% increase before the effect of foreign exchange), in Risk Management Solutions. The increase was driven by an increase in revenue in Americas of $27.0 million, or 8% (9% increase before the effect of foreign exchange), partially offset by a decrease in revenue in Non-Americas of $5.0 million, or 4% (1% decrease before the effect of foreign exchange); and

- A $20.2 million, or 7% increase (8% increase before the effect of foreign exchange), in Sales & Marketing Solutions. The increase was driven by an increase in revenue in Americas of $25.3 million, or 10% (both before and after the effect of foreign exchange), partially offset by a decrease in Non-Americas of $5.1 million, or 18% (15% decrease before the effect of foreign exchange).

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Recent Developments

United Kingdom's Proposed Exit from the European Union

In June 2016, voters in the United Kingdom ("U.K.") approved a non-binding referendum in favor of the U.K.'s withdrawal from membership in the European Union ("EU"), which is commonly referred to as "Brexit." An immediate consequence of the Brexit vote was an adverse impact to global markets, including currency markets which experienced a sharp drop in the value of the British pound. Longer term, Brexit will require negotiations regarding the future terms of the U.K.'s relationship with the EU, which could result in the U.K. losing access to certain aspects of the single EU market and the global trade deals negotiated by the EU on behalf of its members. The Brexit vote and the perceptions as to the impact of the withdrawal of the U.K. may adversely affect business activity, political stability and economic conditions in the U.K., the Eurozone, the EU and elsewhere. While we have not experienced any material impact from Brexit on our underlying business to date, we cannot predict its future implications, which will in part depend on the outcome of the trade negotiations referenced above. For the three year period 2013 through 2015, the U.K. contributed an annual average of approximately 8% of total company revenue and 11% of consolidated operating income. We expect a small effect on reported 2016 revenues from the strengthening of the dollar against other major currencies. See further discussion in "Liquidity".

European Union Safe Harbor Ruling

In October 2015, the European Court of Justice invalidated the "safe harbor" framework as a means of transferring personally identifiable information from the EU to the United States. We had relied on Safe Harbor as the basis for transfers from the EU prior to the decision. There are alternative ways to comply with EU to US data transfer requirements, including the replacement to the Safe Harbor certification, known as the Privacy Shield. We are considering the alternative ways in which we may be able to comply with EU to U.S. data transfer requirements, and we do not believe that this ruling will have a material adverse impact on our business, financial condition or results of operations.

Shanghai Roadway D&B Marketing Services Co. Ltd.

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, 2016, we incurred $0.6 million and $1.2 million, respectively, of legal and other professional fees related to matters in China as compared to $0.8 million and $1.2 million of legal and other professional fees related to matters in China for the three month and six month periods ended June 30, 2015, 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 ultimate impact on our business, financial condition or results of operations. Based on our discussions with the SEC and DOJ, including indications from the SEC of its 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. 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. We continue to have follow-up meetings with the SEC and DOJ, most recently meeting with the SEC in June 2016 and with the DOJ in July 2016, and the parties are still discussing the evidence and other factors to help bring this matter to resolution. In our June 2016 meetings with the SEC, the SEC provided us with its current net benefit calculations, but has not indicated whether it will impose additional penalties. In accordance with ASC 450, an amount in respect of this matter has been accrued in the consolidated financial statements as of June 30, 2016. We are still in discussions with the DOJ to determine what range of penalties the DOJ might propose. Accordingly, we remain unable at this time to reasonably estimate the final amount or ultimate range of any loss, although it is possible that the amount of such additional loss could be material.

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Consolidated Operating Costs

The following table presents our consolidated operating costs and operating income for the three month and six month periods ended June 30, 2016 and 2015:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Operating Expenses	$133.0	$136.4	$ 265.4	$ 267.4
Selling and Administrative Expenses	196.1	161.9	359.4	304.8
Depreciation and Amortization	17.3	14.1	33.7	26.5
Restructuring Charge	5.9	4.8	15.6	9.6
Operating Costs	$352.3	$317.2	$ 674.1	$ 608.3
Operating Income	$46.5	$58.2	$ 99.7	$ 123.3

Operating Expenses

Operating expenses decreased $3.4 million, or 2%, and $2.0 million, or 1%, for the three month and six month periods ended June 30, 2016, compared to the three month and six month periods ended June 30, 2015. The decrease was primarily due to the following:

- Lower costs as a result of management restructuring initiatives taken in the fourth quarter of 2015 and January 2016; and
- The positive impact of foreign exchange;

partially offset by:

- Increased costs associated with our acquisition of DBCC during the second quarter of 2015.

Selling and Administrative Expenses

Three Months Ended June 30, 2016 vs. Three Months Ended June 30, 2015

Selling and administrative expenses increased $34.2 million, or 21%, for the three months ended June 30, 2016, compared to the three months ended June 30, 2015. The increase was primarily due to:

- Increased costs associated with the accrual for legal matters recorded in the second quarter of 2016. See Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail; and
- Increased costs associated with our acquisition of DBCC during the second quarter of 2015;

partially offset by:

- Lower costs as a result of management restructuring initiatives taken in the fourth quarter of 2015 and January 2016; and
- The positive impact of foreign exchange.

Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

Selling and administrative expenses increased $54.6 million, or 18%, for the six months ended June 30, 2016, compared to the six months ended June 30, 2015. The increase was primarily due to:

- Increased costs associated with our acquisition of DBCC during the second quarter of 2015; and

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- Increased costs associated with the accrual for legal matters recorded in the second quarter of 2016. See Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail;

partially offset by:

- Lower costs as a result of management restructuring initiatives taken in the fourth quarter of 2015 and January 2016; and
- The positive impact of foreign exchange.

Matters Impacting Both Operating Expenses and Selling and Administrative Expenses

Pension, Postretirement and 401(k) Plan

We had net pension cost of $0.7 million and $2.1 million for the three month and six month periods ended June 30, 2016, respectively, compared with $4.5 million and $9.0 million for the three month and six month periods ended June 30, 2015, respectively. The pension cost in 2016 is favorably impacted by a change in accounting estimate. Effective January 1, 2016, we changed the approach used to measure service and interest cost components of net periodic benefit costs for our pension and postretirement benefit plans. Previously we measured service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the plan obligations. For 2016, we elected to measure service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows ("Spot Rate Approach"). We believe the new approach provides a more precise measurement of service and interest costs by improving the correlation between projected benefit cash flows and their corresponding spot rates on the yield curve. This change does not affect the measurement of our plan obligations and it is accounted for as a change in accounting estimate which is applied prospectively. This change in estimate is expected to reduce our 2016 net pension cost by approximately $14 million when compared to the prior estimate of approximately $19 million discussed in our Annual Report on Form 10-K for the year ended December 31, 2015. The reduction in pension cost is primarily driven by the lower interest cost related to the U.S. Qualified Plan. The weighted average discount rate used to develop 2016 interest and service cost for the U.S. Qualified Plan under the spot rate approach is 3.04%. The weighted average discount rate used to measure the benefit obligation for the U.S. Qualified plan as of December 31, 2015 is 3.89%. The weighted average discount rate used to develop 2015 net pension cost for the U.S. Qualified Plan was 3.60%.

We had postretirement benefit income of $0.5 million and $1.0 million for the three month and six month periods ended June 30, 2016, respectively, compared with $0.3 million and $0.6 million for the three month and six month periods ended June 30, 2015, respectively. Higher postretirement benefit income in 2016 was primarily due to better actual plan experience in 2015 as well as a change in assumptions at December 31, 2015. In addition, we have changed the approach used to measure service and interest cost components of the postretirement benefit income to the spot rate approach effective January 1, 2016. For 2016 this change of estimate has resulted in lower service and interest cost for the postretirement benefit plan of $0.1 million.

We had expense associated with our 401(k) Plan of $2.9 million and $6.7 million for the three month and six month periods ended June 30, 2016, respectively, compared with $2.2 million and $5.9 million for the three month and six month periods ended June 30, 2015, respectively. Higher expense in 2016 was primarily due to higher company matching contributions associated with higher compensation for the three month and six month periods ended June 30, 2016 as compared to the three month and six month periods ended June 30, 2015.

Stock-Based Compensation

For the three month and six month periods ended June 30, 2016, we recognized total stock-based compensation expense of $5.3 million and $9.7 million, respectively, compared to $5.1 million and $7.4 million for the three month and six month periods ended June 30, 2015, respectively.

Expense associated with restricted stock unit programs was $5.0 million and $9.0 million for the three month and six month periods ended June 30, 2016, respectively, compared to $4.7 million and $6.7 million for the three month and six month periods ended June 30, 2015, respectively. The increase was primarily due to our increased use of performance-based restricted stock units, awards related to the 2015 acquisition of DBCC and NetProspex as well as

higher than anticipated 2015 forfeitures.
Expense associated with our Employee Stock Purchase Plan (“ESPP”) was $0.3 million and $0.6 million for the three month and six month periods ended June 30, 2016, respectively, compared to $0.3 million and $0.5 million for the three month and six month periods ended June 30, 2015, respectively. The increase was primarily due to the implementation in November 2015 of our new ESPP, which includes a lookback provision.

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Expense associated with our stock option programs was less than $0.1 million and $0.1 million for the three month and six month periods ended June 30, 2016, respectively, compared to $0.1 million and $0.2 million for the three month and six month periods ended June 30, 2015, respectively.

We expect total equity-based compensation of approximately $22 million for 2016. We consider these costs to be part of our compensation costs and, therefore, they are included in operating expenses and in selling and administrative expenses, based upon the classifications of the underlying compensation costs.

Depreciation and Amortization

Depreciation and amortization increased $3.2 million, or 23%, and $7.2 million, or 27%, for the three month and six month periods ended June 30, 2016, respectively, as compared to the three month and six month periods ended June 30, 2015. The increase in depreciation and amortization was primarily due to higher intangible amortization expense related to our acquisition of DBCC during the second quarter of 2015.

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, 2016 vs. Three Months Ended June 30, 2015

During the three months ended June 30, 2016, we recorded a $5.9 million restructuring charge. This charge is comprised of:

- Severance and termination costs of $5.9 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 90 employees were impacted. Of these 90 employees, approximately 65 employees exited the Company by the end of the second quarter of 2016, with the remaining primarily to exit by the end of the third quarter of 2016. The cash payments for these employees will be substantially completed by the end of the first quarter of 2017.

During the three months ended June 30, 2015, we recorded a $4.8 million restructuring charge. This charge is comprised of:

- 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 by the end of the second quarter of 2015, with the remaining primarily having exited by the end of the third quarter of 2015. The cash payments for these employees were substantially completed by the end of the first quarter of 2016.

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Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

During the six months ended June 30, 2016, we recorded a $15.6 million restructuring charge. This charge is comprised of:

- Severance and termination costs of $15.6 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 255 employees were impacted. Of these 255 employees, approximately 210 employees exited the Company by the end of the first half of 2016, with the remaining primarily to exit by the end of the third quarter of 2016. The cash payments for these employees will be substantially completed by the end of the first quarter of 2017.

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 by the end of the first half of 2015, with the remaining primarily having exited by the end of the third quarter of 2015. The cash payments for these employees were substantially completed by the end of the first quarter of 2016; and

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

Interest Income (Expense) — Net

The following table presents our "Interest Income (Expense) – Net" for the three month and six month periods ended June 30, 2016 and 2015:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Interest Income	$ 0.5	$ 0.4	$ 1.0	$ 0.8
Interest Expense	(13.4)	(11.8)	(26.9)	(23.2)
Interest Income (Expense) – Net	$ (12.9)	$ (11.4)	$ (25.9)	$ (22.4)

Interest income increased $0.1 million, or 31%, and $0.2 million, or 27%, for the three month and six month periods ended June 30, 2016, respectively, as compared to the three month and six month periods ended June 30, 2015. The increase in interest income was primarily attributable to higher average amounts of invested cash.

Interest expense increased $1.6 million, or 13%, and $3.7 million, or 16% for the three month and six month periods ended June 30, 2016, respectively, as compared to the three month and six month periods ended June 30, 2015. The increase in interest expense was primarily attributable to higher average interest rates on our outstanding debt balances.

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Other Income (Expense) — Net

The following table presents our "Other Income (Expense) — Net" for the three month and six month periods ended June 30, 2016 and 2015:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Miscellaneous Other Income (Expense) – Net (a)	$ (0.5)	$ (1.5)	0.3	1.8
Other Income (Expense) – Net	$ (0.5)	$ (1.5)	$ 0.3	$ 1.8

(a) Other Expense - Net decreased during the three months ended June 30, 2016 as compared to the three months ended June 30, 2015, primarily due to higher expenses on debt-related costs and other non-recurring items in the prior year period. Other Income - Net decreased during the six months ended June 30, 2016 as compared to the six months ended June 30, 2015 primarily due to a decrease in dividend income from our minority-interest investments.

Provision for Income Taxes

For the three months ended June 30, 2016, our effective tax rate was 42.9% as compared to 34.6% for the three months ended June 30, 2015. The increase in the effective tax rate in 2016 is primarily attributable to a higher non-deductible expense in the second quarter of 2016 related to the legal reserve associated with the ongoing SEC and DOJ investigation of our China operations (See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q). The effective tax rate for the second quarter of 2015 was negatively impacted by non-deductible transaction costs incurred that were associated with the acquisition of DBCC. For the three months ended June 30, 2016, there are no other known changes in our effective tax rate that either have had or that we reasonably expect may have a material impact on our future performance.

For the six months ended June 30, 2016, our effective tax rate was 34.0% as compared to 32.6% for the six months ended June 30, 2015. The increase in the effective tax rate in 2016 is primarily attributable to a higher non-deductible expense in the second quarter of 2016 related to the legal reserve associated with the ongoing SEC and DOJ investigation of our China operations, partially offset by the impact of the adjustment to the net deferred tax liability related to the net operating loss carryforwards associated with our NetProspex acquisition in 2015. The effective tax rate for the six months ended June 30, 2015 was negatively impacted by non-deductible transaction costs incurred that were associated with the acquisition of NetProspex and DBCC. For the six months ended June 30, 2016, there are no known changes in our effective tax rate that either have had or that we reasonably expect may have a material impact on our future performance.

Discontinued Operations

In June 2015, we divested our business in ANZ for $169.8 million, which was part of our Non-Americas segment. 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. As of June 30, 2016, we received proceeds of $159.7 million, inclusive of a working capital adjustment of $0.7 million. See Note 14 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail.

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 the three month and six month periods ended June 30, 2016 and 2015, none of our stock-based awards were deemed to be participating securities.

We are required to include in our computation of diluted EPS any contingently issuable shares that would have satisfied all the necessary conditions by the end of the reporting period as if it were the end of the performance period. Contingently issuable shares are shares that have an issuance contingent upon the satisfaction of certain conditions other than just services. We have granted certain employees target awards of performance-based restricted stock units, in the form of leveraged

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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 award depending on the Company's actual performance against the pre-established market conditions or performance conditions, these awards are considered contingently issuable shares.

The following table sets forth our EPS for the three month and six month periods ended June 30, 2016 and 2015:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
Basic Earnings (Loss) Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.52	$0.82	$1.35	$1.92
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	(1.04)	—	(1.00)
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$0.52	$(0.22)	$1.35	$0.92
Diluted Earnings (Loss) Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$0.51	$0.81	$1.34	$1.90
Income (Loss) from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	(1.03)	—	(0.99)
Net Income (Loss) Attributable to Dun & Bradstreet Common Shareholders	$0.51	$(0.22)	$1.34	$0.91

For the three months ended June 30, 2016, both basic and diluted EPS attributable to Dun & Bradstreet common shareholders increased compared with the three months ended June 30, 2015. The increase was primarily due to the loss from discontinued operations in the prior year period, partially offset by lower income from continuing operations primarily driven by the accrual for legal matters recorded in the second quarter of 2016. See Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail.

For the six months ended June 30, 2016, both basic and diluted EPS attributable to Dun & Bradstreet common shareholders increased 47% compared with the six months ended June 30, 2015. The increase was primarily due to the loss from discontinued operations in the prior year period, partially offset by lower income from continuing operations primarily driven by the accrual for legal matters recorded in the second quarter of 2016. See Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail.

Segment Results

We manage and report 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, Greater China, India and our Dun & Bradstreet Worldwide Network).

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

Americas

Americas is our largest segment, representing 83% and 82% of our total revenue for the three month and six month periods ended June 30, 2016, respectively, as compared to 81% and 80% of our total revenue for the three month and six month periods ended June 30, 2015, respectively.

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The following table presents our Americas revenue by customer solution set and Americas operating income for the three month and six month periods ended June 30, 2016 and 2015:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$184.0	$174.4	$ 361.8	$ 334.8
Sales & Marketing Solutions	145.1	128.5	274.3	249.0
Americas Total Revenue	$329.1	$302.9	$ 636.1	$ 583.8
Operating Income	$83.7	$67.2	$ 153.3	$ 135.1

Three Months Ended June 30, 2016 vs. Three Months Ended June 30, 2015

Americas Overview

Americas total revenue increased $26.2 million, or 9% (both before and after the effect of foreign exchange), for the three months ended June 30, 2016 as compared to the three months ended June 30, 2015. We acquired a 100% equity interest in DBCC during the second quarter of 2015 and a 100% equity interest in NetProspex during the first quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction of $0.5 million and $6.2 million for the three months ended June 30, 2016 and 2015, respectively. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further details.

Americas Customer Solution Sets

On a customer solution set basis, the $26.2 million increase in total revenue for the three months ended June 30, 2016, as compared to the three months ended June 30, 2015, reflects:

Risk Management Solutions

An increase in Risk Management Solutions of $9.6 million, or 5% (6% increase before the effect of foreign exchange) attributable to:

Trade Credit, which accounted for 69% of total Americas Risk Management Solutions, decreased 3% (both before and after the effect of foreign exchange) primarily attributable to:

- Declining DNBi sales performance in prior quarters resulting in lower revenue in the second quarter of 2016 due to the ratable nature of DNBi. While DNBi retention continued to be in the low 90% range, and the increase in pricing continued to be in the low single digits, we are not generating enough new customers to offset normal attrition; and

- Decreased revenue due to certain customers shifting from subscription based plans to usage based plans;

partially offset by:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment.

Other Enterprise Risk Management, which accounted for 31% of total Americas Risk Management Solutions, increased 31% (both before and after the effect of foreign exchange), primarily due to:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment;
- Increased revenue from other usage based solutions such as D&B Direct; and
- Increased revenue associated with Supply Management Solutions.

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Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $16.6 million, or 13% (both before and after the effect of foreign exchange) primarily attributable to:

Traditional Prospecting Solutions, which accounted for 24% of total Americas Sales & Marketing Solutions, increased 3% (4% increase before the effect of foreign exchange) reflecting:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment;

partially offset by:

- Decreased revenue in our education marketing business due to lower customer spend; and
- Decreased revenue in Hoover's, primarily due to declining sales performance in prior quarters, driven by reduced customer spend and competitive pressures.

Advanced Marketing Solutions, which accounted for 76% of total Americas Sales & Marketing Solutions, increased 16% (both before and after the effect of foreign exchange). The increase was primarily due to:

- Growth in our Integration Manager product driven by increased spend by a large customer;
- Increased revenue through our DaaS CRM alliances and our D&B Direct offering; and
- Increased revenue from our NetProspex solutions, as well as our Audience Solutions, which is a new product offering.

Americas Operating Income

Americas operating income for the three months ended June 30, 2016 was $83.7 million, compared to $67.2 million for the three months ended June 30, 2015, an increase of $16.5 million, or 24%. The increase in operating income was primarily attributable to:

- Increased revenue due to the impact of the acquisition of DBCC during the second quarter of 2015, as well as revenue growth from our existing business; and
- Lower costs as a result of management restructuring initiatives taken in the fourth quarter of 2015 and January 2016;

partially offset by:

- Increased costs (e.g., amortization of intangibles) as a result of the acquisition of DBCC during the second quarter of 2015.

Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

Americas Overview

Americas total revenue increased $52.3 million, or 9% (both before and after the effect of foreign exchange), for the six months ended June 30, 2016 as compared to the six months ended June 30, 2015. We acquired a 100% equity interest in DBCC during the second quarter of 2015 and a 100% equity interest in NetProspex during the first quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction of $3.1 million and $6.8 million for the six months ended June 30, 2016 and 2015, respectively. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further details.

Americas Customer Solution Sets

On a customer solution set basis, the $52.3 million increase in total revenue for the six months ended June 30, 2016, as compared to the six months ended June 30, 2015, reflects:

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Risk Management Solutions

An increase in Risk Management Solutions of $27.0 million, or 8% (9% increase before the effect of foreign exchange) attributable to:

Trade Credit, which accounted for 70% of total Americas Risk Management Solutions, decreased 3% (2% decrease before the effect of foreign exchange) primarily attributable to:

- Declining DNBi sales performance in prior quarters resulting in lower revenue in the first half of 2016 due to the ratable nature of DNBi. While DNBi retention continued to be in the low 90% range, and the increase in pricing continued to be in the low single digits, we are not generating enough new customers to offset normal attrition; and

- Decreased revenue due to certain customers shifting from subscription based plans to usage based plans;

partially offset by:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment.

Other Enterprise Risk Management, which accounted for 30% of total Americas Risk Management Solutions, increased 46% (47% increase before the effect of foreign exchange), primarily due to:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment;
- Increased revenue associated with Supply Management Solutions; and
- Increased revenue from other usage based solutions such as D&B Direct.

Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $25.3 million, or 10% (both before and after the effect of foreign exchange) primarily attributable to:

Traditional Prospecting Solutions, which accounted for 26% of total Americas Sales & Marketing Solutions, increased 7% (both before and after the effect of foreign exchange) reflecting:

- Increased revenue associated with our acquisition of DBCC, which was completed during the second quarter of 2015, net of the impact of the deferred revenue fair value adjustment;

partially offset by:

- Decreased revenue in Hoover's, primarily due to declining sales performance in prior quarters, driven by reduced customer spend and competitive pressures; and
- Decreased revenue in our education marketing business due to lower customer spend.

Advanced Marketing Solutions, which accounted for 74% of total Americas Sales & Marketing Solutions, increased 11% (both before and after the effect of foreign exchange). The increase was primarily due to:

- Growth in our Integration Manager product driven by increased spend by a large customer;
- Increased revenue through our DaaS CRM alliances and our D&B Direct offering; and
- Increased revenue from our NetProspex solutions, as well as our Audience Solutions, which is a new product offering.

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Americas Operating Income

Americas operating income for the six months ended June 30, 2016 was $153.3 million, compared to $135.1 million for the six months ended June 30, 2015, an increase of $18.2 million, or 13%. The increase in operating income was primarily attributable to:

- Increased revenue due to the impact of the acquisition of DBCC during the second quarter of 2015, as well as revenue growth from our existing business; and
- Lower costs as a result of management restructuring initiatives taken in the fourth quarter of 2015 and January 2016;

partially offset by:

- Increased costs (e.g., amortization of intangibles) as a result of the acquisition of DBCC during the second quarter of 2015.

Non-Americas

Non-Americas represented 17% and 18% of our total revenue for the three month and six month periods ended June 30, 2016, respectively, as compared to 19% and 20% of our total revenue for the three month and six month periods ended June 30, 2015, respectively.

The following table presents our Non-Americas revenue by customer solution set and Non-Americas operating income for the three month and six month periods ended June 30, 2016 and 2015.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2016	2015	2016	2015
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$58.1	$59.2	$ 114.7	$ 119.7
Sales & Marketing Solutions	11.6	13.3	23.0	28.1
Non-Americas Total Revenue	$69.7	$72.5	137.7	147.8
Operating Income	$14.2	$18.7	$ 27.2	$ 40.6

Three Months Ended June 30, 2016 vs. Three Months Ended June 30, 2015

Non-Americas Overview

Non-Americas total revenue decreased $2.8 million, or 4% (1% decrease before the effect of foreign exchange), for the three months ended June 30, 2016 as compared to the three months ended June 30, 2015.

Non-Americas Customer Solution Sets

On a customer solution set basis, the $2.8 million decrease in Non-Americas total revenue for the three months ended June 30, 2016, as compared to the three months ended June 30, 2015, reflects:

Risk Management Solutions

A decrease in Risk Management Solutions of $1.1 million, or 2% (less than 1% increase before the effect of foreign exchange) primarily due to:

Trade Credit, which accounted for 73% of total Non-Americas Risk Management Solutions, decreased 4% (2% decrease before the effect of foreign exchange) primarily attributable to:

- Decreased transactional usage and project revenue of various risk products in most markets; and
- The negative impact of foreign exchange;

partially offset by:

- An increase in purchases by our Worldwide Network partners primarily for fulfillment services and product usage.

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Other Enterprise Risk Management, which accounted for 27% of total Non-Americas Risk Management Solutions, increased 6% (8% increase before the effect of foreign exchange) primarily attributable to:

- Increased usage of various risk products across most markets, by new and existing customers; and
- An increase in purchases by our Worldwide Network partners primarily for fulfillment services and product usage;

partially offset by:

- The negative impact of foreign exchange.

Sales & Marketing Solutions

A decrease in Sales & Marketing Solutions of $1.7 million, or 13% (10% decrease before the effect of foreign exchange) primarily due to:

Traditional Prospecting Solutions, which accounted for 35% of total Non-Americas Sales & Marketing Solutions, decreased 5% (1% decrease before the effect of foreign exchange) primarily attributable to the negative impact of foreign exchange and decreased project revenue in our marketing business in certain markets.

Advanced Marketing Solutions, which accounted for 65% of total Non-Americas Sales & Marketing Solutions, decreased 17% (14% decrease before the effect of foreign exchange) primarily attributed to decreased project revenue in most of our markets.

Non-Americas Operating Income

Non-Americas operating income for the three months ended June 30, 2016 was $14.2 million, compared to $18.7 million for the three months ended June 30, 2015, a decrease of $4.5 million, or 24%. The decrease was primarily due to decreased revenue and increased compensation costs.

Six Months Ended June 30, 2016 vs. Six Months Ended June 30, 2015

Non-Americas Overview

Non-Americas total revenue decreased $10.1 million, or 7% (3% decrease before the effect of foreign exchange), for the six months ended June 30, 2016 as compared to the six months ended June 30, 2015.

Non-Americas Customer Solution Sets

On a customer solution set basis, the $10.1 million decrease in Non-Americas total revenue for the six months ended June 30, 2016, as compared to the six months ended June 30, 2015, reflects:

Risk Management Solutions

A decrease in Risk Management Solutions of $5.0 million, or 4% (1% decrease before the effect of foreign exchange) primarily due to:

Trade Credit, which accounted for 72% of total Non-Americas Risk Management Solutions, decreased 8% (5% decrease before the effect of foreign exchange) primarily attributable to:

- Decreased transactional usage and decreased project revenue of various risk products in most markets; and
- The negative impact of foreign exchange;

partially offset by:

- An increase in purchases by our Worldwide Network partners primarily for fulfillment services and product usage.

Other Enterprise Risk Management, which accounted for 28% of total Non-Americas Risk Management Solutions, increased 7% (10% increase before the effect of foreign exchange) primarily attributable to:

- Increased usage of various risk products across most markets, by new and existing customers;

partially offset by:

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- The negative impact of foreign exchange.

Sales & Marketing Solutions

A decrease in Sales & Marketing Solutions of $5.1 million, or 18% (15% decrease before the effect of foreign exchange) primarily due to:

Traditional Prospecting Solutions, which accounted for 33% of total Non-Americas Sales & Marketing Solutions, decreased 10% (6% decrease before the effect of foreign exchange) primarily attributable to decreased project revenue in our marketing business in certain markets and the negative impact of foreign exchange.

Advanced Marketing Solutions, which accounted for 67% of total Non-Americas Sales & Marketing Solutions, decreased 22% (19% decrease before the effect of foreign exchange) primarily attributed to

- Decreased project revenue primarily due to our decision to end the relationship with a competitor in Europe who was buying our data;

partially offset by:

- An increase in purchases by our Worldwide Network partners primarily for fulfillment services and product usage.

Non-Americas Operating Income

Non-Americas operating income for the six months ended June 30, 2016 was $27.2 million, compared to $40.6 million for the six months ended June 30, 2015, a decrease of $13.4 million, or 33%. The decrease was primarily due to decreased revenue and increased compensation and data costs.

Forward-Looking Statements

We may from time-to-time make written or oral "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements contained in filings with the Securities and Exchange Commission, in reports to shareholders and in press releases and investor Web casts. These forward-looking statements include, without limitation, any statements related to financial guidance or strategic goals. These forward-looking statements can also be identified by the use of words like "anticipates," "aspirations," "believes," "commits," "continues," "estimates," "expects," "goals," "guidance," "intends," "p "strategy," "targets," "will" and other words of similar meaning. They can also be identified by the fact that they do not relate strictly to historical or current facts.

We cannot guarantee that any forward-looking statement will be realized. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements and whether to invest in, or remain invested in, our securities.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we are identifying the following important factors that, individually or in the aggregate, could cause actual results to differ materially from those contained in any forward-looking statements made by us; any such statement is qualified by reference to the following cautionary factors: (i) reliance on third parties to support critical components of our business model; (ii) our ability to protect our information technology infrastructure against cyber attack and unauthorized access; (iii) risks associated with potential violations of the Foreign Corrupt Practices Act and similar laws; (iv) customer demand for our products; (v) the successful implementation of our business strategy; (vi) the integrity and security of our global database and data centers; (vii) our ability to maintain the integrity of our brand and reputation; (viii) our ability to renew large contracts and the related revenue recognition and timing thereof; (ix) the impact of macro-economic challenges on our customers and vendors; (x) future laws or regulations with respect to the collection, compilation, storage, use, cross-border transfer and/or publication of information and adverse publicity or litigation concerning the commercial use of such information; (xi) our ability to acquire and successfully integrate other businesses, products and technologies; (xii) adherence by third-party members of our Dun & Bradstreet Worldwide Network, or other third parties who license and sell under the Dun & Bradstreet name, to our quality standards and to the renewal of their agreements with Dun & Bradstreet; (xiii) the effects of foreign and evolving economies, exchange rate fluctuations, legislative or regulatory requirements and the implementation or modification of fees or taxes to collect, compile, store, use, transfer cross-border and/or publish data; and (xiv) the other factors described under the headings

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"Risk Factors," "Management's Discussion and Analysis," "Legal Proceedings" and elsewhere in this Quarterly Report on Form 10-Q, our Annual Report on Form 10-K, our other Quarterly Reports on Form 10-Q and the Company's other reports or documents filed or furnished with the Securities and Exchange Commission.

It should be understood that it is not possible to predict or identify all risk factors. Consequently, the above list of important factors and the Risk Factors discussed in Item 1A. of our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q should not be considered to be a complete discussion of all of our potential trends, risks and uncertainties. Except as otherwise required by federal securities laws, we do not undertake any obligation to update any forward-looking statement we may make from time-to-time.

Liquidity and Financial Position

In connection with our commitment to delivering Total Shareholder Return, we will remain disciplined in the use of our shareholders' cash, maintaining three key priorities for the use of this cash:

- First, making ongoing investments in the business to drive organic growth;
- Second, investing in acquisitions that we believe will be value-accretive to enhance our capabilities and accelerate our growth; and
- Third, continuing to return cash to shareholders.

We believe that cash provided by operating activities, supplemented as needed with available financing arrangements, is sufficient to meet our short-term needs (12 months or less), including restructuring charges, our capital investments, contractual obligations and contingencies (see Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q), excluding the legal matters identified in such note for which exposures cannot be estimated or are not probable. We have the ability to access the short-term borrowings market to supplement the seasonality in the timing of receipts in order to fund our working capital needs. Such borrowings would be supported by our $1 billion revolving credit facility, when needed. Our future capital requirements will depend on many factors that are difficult to predict, including the size, timing and structure of any future acquisitions, future capital investments, the ultimate resolution of issues arising from the investigations regarding potential Foreign Corrupt Practices Act ("FCPA") violations in our China operations and future results of operations.

In June 2016, voters in the United Kingdom ("U.K.") approved a non-binding referendum in favor of the U.K.'s withdrawal from membership in the European Union ("EU"), which is commonly referred to as "Brexit." An immediate consequence of the Brexit vote was an adverse impact to global markets, including currency markets which experienced a sharp drop in the value of the British pound. Longer term, Brexit will require negotiations regarding the future terms of the U.K.'s relationship with the EU, which could result in the U.K. losing access to certain aspects of the single EU market and the global trade deals negotiated by the EU on behalf of its members. The Brexit vote and the perceptions as to the impact of the withdrawal of the U.K. may adversely affect business activity, political stability and economic conditions in the U.K., the Eurozone, the EU and elsewhere. Our liquidity has not been impacted by the current credit environment and management does not expect that it will be materially impacted in the near future. Management continues to closely monitor our liquidity, the credit markets and our financial counterparties. However, management cannot predict with any certainty the impact to us of any further disruption in the credit environment.

Our $1 billion revolving credit facility, which matures July 2019, requires 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. 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. We were in compliance with the $1 billion revolving credit facility financial and non-financial covenants at June 30, 2016 and at June 30, 2015. At June 30, 2016 and June 30, 2015, we had $309.6 million and $439.4 million, respectively, in borrowings outstanding under our $1 billion revolving credit facility.

As of June 30, 2016, $372.9 million of our $379.1 million cash and cash equivalents on the unaudited consolidated balance sheet was held by our foreign operations. We maintain the $372.9 million foreign cash and cash equivalents balance within our foreign operations since we have sufficient liquidity in the United States to satisfy our ongoing domestic funding requirements. The cash held by foreign subsidiaries for permanent reinvestment is generally used to finance the subsidiaries' operational activities and future foreign investments.

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Cash Provided by Operating Activities from Continuing Operations

Net cash provided by operating activities was $180.9 million and $212.4 million for the six months ended June 30, 2016 and 2015, respectively. The $31.5 million decrease was driven by:

- Higher receivables as of June 30, 2016 as compared to June 30, 2015 as a result of higher revenue in 2016;
- Increased restructuring payments as compared to the prior year; and
- Increased interest payments as compared to the prior year.

Cash Used in Investing Activities from Continuing Operations

Net cash used in investing activities was $39.7 million for the six months ended June 30, 2016, as compared to net cash used in investing activities of $479.1 million for the six months ended June 30, 2015. The $439.4 million improvement was driven by payment of $444.2 million in the prior year period for the acquisition of Dun & Bradstreet Credibility Corp ("DBCC") for $320.0 million and NetProspex for $124.2 million. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q.

Cash (Used in) Provided by Financing Activities from Continuing Operations

Net cash used by financing activities was $114.9 million for the six months ended June 30, 2016, as compared to cash provided by financing activities of $104.3 million for the six months ended June 30, 2015. As set forth below, this $219.2 million change primarily relates to contractual obligations as discussed below.

Contractual Obligations

Debt

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. We did not issue any senior notes during the six months ended June 30, 2016.

Term Loan Facility

On May 14, 2015, we entered into a delayed draw unsecured term loan facility which provided 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 (the "term loan facility"). The term loan facility matures five years from the date of the initial drawdown. Proceeds under the term loan facility were designated to be used for general corporate purposes including the refinancing of the 2.875% senior notes that matured in November 2015 and the repayment of borrowings outstanding under the $1 billion revolving credit facility. Borrowings under the term loan facility bear interest at a rate of LIBOR plus a spread of 137.5 basis points. Our initial draw down under the term loan facility in the amount of $400 million was made in November 2015, establishing a facility maturity of November 2020. We also committed to repay the borrowings in prescribed installments over the five year period. We made a scheduled repayment of $10.0 million during the six months ended June 30, 2016. We had $383.5 million of borrowings outstanding under the term loan facility at June 30, 2016, of which $20 million and $363.5 million were classified within "Short-Term Debt" and "Long-Term Debt", respectively. The associated weighted average interest rate was 1.83%.

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, 2016.

Revolving Credit Facility

We had $309.6 million and $439.4 million of borrowings outstanding under the $1 billion revolving credit facility at June 30, 2016 and 2015, respectively. We borrowed under this facility from time to time during the six months ended June 30, 2016 and 2015 to supplement the timing of receipts in order to fund our working capital needs. During the six months ended June 30, 2015 we also accessed the facility to fund our purchase of NetProspex and a portion of the consideration for our purchase of DBCC.

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Future Liquidity—Sources and Uses of Funds

Share Repurchase Programs

In August 2014, our Board of Directors approved a $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. The $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, 2016, we had not yet commenced share repurchases under this program.

Dividends

In August 2016, the Board of Directors approved the declaration of a dividend of $0.4825 per share of common stock for the third quarter of 2016. This cash dividend will be payable on September 9, 2016 to shareholders of record at the close of business on August 24, 2016.

Commercial Paper Program

We maintain an $800 million commercial paper program which is supported by our $1 billion revolving credit facility. 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 effectively reduces the amount available for borrowing under the $1 billion revolving credit facility. We did not have any borrowings outstanding under the $800 million commercial paper program as of June 30, 2016 and June 30, 2015.

Potential Payments in Legal Matters

We are involved in certain legal proceedings, claims and litigation arising in the ordinary course of business. These matters are at various stages of resolution, but could ultimately result in significant cash payments as described in Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q. We believe we have adequate reserves recorded in the unaudited consolidated financial statements for our current exposures in these matters, where applicable, as described herein.

Unrecognized Tax Benefits

We have a total amount of unrecognized tax benefits of $12.5 million as of June 30, 2016. Although we do not anticipate payments within the next twelve months for these matters, these could require the aggregate use of cash totaling approximately $10.1 million as of such date.

Off-Balance Sheet Arrangements

We do not have any transactions, obligations or relationships that could be considered off-balance sheet arrangements except for those disclosed in Note 7 to our consolidated financial statements included in Item 8. of our Annual Report on Form 10-K for the year ended December 31, 2015.

Fair Value Measurements

Our non-recurring non-financial assets and liabilities include long-lived assets held and used, goodwill and intangible assets. These assets are recognized at fair value when they are deemed to be impaired.

As of June 30, 2016, the fair value of the contingent consideration associated with our DBCC acquisition was measured utilizing Level III inputs. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q. In addition, the fair value of our real estate funds within our pension plans was measured utilizing Level III inputs.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our market risks primarily consist of the impact of changes in currency exchange rates on assets and liabilities, the impact of changes in the market value of certain of our investments and the impact of changes in interest rates on our borrowing costs and fair value calculations. As of June 30, 2016, no material change had occurred in our market risks, compared with the disclosure in our Annual Report on Form 10-K for the year ended December 31, 2015 included in Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

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Item 4. Controls and Procedures.

We evaluated the effectiveness of our disclosure controls and procedures ("Disclosure Controls") as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act") as of the end of the period covered by this report. This evaluation ("Controls Evaluation") was done with the participation of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

Disclosure Controls are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our Disclosure Controls or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of a control system are met. Further, any control system reflects limitations on resources, and the benefits of a control system must be considered relative to its costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Dun & Bradstreet have been detected. Judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by individual acts, by collusion of two or more people, or by management override. The design of a control system is also based upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected. Our Disclosure Controls are designed to provide reasonable assurance of achieving their objectives.

Conclusions Regarding Disclosure Controls

Based upon our Controls Evaluation, our CEO and CFO have concluded that as of the end of the quarter ended June 30, 2016, our Disclosure Controls are effective at a reasonable assurance level.

Change in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the second quarter of 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information in response to this Item is included in "Part I — Item 1. — Note 7 — Contingencies" and is incorporated by reference into Part II of this Quarterly Report on Form 10-Q.

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Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information about purchases made by or on behalf of the Company or our affiliated purchasers during the quarter ended June 30, 2016, of shares of equity that are registered by the Company pursuant to Section 12 of the Exchange Act.

Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs (a)	Approximate Dollar Value of Currently Authorized Shares that May Yet Be Purchased Under the Plans or Programs (a)
	(Dollar amounts in millions, except share data)			
April 1 - 30, 2016	—	$ —	—	$ —
May 1 - 31, 2016	—	$ —	—	$ —
June 1 - 30, 2016	—	$ —	—	$ —
	—	$ —	—	$ 100.0

(a) In August 2014, our Board of Directors approved a $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. The $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, 2016, we had not yet commenced share repurchases under this program.

Item 6. Exhibits

Exhibit 10.1	First Amendment to the Dun & Bradstreet Career Transition Plan (as amended and restated as of August 4, 2015), dated May 9, 2016.
Exhibit 31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 101	The following financial information from The Dun & Bradstreet Corporation's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016 formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited), (ii) the Consolidated Balance Sheets (Unaudited), (iii) the Consolidated Statements of Cash Flows (Unaudited), (iv) the Consolidated Statements of Shareholders' Equity (Deficit) (Unaudited), and (v) the Notes to Consolidated Financial Statements (Unaudited).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	THE DUN & BRADSTREET CORPORATION
	By: /s/ RICHARD H. VELDRAN
	Richard H. Veldran
Date: August 2, 2016	Chief Financial Officer
	By: /s/ ANTHONY PIETRONTONE JR.
	Anthony Pietrontone Jr.
Date: August 2, 2016	Principal Accounting Officer and Corporate Controller

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