DUN & BRADSTREET CORP/NW
Form 10-Q
August 08, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)
ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2017
OR
¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number 1-15967

The Dun & Bradstreet Corporation

(Exact name of registrant as specified in its charter)

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

Registrant's telephone number, including area code: (973) 921-5500
Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one:)
Large accelerated filer ý Accelerated filer o Non-accelerated filer (do not check if a smaller reporting company) o
Smaller reporting company o Emerging growth company o
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No ý

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

Title of Class	Shares Outstanding at June 30, 2017
Common Stock, par value $0.01 per share	36,957,258

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions, except per share data)			
Revenue	$ 405.7	$ 398.8	$ 787.2	$ 773.8
Operating Expenses	139.7	133.0	281.7	265.4
Selling and Administrative Expenses	162.7	196.1	333.4	359.4
Depreciation and Amortization	19.4	17.3	38.3	33.7
Restructuring Charge	7.5	5.9	16.5	15.6
Operating Costs	329.3	352.3	669.9	674.1
Operating Income	76.4	46.5	117.3	99.7
Interest Income	0.4	0.5	0.8	1.0
Interest Expense	(15.1)	(13.4)	(29.7)	(26.9)
Other Income (Expense) - Net	1.8	(0.5)	—	0.3
Non-Operating Income (Expense) - Net	(12.9)	(13.4)	(28.9)	(25.6)
Income Before Provision for Income Taxes and Equity in Net Income of Affiliates	63.5	33.1	88.4	74.1
Less: Provision for Income Taxes	18.7	14.2	26.9	25.2
Equity in Net Income of Affiliates	1.9	1.0	2.7	1.7
Net Income from Continuing Operations	46.7	19.9	64.2	50.6
Less: Net Income Attributable to the Noncontrolling Interest	(1.6)	(1.1)	(2.8)	(1.8)
Net Income from Continuing Operations Attributable to Dun & Bradstreet	$ 45.1	$ 18.8	$ 61.4	$ 48.8
Loss on Disposal of Business, no Tax Impact	—	—	(0.8)	—
Loss from Discontinued Operations, no Tax Impact	—	—	(0.8)	—
Net Income Attributable to Dun & Bradstreet	$ 45.1	$ 18.8	$ 60.6	$ 48.8
Basic Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$ 1.22	$ 0.52	$ 1.66	$ 1.35
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$ 1.22	$ 0.52	$ 1.64	$ 1.35
Diluted Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$ 1.22	$ 0.51	$ 1.65	$ 1.34
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$ 1.22	$ 0.51	$ 1.63	$ 1.34
Weighted Average Number of Shares Outstanding-Basic	36.9	36.3	36.9	36.2
Weighted Average Number of Shares Outstanding-Diluted	37.1	36.6	37.1	36.5
Cash Dividend Paid Per Common Share	$ 0.50	$ 0.48	$ 1.01	$ 0.97
Other Comprehensive Income, Net of Income Taxes:				
Net Income from Continuing Operations	$ 46.7	$ 19.9	$ 64.2	$ 50.6
Loss from Discontinued Operations, no Tax Impact	—	—	(0.8)	—
Net Income	46.7	19.9	63.4	50.6
Foreign Currency Translation Adjustments, no Tax Impact	23.4	9.9	22.9	(12.3)

Defined Benefit Pension Plans:				
Prior Service Costs, Net of Tax Benefit (Expense) (1)	(0.1)	(0.2)	(0.3)	(0.4)
Net Actuarial Gain, Net of Tax Benefit (Expense) (2)	6.2	6.0	12.6	12.0
Total Other Comprehensive Income (Loss)	29.5	15.7	35.2	(0.7)
Comprehensive Income, Net of Income Taxes	76.2	35.6	98.6	49.9
Less: Comprehensive Income Attributable to the Noncontrolling Interest	(2.0)	(1.1)	(3.4)	(1.7)
Comprehensive Income Attributable to Dun & Bradstreet	$ 74.2	$ 34.5	$ 95.2	$ 48.2

(1) Tax Benefit (Expense) of $0.1 million during each of the three months ended June 30, 2017 and 2016. Tax Benefit (Expense) of $0.2 million during each of the six months ended June 30, 2017 and 2016.

(2) Tax Benefit (Expense) of $(3.4) million and $(3.1) million during the three months ended June 30, 2017 and 2016, respectively. Tax Benefit (Expense) of $(6.8) million and $(6.4) million during the six months ended June 30, 2017 and 2016, 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, 2017	December 31, 2016
	(Amounts in millions, except per share data)	
ASSETS		
Current Assets		
Cash and Cash Equivalents	$400.2	$ 352.6
Accounts Receivable, Net of Allowance of $24.3 at June 30, 2017 and $23.6 December 31, 2016	389.9	543.6
Other Receivables	8.8	11.3
Prepaid Taxes	4.4	3.3
Other Prepaids	30.3	32.1
Other Current Assets	4.0	1.5
Total Current Assets	837.6	944.4
Non-Current Assets		
Property, Plant and Equipment, Net of Accumulated Depreciation of $56.0 at June 30, 2017 and $50.6 at December 31, 2016	42.9	39.4
Computer Software, Net of Accumulated Amortization of $340.4 at June 30, 2017 and $321.2 at December 31, 2016	123.0	108.1
Goodwill (Note 15)	770.2	651.9
Deferred Income Tax	97.2	110.9
Other Receivables	1.7	1.9
Other Intangibles (Note 15)	334.4	296.1
Other Non-Current Assets	46.7	56.5
Total Non-Current Assets	1,416.1	1,264.8
Total Assets	$2,253.7	$ 2,209.2
LIABILITIES		
Current Liabilities		
Accounts Payable	$38.5	$ 46.7
Accrued Payroll	91.9	113.6
Accrued Income Tax	9.4	44.5
Short-Term Debt	27.5	22.5
Other Accrued and Current Liabilities (Note 6)	124.0	154.6
Deferred Revenue	642.7	628.1
Total Current Liabilities	934.0	1,010.0
Pension and Postretirement Benefits	507.6	541.8
Long-Term Debt	1,673.0	1,594.5
Liabilities for Unrecognized Tax Benefits	5.4	4.9
Other Non-Current Liabilities	47.0	45.8
Total Liabilities	3,167.0	3,197.0
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	322.8	317.6
Retained Earnings	2,982.7	2,959.6
Treasury Stock, at cost, 45.0 shares at June 30, 2017 and 45.1 shares at December 31, 2016	(3,321.9)	(3,330.4)
Accumulated Other Comprehensive Income (Loss)	(914.9)	(949.6)
Total Dun & Bradstreet Shareholders' Equity (Deficit)	(930.5)	(1,002.0)
Noncontrolling Interest	17.2	14.2
Total Equity (Deficit)	(913.3)	(987.8)
Total Liabilities and Shareholders' Equity (Deficit)	$ 2,253.7	$ 2,209.2

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,	
	2017	2016
	(Amounts in millions)	
Cash Flows from Operating Activities:		
Net Income	$ 63.4	$ 50.6
Less:		
Loss on Disposal of Business - Discontinued Operations	(0.8)	—
Net Income from Continuing Operations	$ 64.2	$ 50.6
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	38.3	33.7
Amortization of Unrecognized Pension Loss	18.9	17.8
Loss from Sales of Business	0.7	—
Income Tax Benefit from Stock-Based Awards	6.4	3.9
Excess Tax Benefit on Stock-Based Awards	—	(0.4)
Equity-Based Compensation	10.9	9.7
Restructuring Charge	16.5	15.6
Restructuring Payments	(12.4)	(20.7)
Changes in Deferred Income Taxes, Net	2.3	(1.6)
Changes in Accrued Income Taxes, Net	(40.9)	(17.4)
Changes in Current Assets and Liabilities, Net of Acquisitions:		
(Increase) Decrease in Accounts Receivable	172.1	105.2
(Increase) Decrease in Other Current Assets	3.4	1.0
Increase (Decrease) in Deferred Revenue	(10.2)	(17.6)
Increase (Decrease) in Accounts Payable	(9.7)	23.1
Increase (Decrease) in Accrued Liabilities	(61.4)	(2.9)
Increase (Decrease) in Other Accrued and Current Liabilities	0.2	—
Changes in Non-Current Assets and Liabilities, Net of Acquisitions:		
(Increase) Decrease in Other Long-Term Assets	13.6	12.0
Net Increase (Decrease) in Long-Term Liabilities	(35.7)	(31.3)
Net, Other Non-Cash Adjustments	(0.7)	0.2
Net Cash Provided by Operating Activities	176.5	180.9
Cash Flows from Investing Activities:		
Payments for Contingent Liabilities for Businesses Divested	(1.9)	—
Payments for Acquisitions of Businesses, Net of Cash Acquired	(150.0)	—
Cash Settlements of Foreign Currency Contracts	1.9	(6.8)
Capital Expenditures	(5.8)	(9.5)
Additions to Computer Software and Other Intangibles	(27.5)	(23.4)
Net Cash Used in Investing Activities	(183.3)	(39.7)
Cash Flows from Financing Activities:		
Net (Payment) Proceeds Related to Stock-Based Plans	(2.2)	4.0
Payments of Dividends	(37.1)	(35.0)
Proceeds from Borrowings on Credit Facilities	627.2	220.4
Payments of Borrowings on Credit Facilities	(534.9)	(293.0)
Payments of Borrowings on Term Loan Facilities	(10.0)	(10.0)
Excess Tax Benefit on Stock-Based Awards	—	0.4
Capital Lease and Other Long-Term Financing Obligation Payment	(0.1)	(0.2)

Net, Other	(0.4)	(1.5)
Net Cash (Used in) Provided by Financing Activities	42.5	(114.9)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	11.9	(12.9)
Increase (Decrease) in Cash and Cash Equivalents	47.6	13.4
Cash and Cash Equivalents, Beginning of Period	$ 352.6	$ 365.7
Cash and Cash Equivalents, End of Period	$ 400.2	$ 379.1
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for:		
Income Taxes, Net of Refunds	$ 59.2	$ 40.3
Interest	$ 28.5	$ 26.8

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, 2017 and 2016
(Amounts in millions)

	Common Stock ($0.01 Par Value)	Capital Surplus	Retained Earnings	Treasury Stock	Cumulative Translation Adjustment	Defined Benefit Postretirement Plans	Total Dun & Bradstreet Shareholders' Equity (Deficit)	Noncontrolling Interest	Total Equity (Deficit)
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)
Balance, December 31, 2016	$ 0.8	$ 317.6	$ 2,959.6	$ (3,330.4)	$ (266.2)	$ (683.4)	$ (1,002.0)	$ 14.2	$ (987.8)
Net Income	—	—	60.6	—	—	—	60.6	2.8	63.4
Payment to Noncontrolling Interest	—	—	—	—	—	—	—	(0.3)	(0.3)
Equity-Based Plans	—	5.2	—	8.5	—	—	13.7	—	13.7
Pension Adjustments, net of tax expense of $6.6	—	—	—	—	—	12.3	12.3	—	12.3
Dividend Declared	—	—	(37.5)	—	—	—	(37.5)	—	(37.5)
Change in Cumulative Translation Adjustment	—	—	—	—	22.4	—	22.4	0.5	22.9
Balance, June 30, 2017	$ 0.8	$ 322.8	$ 2,982.7	$ (3,321.9)	$ (243.8)	$ (671.1)	$ (930.5)	$ 17.2	$ (913.3)

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, 2016. 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 our Latin America Worldwide Network (we divested our Latin America operations in September 2016); and
- Non-Americas, which consists of our operations in the United Kingdom ("U.K."), Greater China, India and our European and Asia Pacific Worldwide Network (we divested our operations in both the Netherlands and Belgium ("Benelux") in November 2016 and our Australian operations in June 2015). See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail.

Effective January 1, 2017, we began managing and reporting our Sales & Marketing Solutions as:

- Sales Acceleration - solutions designed to align sales and marketing teams around the same refined and inter-connected information (data that is current, tied to buying signals, and delivered with context) to shorten sales cycles, increase win rates, and accelerate revenue growth more quickly. Our customers want to target more intelligently to enhance sales productivity; that is to know who they are selling to, what their customers might be buying, how things are changing at their customers' companies, where their customers have purchased before, and how to most efficiently engage with them. We provide these solutions through applications such as D&B Hoovers, as well as direct access to our contact data; and
- Advanced Marketing Solutions (newly defined) - consists of our Master Data solutions, which enable our customers to integrate and organize data to create a single view of customers and prospects, enrich data, continuously manage data quality and link company identity and hierarchy. It also consists of new use cases such as Audience Solutions, which uses data and analytics to fuel enhanced programmatic targeting and web visitor intelligence.

We also evaluate our business and provide the following supplemental revenue metrics. For Trade Credit, we further provide revenue for the D&B Credit Suite and Other Trade Credit. Prior to January 1, 2017, the D&B Credit Suite was referred to as DNBi®. Also effective January 1, 2017, we began providing a new revenue metric called D&B Hoovers Suite. This new metric encompasses our legacy Hoover's product, our new D&B Hoovers product, our Salesforce alliance revenue through data.com and our Avention, Inc. ("Avention") product portfolio.

Management believes that these measures provide further insight into our performance and the growth of our business. We no longer report our Sales and Marketing Solutions as Traditional Prospecting Solutions or use the prior definition of Advanced Marketing Solutions and we no longer report our total revenue on a Direct or Alliances & Partners basis.

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 August of 2016, we announced the sale of our domestic operations in Benelux and Latin America, shifting these businesses into our Worldwide Network partnership model. Our Worldwide Network arrangements include long-term commercial agreements that provide our partners with access to key Dun & Bradstreet assets, including global data, brand

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

usage, consulting and technology services. Historically, technology services were not classified as revenue as we viewed them as ancillary in nature. As we shifted more of our Non-Americas businesses into the Worldwide Network partnership model as a result of the divestitures of our operations in Benelux and Latin America, such technology services now represent activities that constitute part of our ongoing and central operations. Accordingly, starting in the third quarter of 2016 we began to classify the technology services as revenue. See Note 14 to the unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q for further detail on the divestitures. 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 Accounting Standards Updates ("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 December 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-19, "Technical Corrections and Improvements." The standard addresses the differences between the original guidance, such as legacy FASB statements, and the guidance in the ASC and clarifies certain existing guidance by updating wording and correcting references. The standard also simplifies the ASC through minor structural changes to headings or minor editing of text and makes improvements that are not expected to have a significant impact on current accounting practices. Most of the amendments do not require transition guidance and are effective upon issuance. There are certain amendments that clarify existing guidance or correct references in the ASC that could potentially result in changes in current practice. The transition guidance must be applied prospectively, except for the amendment related to internal-use software license fees paid in a cloud-computing arrangement, which may be applied either prospectively or retrospectively. These amendments were effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2016. The adoption of this authoritative guidance did not 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 was effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2016. Early adoption was permitted. We adopted this guidance on a prospective basis. We did not change our forfeiture accounting policy. The adoption of this authoritative guidance did not have a material impact 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 was effective for fiscal years beginning after December 15, 2016 and the interim periods within those years. Early adoption was permitted. The guidance should be applied prospectively for investments that qualify for the equity method of accounting after the effective date. The adoption of this authoritative guidance did not 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 was effective for fiscal years beginning after December 15, 2016 and interim periods within those years. Early adoption was 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. The adoption of this authoritative guidance did not have a material impact on our consolidated financial statements.

Recently Issued Accounting Pronouncements

In May 2017, the FASB issued ASU No. 2017-09, “Compensation - Stock Compensation (Topic 718): Scope of Modification Accounting.” The standard amends the scope of modification accounting for share-based payments arrangements. An entity would not apply modification accounting if the fair value, vesting conditions and classification of the awards are the same immediately before and after the modification. The standard is effective for annual and interim periods beginning after December 15, 2017. Early adoption is permitted, including adoption in any interim period. We do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-07, “Compensation - Retirement Benefits (Topic 715) - Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefits Cost.” The standard amends the requirements in ASC Topic 715, “Compensation - Retirement Benefits” related to the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The standard requires entities to disaggregate the current service-cost component from the other components of net benefit cost and present it with other current compensation costs for related employees in the income statement and present the other components elsewhere in the income statement outside of income from operations if such subtotal is presented. Entities are required to disclose the income statement lines that contain the other components if they are not presented on appropriately described lines. An entity is only allowed to capitalize the service-cost component of net benefit cost. The standard is effective for annual and interim periods beginning after December 15, 2017. Early adoption is permitted as of the beginning of any annual period for which an entity's financial statements (interim or annual) have not been issued or made available for issuance. We do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, “Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.” The standard simplifies the accounting for goodwill impairments by eliminating step 2 from the goodwill impairment test. Instead, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. An entity will still have the option to perform a qualitative assessment to determine if a quantitative impairment assessment is necessary for the reporting unit. If the reporting unit passes the qualitative assessment, there is no impairment and no further analysis is required. An entity applies the same one-step impairment test to all reporting units, including those with zero or negative carrying amounts; however, the entity is required to disclose the amount of goodwill allocated to reporting units with zero or negative carrying amounts along with the reportable segment that includes the reporting unit. An entity must consider income tax effects from any tax-deductible goodwill on the carrying amount of the reporting unit. The standard is effective for annual and any interim impairment tests for periods beginning after December 15, 2019. Early adoption is allowed for all entities as of January 1, 2017, for annual and any interim impairment tests occurring after January 1, 2017. We do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-01, “Business Combinations (Topic 805): Clarifying the Definition of a Business.” The standard provides a framework to use in determining when a set of assets and activities is a business. The standard requires an entity to evaluate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets. If the fair value meets this threshold, the set of transferred assets and activities is not a business. The standard also requires a business to include at least one substantive process and narrows the definition of outputs by more closely aligning it with how outputs are described in ASU 2014-09, “Revenue from Contracts with Customers (Topic 606).” The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2017. Entities must apply the guidance prospectively to any transactions occurring within the period of adoption. Early adoption is 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 do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, “Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory.” The standard eliminates the exception within Topic 740 of the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. As a result of the removal of the exception, a reporting entity would recognize the tax expense from the sale of the asset in the seller's tax jurisdiction when the transfer occurs, even though the pre-tax effects of that transaction are eliminated in consolidation. Any deferred tax asset that arises in the buyer's jurisdiction would also be recognized at the time of the transfer. The standard is effective for fiscal years and interim periods within those fiscal years beginning after

December 15, 2017. Early adoption is permitted but the guidance can only be adopted in the first interim period of a fiscal year. Entities must apply the modified retrospective approach, with a cumulative-effect adjustment recorded in retained earnings as of the beginning of the period of the adoption. We do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

In August 2016, the FASB issued ASU No. 2016-15, “Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force).” The standard amends the guidance in ASC 230 on the classification of certain cash receipts and payments in the statement of cash flows. The standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2017. Early adoption is permitted. Entities must apply the guidance retrospectively to all periods presented but may apply it prospectively from the earliest date practicable if retrospective application would be impracticable. We do not expect the adoption of this authoritative guidance to have a material impact on our consolidated financial statements.

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 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.

New Revenue Recognition Standard:

In May 2014, the FASB issued ASU No. 2014-09, 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 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.

In December 2016, the FASB issued ASU No. 2016-20, “Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers,” which clarifies certain aspects of the revenue recognition guidance, including allowing entities to not make quantitative disclosures about remaining performance obligations in certain cases and requiring entities that use any of the new or previously existing optional exemptions to expand their qualitative disclosures. The amendments do not change any of the principles in ASU No. 2014-09.

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 and anticipate this standard will have a material impact on our consolidated financial statements. While we are continuing to assess all potential impacts of the standard, we currently believe the most significant changes relate to how we identify performance obligations for certain data products, accounting for non-cancelable multi-year contracts, determining our receivable, net contract asset or liability for each contract, capitalization and amortization of sales commissions and additional disclosures (i.e., unsatisfied performance obligations in non-cancelable multi-year contracts).

We have identified an implementation project team and related oversight processes. Given the scope of the work required to implement the recognition and disclosure requirements under the new standard, we began the assessment process in 2014 and have since made significant progress, including identification of changes to policy, processes, systems and controls. This also includes the assessment of data availability and presentation necessary to meet the additional disclosure requirements of the guidance in the notes to the 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 reasonably 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 or disposal 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, 2017 vs. Three Months Ended June 30, 2016

During the three months ended June 30, 2017, we recorded a $7.5 million restructuring charge. This charge was comprised of:

- Severance costs of $5.9 million in accordance with the provisions of ASC 712-10. Approximately 80 employees were impacted. Most of the employees impacted exited the Company by the end of the second quarter of 2017. The cash payments for these employees will be substantially completed by the end of the first quarter of 2018; and

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- Contract termination, lease termination obligations and other exit costs, including those to consolidate or close facilities of $1.6 million.

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

- Severance costs of $5.9 million in accordance with the provisions of ASC 712-10. 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 having exited by the end of the third quarter of 2016. The cash payments for these employees were substantially completed by the end of the first quarter of 2017.

Six Months Ended June 30, 2017 vs. Six Months Ended June 30, 2016
During the six months ended June 30, 2017, we recorded a $16.5 million restructuring charge. This charge was comprised of:

- Severance costs of $12.0 million and $1.6 million in accordance with the provisions of ASC 712-10 and ASC 420-10, respectively. Approximately 270 employees were impacted. Of these 270 employees, approximately 185 employees exited the Company by the end of the second quarter of 2017, with the remaining primarily to exit by the end of the third quarter of 2017. The cash payments for these employees will be substantially completed by the end of the first quarter of 2018; and

- Contract termination, lease termination obligations and other exit costs, including those to consolidate or close facilities of $2.9 million.

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

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

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, 2016	$ 8.3	$ 1.7	$ 10.0
Charge Taken during the First Quarter 2017	7.7	1.3	9.0
Payments Made during the First Quarter 2017	(4.1)	(0.4)	(4.5)
Balance Remaining as of March 31, 2017	$ 11.9	$ 2.6	$ 14.5
Charge Taken during the Second Quarter 2017	5.9	1.6	7.5

Payments Made during the Second Quarter 2017	(6.2)	(1.8)	(8.0)
Balance Remaining as of June 30, 2017	$ 11.6	$ 2.4	$ 14.0

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	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 the First Quarter 2016	9.7	—	9.7
Payments Made during the 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 Made during the Second Quarter 2016	(10.0)	(0.4)	(10.4)
Balance Remaining as of June 30, 2016	$ 14.1	$ 1.6	$15.7

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

	Maturity	June 30, 2017 Principal Amount	June 30, 2017 Debt Issuance Costs and Discount*	June 30, 2017 Carrying Value	At December 31, 2016 Principal Amount	At December 31, 2016 Debt Issuance Costs and Discount*	At December 31, 2016 Carrying Value
Short-Term Debt:							
Term Loan Facility		$27.5	$ —	$27.5	$22.5	$ —	$22.5
Total Short-Term Debt		$27.5	$ —	$27.5	$22.5	$ —	$22.5
Long-Term Debt:							
Five Year 3.50% senior notes (1) (2)	December 1, 2017	$450.0	$ 0.3	$449.7	$450.0	$ 0.6	$449.4
Ten Year 4.625% senior notes (1) (2)	December 1, 2022	300.0	2.9	297.1	300.0	3.2	296.8
Five Year 4.25% senior notes (1) (3)	June 15, 2020	300.0	2.3	297.7	300.0	2.7	297.3
Term Loan Facility	November 13, 2020	337.5	1.1	336.4	352.5	1.3	351.2
Revolving Credit Facility	July 23, 2019	292.1	—	292.1	199.8	—	199.8
Commercial Paper Program		—	—	—	—	—	—
Total Long-Term Debt		$1,679.6	$ 6.6	$1,673.0	$1,602.3	$ 7.8	$1,594.5

*Represents unamortized portion of debt issuance costs and discounts.

(1) 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, 2017 and December 31, 2016. The notes do not contain any financial covenants.

(2) The interest rates are subject to an 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 (see further discussion below).
(3) The interest rate is subject to an upward 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 (see further discussion below).

On March 27, 2017, Standard & Poor’s Ratings Services downgraded our corporate credit rating to BB+ from BBB-. As a result, and in accordance with the provisions of their indentures, the interest rates on each of our senior notes were adjusted above their initial stated coupons by 25 basis points commencing with the interest period during which the downgrade occurred. As a result of the coupon adjustment, the incremental interest cost for the quarter ended March 31, 2017 was approximately

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$0.8 million, which included a component that was retroactive to the commencement of the respective senior note interest periods in December 2016. The incremental interest cost for the quarter ended June 30, 2017 was $0.7 million and is expected to be approximately $0.7 million per quarter going forward until either the maturity of any one of the senior notes or a change in our corporate credit rating that triggers an adjustment in our interest rate coupons, whichever is earlier. On May 22, 2017, Fitch Ratings downgraded our corporate credit rating to BBB- from BBB. The interest rates on each of our senior notes were not impacted as a result of the downgrade. Any further downgrade in our corporate credit rating by either rating agency would result in additional increases in the interest rates of our senior notes. In addition, further downgrades may increase our overall cost of borrowing and/or may negatively impact our ability to raise additional debt capital.

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. In addition, a short-term obligation shall be excluded from current liabilities if the entity has both the intention and ability to refinance the obligation on a long-term basis. Accordingly, the outstanding balance of the five year 3.50% senior notes and the $1 billion revolving credit facility were both classified as “Long-Term Debt” as of June 30, 2017 and December 31, 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. On March 27, 2017, Standard & Poor’s Ratings Services downgraded our corporate credit rating to BB+ from BBB-. As a result, and in accordance with the terms of the term loan facility, the spread under the term loan facility increased from 137.5 basis points to 150.0 basis points. Our initial draw down under the term loan facility in the amount of $400 million was made in November 2015, establishing a 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, 2017 and December 31, 2016 were 2.72% and 2.03%, respectively.

The term loan facility requires the maintenance of interest coverage and total debt to Earnings Before Interest, 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, 2017 and December 31, 2016.

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. On March 27, 2017, Standard & Poor’s Rating Services downgraded our corporate credit rating to BB+ from BBB-. As a result, and in accordance with the terms of the facility, the spread under the $1 billion revolving credit facility increased from 110.0 basis points to 120.0 basis points. The facility requires the maintenance of interest coverage and total debt to EBITDA ratios which are defined in the $1 billion revolving credit facility credit agreement. We were in compliance with the $1 billion revolving credit facility financial and non-financial covenants at June 30, 2017 and December 31, 2016. The weighted average interest rates associated with the outstanding balances as of June 30, 2017 and December 31, 2016 were 2.45% and 2.07%, respectively.

We borrowed under this facility from time to time during the six months ended June 30, 2017 and the year ended December 31, 2016 to supplement the timing of receipts in order to fund our working capital. We also borrowed under this facility during the first quarter of 2017 to fund a portion of the consideration for our purchase of Avention. 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, 2017 and the year ended December 31, 2016.

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Other
We were contingently liable under open standby letters of credit and bank guarantees issued by our banks in favor of third parties totaling $3.0 million at June 30, 2017 and $2.6 million at December 31, 2016.
Interest paid for all outstanding debt totaled $28.5 million and $26.8 million during the six months ended June 30, 2017 and 2016, respectively.
Note 5 -- Earnings Per Share
Basic earnings (loss) per share ("EPS") is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period, plus the dilutive effect of outstanding restricted stock unit awards, stock options, and contingently issuable shares using the treasury stock method. See Note 1 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016 for further detail on our accounting policies related to EPS.
The following table sets forth the computation of basic and diluted earnings (loss) per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$45.1	$18.8	$61.4	$48.8
Loss from Discontinued Operations – Net of Income Taxes	—	—	(0.8)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders – Basic and Diluted	$45.1	$18.8	$60.6	$48.8
Weighted Average Number of Shares Outstanding – Basic	36.9	36.3	36.9	36.2
Dilutive Effect of Our Stock Incentive Plans	0.2	0.3	0.2	0.3
Weighted Average Number of Shares Outstanding – Diluted	37.1	36.6	37.1	36.5
Basic Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.52	$1.66	$1.35
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.52	$1.64	$1.35
Diluted Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.51	$1.65	$1.34
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.51	$1.63	$1.34

The weighted average number of shares outstanding used in the computation of diluted earnings per share excludes the effect of outstanding common shares potentially issuable totaling 52,659 shares and 34,559 shares at the three month and six month periods ended June 30, 2017, respectively, as compared to 23,721 shares and 37,372 shares at the three month and six month periods ended June 30, 2016, respectively. These potentially issuable common shares were not included in the calculation of diluted earnings per share because their effect would be anti-dilutive.
No shares were repurchased during the three month and six month periods ended June 30, 2017 and 2016. 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, 2017, we have not yet commenced repurchasing under this program.

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Note 6 -- Other Accrued and Current Liabilities

	June 30, 2017	December 31, 2016
Restructuring Accruals	$ 14.0	$ 10.0
Professional Fees	39.2	39.3
Operating Expenses	36.7	40.2
Other Accrued Liabilities (1)	34.1	65.1
	$ 124.0	$ 154.6

(1) The decrease in other accrued liabilities from December 31, 2016 to June 30, 2017 was primarily due to a payment in the first quarter of 2017 for a service-based award related to the acquisition of Dun and Bradstreet Credibility Corp ("DBCC"), a payment to resolve a legal matter (Jeffrey A. Thomas v. DBCC) during the second quarter of 2017 and a decrease in the accrual for the SEC and DOJ investigation of our China operations.

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, 2017. 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," as of June 30, 2017, we have accrued approximately $12 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, which has now ended, although we are continuing to meet with representatives of both the SEC and DOJ to fully resolve the matter.

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.

Although our discussions with both the SEC and DOJ are ongoing, we do not believe that the ultimate outcome will be material to 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. We continue to have follow-up meetings with the SEC and DOJ, most recently meeting with the SEC in July 2017 and separately with the DOJ also in July 2017, and the parties are still discussing the evidence and other factors to help bring this matter to resolution. In accordance with ASC 450, we have adjusted the amount in respect of this matter that has been accrued in the consolidated financial statements.

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 18 to our consolidated financial statements included in our Annual Report on Form 10-K, 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.

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 was subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement. On August 9, 2016, the Court denied plaintiff's motion without prejudice and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report. On October 14, 2016, the parties entered into an amended settlement agreement, which amended some of the non-monetary terms of the agreement. On the same day, plaintiff filed with the Court the amended settlement agreement together with an unopposed renewed motion for preliminary approval of the amended settlement. On December 22, 2016, the Court denied plaintiff's renewed motion and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On

March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.

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 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 was subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement. On August 9, 2016, the Court denied plaintiff's motion without prejudice and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report. On October 14, 2016, the parties entered into an amended settlement agreement, which amended some of the non-monetary terms of the agreement. On the same day, plaintiff filed with the Court the amended settlement agreement together with an unopposed renewed motion for preliminary approval of the amended settlement. On December 22, 2016, the Court denied plaintiff's renewed motion and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.

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 was subject to Court approval. On May 17, 2016, plaintiffs filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement. On August 9, 2016, the Court denied plaintiffs' motion without prejudice and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report. On October 14, 2016, the parties entered into an amended settlement agreement, which amended some of the non-monetary terms of the agreement. On the same day, plaintiffs filed with the Court the amended settlement agreement together with an unopposed renewed motion for preliminary approval of the amended settlement. On December 22, 2016, the Court denied plaintiffs' renewed motion and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.

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 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 was subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement. On August 9, 2016, the Court denied plaintiff's motion without prejudice and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report. On October 14, 2016, the parties entered into an amended settlement agreement, which amended some of the non-monetary terms of the agreement. On the same day, plaintiff filed with the Court the amended settlement agreement together with an unopposed renewed motion for preliminary approval of the amended settlement. On December 22, 2016, the Court denied plaintiff's renewed motion and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.

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

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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 was subject to Court approval. On May 17, 2016, plaintiff filed an Unopposed Motion for Preliminary Approval of the Class Action Settlement. On August 9, 2016, the Court denied plaintiff's motion without prejudice and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report. On October 14, 2016, the parties entered into an amended settlement agreement, which amended some of the non-monetary terms of the agreement. On the same day, plaintiff filed with the Court the amended settlement agreement together with an unopposed renewed motion for preliminary approval of the amended settlement. On December 22, 2016, the Court denied plaintiff's renewed motion and directed the parties to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.
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, "Dun & Bradstreet"). The Complaint seeks a judicial declaration that Sentry, which issued a General Commercial Liability insurance policy (the "CGL Policy"), to Dun & Bradstreet, does not have a duty under the CGL Policy to provide Dun & Bradstreet with a defense or indemnification in connection with five putative class action complaints (the "Class Actions") filed against Dun & Bradstreet and DBCC. Against Dun & Bradstreet, 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 Dun & Bradstreet is not entitled to a defense or indemnification for any losses it sustains in the Class Actions because the underlying claims in the Class Actions fall within various exceptions in the CGL policy, including exclusions for claims: (i) that arise from 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. Dun & Bradstreet filed an Answer to the Amended Complaint on April 16, 2015 and also asserted counterclaims. The coverage litigation was then temporarily stayed while the parties engaged in informal settlement discussions which did not resolve the matter.
On June 30, 2016, Dun & Bradstreet filed a motion to join National Union Fire Insurance Company of Pittsburgh ("National Union") as an additional party due to National Union's separate obligations under an errors & omissions policy to indemnify Dun & Bradstreet for its losses in the Class Actions. The motion to join National Union was granted and, on August 2, 2016, Dun & Bradstreet filed a Third Party Complaint. On October 31, 2016, National

Union filed its Answer to the Dun & Bradstreet’s Complaint.

A discovery conference with the Court was held on November 16, 2016, and a Joint Discovery Plan was entered by the Court. A discovery status conference with the Court was subsequently held on February 7, 2017. Discovery is now underway, and the parties have entered a discovery confidentiality agreement before proceeding with document productions and interrogatories. The parties are exploring whether to participate in mediation after the completion of document review in mid-September 2017. Discovery status conferences were held on April 27, 2017, June 2, 2017 and July 20, 2017. The next discovery status conference is scheduled for November 2017.

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Previously, Dun & Bradstreet and National Union had discussed entering into an Interim Funding Agreement, under which National Union would fund Dun & Bradstreet's share of the settlement amount in the Class Actions (less the policy's retention), with both Dun & Bradstreet and National Union continuing to reserve their respective rights. The proposed Interim Funding Agreement has not been formally negotiated or finalized at this time.

As discussed above, at the Court's direction in the O&R Class Actions, the parties in the underlying Class Actions have negotiated amendments to the settlement agreement in the Class Actions and on October 14, 2016, plaintiffs filed a renewed motion seeking preliminary approval of the amended class action settlement. On December 22, 2016, the Court denied that motion without prejudice and directed the parties in the underlying Class Actions to file either a renewed motion for preliminary approval of the class action settlement or a joint status report within 70 days. On March 2, 2017, the parties entered into a second amended settlement agreement. On the same day, plaintiff filed the second amended settlement agreement together with an unopposed renewed motion for preliminary approval of the second amended settlement. On May 5, 2017, the Court preliminarily certified the class for settlement and approved the settlement, including the settlement amount, subject to certain changes to the settlement's notice and administration provisions. Plaintiffs were provided until June 2, 2017 to file supplemental papers addressing the notice and administration issues the Court identified. Subsequently, the parties requested extensions of the deadline for filing supplemental papers in order to re-run and re-check data sets that will be used to provide notice to the class and distribute the settlement funds to class members. Because plaintiffs' counsel raised additional questions and concerns, on July 19, 2017, the parties requested an additional extension from the Court in order to address the issues presented, including modifications, if necessary, to the settlement agreement. At the parties' request, the Court extended the deadline for filing supplemental papers to August 25, 2017.

Dun & Bradstreet is continuing to investigate the allegations in this matter, and discovery in this action is still in the early stages. In accordance with ASC 450 Contingencies, as no damages are being sought from Dun & Bradstreet, a loss in connection with this matter is not 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 sought 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. Since that time the parties have finalized a written settlement agreement and all attendant documents. The Court granted preliminary approval of the class action settlement on September 26, 2016 and, entered an Order conditionally certifying a settlement class, approving the class action settlement and approving the parties' plan to give notice to class members.

After the close of the claims period, on February 17, 2017, Plaintiff filed an unopposed motion seeking final approval of the class action settlement. On March 20, 2017, the parties appeared before the Court for a hearing on Plaintiff's motion for final approval. Shortly after the hearing, on March 22, 2017, the Court entered an Order granting Plaintiff’s motion for final approval of the class action settlement. On March 29, 2017, the Court entered a Final Judgement Order by which it dismissed the case with prejudice and without costs, except as provided for in the Court’s Final Approval Order, and terminated the case from the Court’s docket. On April 11, 2017, a class member filed a Notice of Appeal to the U.S. Court of Appeals for the Ninth Circuit, challenging the District Court’s Orders that granted final approval, awarded counsel’s fees and entered a final judgment in the case. On April 21, 2017, the class member filed a motion to voluntarily dismiss its appeal. The Ninth Circuit granted the class member’s motion on May 1, 2017 thereby terminating the proceedings in the appellate court. The appeals deadline has passed. The District Court’s Final Judgment Order is effective and there are no further Court-mandated deadlines or proceedings at this time.

In accordance with ASC 450, a reserve was previously accrued by the Company for this matter in the consolidated financial statements during the second quarter of 2016. This matter was resolved and a settlement payment was made during the second quarter of 2017 consistent with the amount accrued.

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 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 month and six month periods ended June 30, 2017, our effective tax rate was 29.4% and 30.4%, respectively, as compared to 42.9% and 34.0% for the three month and six month periods ended June 30, 2016, respectively. The lower effective tax rate in 2017 was primarily attributable to a higher non-deductible expense in the prior year period and higher non-taxable income in the current year period, both related to the legal reserve associated with the SEC and DOJ investigation of our China operations, partially offset by the impact of lower foreign tax credits in the current year period. See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

For the three month and six month periods ended June 30, 2017, there are no known changes in our effective tax rate that either have had or that we expect may reasonably have a material impact on our operations or future performance.

The total amount of gross unrecognized tax benefits as of June 30, 2017 was $7.4 million. The amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate is $6.9 million, net of related tax benefits.

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 2013. In state and local jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2012. In foreign jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2011.

We recognize accrued interest expense related to unrecognized tax benefits in income tax expense. The total amount of interest expense recognized was $0.1 million for each of the three month and six month periods ended June 30, 2017, net of tax benefits, as compared to $0.1 million and $0.2 million, net of tax benefits, for the three month and six month periods ended June 30, 2016, respectively. The total amount of accrued interest as of June 30, 2017 was $0.4 million, net of tax benefits, as compared to $0.7 million, net of tax benefits, as of June 30, 2016.

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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,	
	2017	2016	2017	2016	2017	2016	2017	2016
Components of Net Periodic Cost (Income):								
Service Cost	$0.7	$0.8	$1.4	$1.5	$0.2	$0.2	$0.4	$0.4
Interest Cost	14.3	14.6	28.5	29.8	0.1	0.1	0.2	0.2
Expected Return on Plan Assets	(23.5)	(24.3)	(46.9)	(48.6)	—	—	—	—
Amortization of Prior Service Cost (Credit)	—	—	0.1	0.1	(0.2)	(0.4)	(0.6)	(0.8)
Recognized Actuarial Loss (Gain)	10.0	9.6	20.0	19.3	(0.4)	(0.4)	(0.6)	(0.8)
Net Periodic Cost (Income)	$1.5	$0.7	$3.1	$2.1	$(0.3)	$(0.5)	$(0.6)	$(1.0)

We previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016 that we expected to contribute approximately $29 million to our U.S. Non-Qualified plans and non-U.S. pension plans and approximately $2 million to our postretirement benefit plan for the year ended December 31, 2017. As of June 30, 2017, we have made contributions to our U.S. Non-Qualified and non-U.S. pension plans of $17.4 million and we have made contributions of $0.8 million to our postretirement benefit plan.

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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 our Latin America Worldwide Network (we divested our Latin America operations in September 2016); and
- Non-Americas, which consists of our operations in the U.K., Greater China, India and our European and Asia Pacific Worldwide Network (we divested our operations in Benelux in November 2016 and our Australian operations in June 2015).

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 intercompany transactions and restructuring charges, as well as certain other costs, because these charges are not considered as part of our ongoing income or expenses and may have a disproportionate positive or negative impact on the results of our ongoing underlying business.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Revenue:				
Americas	$333.6	$329.1	$648.1	$636.1
Non-Americas	72.1	69.7	139.1	137.7
Consolidated Total	$405.7	$398.8	$787.2	$773.8
Operating Income:				
Americas	$77.1	$83.7	$133.8	$153.3
Non-Americas	20.6	14.2	39.4	27.2
Total Segments	97.7	97.9	173.2	180.5
Corporate and Other (1)	(21.3)	(51.4)	(55.9)	(80.8)
Consolidated Total	76.4	46.5	117.3	99.7
Non-Operating Income (Expense) - Net (2)	(12.9)	(13.4)	(28.9)	(25.6)
Income Before Provision for Income Taxes and Equity in Net Income of Affiliates	$63.5	$33.1	$88.4	$74.1

(1) The following table summarizes "Corporate and Other:"

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Corporate Costs	$(21.2)	$(18.4)	$(42.7)	$(37.5)
Restructuring Expense	(7.5)	(5.9)	(16.5)	(15.6)
Acquisition-Related Costs (a)	(0.8)	(0.6)	(4.6)	(0.6)
Decrease/(Increase) of Accrual for Legal Matters (b)	8.0	(26.0)	8.0	(26.0)
Legal and Other Professional Fees and Shut-Down (Costs) Recoveries Related to Matters in China	0.2	(0.5)	(0.1)	(1.1)

Total Corporate and Other	$(21.3)	$(51.4)	$(55.9)	$(80.8)

(a) The acquisition-related costs (e.g., banker's fees) for the three month and six month periods ended June 30, 2017 were primarily related to the acquisition of Avention. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

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(b) The decrease in the accrued expenses for legal matters for the three month and six month periods ended June 30, 2017 is related to the SEC and DOJ investigation of our China operations. The accrued expenses for legal matters for the three month and six month periods ended June 30, 2016 is related to litigation (Jeffrey A. Thomas v. DBCC), net of an indemnification from the DBCC acquisition escrows, and the SEC and DOJ investigation of our China operations.

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Interest Income	$0.4	$0.5	$0.8	$1.0
Interest Expense	(15.1)	(13.4)	(29.7)	(26.9)
Other Income (Expense) - Net (a)	1.8	(0.5)	—	0.3
Non-Operating Income (Expense) - Net	$(12.9)	$(13.4)	$(28.9)	$(25.6)

(a) The increase in Other Income - Net for the three month and six month periods ended June 30, 2017 as compared to the three month and six month periods ended June 30, 2016, was primarily due to an increase in dividend income from our minority-interest investments, partially offset by higher foreign exchange losses in 2017. In addition, during the six months ended June 30, 2017, we recorded a pre-tax loss of $0.7 million for the divestiture of the Benelux businesses related to a working capital adjustment. See Note 14 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

Supplemental Geographic and Customer Solution Set Information:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Customer Solution Set Revenue:				
Americas:				
Risk Management Solutions	$183.3	$184.0	$365.3	$361.8
Sales & Marketing Solutions	150.3	145.1	282.8	274.3
Total Americas Revenue	$333.6	$329.1	$648.1	$636.1
Non-Americas:				
Risk Management Solutions	$57.3	$58.1	$111.7	$114.7
Sales & Marketing Solutions	14.8	11.6	27.4	23.0
Total Non-Americas Revenue	$72.1	$69.7	$139.1	$137.7
Consolidated Total:				
Risk Management Solutions	$240.6	$242.1	$477.0	$476.5
Sales & Marketing Solutions	165.1	156.7	310.2	297.3
Consolidated Total Revenue	$405.7	$398.8	$787.2	$773.8

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

	At June 30, 2017	At December 31, 2016
Assets:		
Americas (3)	$1,426.6	$ 1,432.6
Non-Americas (4)	648.4	555.9
Total Segments	2,075.0	1,988.5
Corporate and Other (5)	178.7	220.7
Consolidated Total	$2,253.7	$ 2,209.2
Goodwill:		
Americas	$645.2	$ 550.6
Non-Americas	125.0	101.3
Consolidated Total (6)	$770.2	$ 651.9

(3) Total assets in the Americas segment at June 30, 2017 decreased by $6.0 million compared to December 31, 2016, primarily driven by a decrease in accounts receivable resulting from the cyclical sales pattern of our Americas business and a decrease in other intangible assets due to normal amortization, partially offset by an increase in total assets as the result of the acquisition of Avention in the first quarter of 2017. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

(4) Total assets in the Non-Americas segment at June 30, 2017 increased by $92.5 million compared to December 31, 2016, primarily driven by a net increase in cash as a result of the cyclical pattern of collections in the segment, an increase due to the acquisition of Avention in the first quarter of 2017, and the positive impact of foreign currency translation.

(5) Total assets in Corporate and Other at June 30, 2017 decreased by $42.0 million compared to December 31, 2016, primarily driven by a net decrease in cash and a decrease in net deferred tax assets due to the acquisition of Avention.

(6) Goodwill increased by $118.3 million at June 30, 2017 compared to December 31, 2016, primarily as the result of the acquisition of Avention in the first quarter of 2017.

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 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, 2017 and December 31, 2016, 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, 2017 and December 31, 2016, 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, 2017 and December 31, 2016, we did not have any interest rate derivatives outstanding.

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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 international 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, the Canadian dollar and the Hong Kong 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, 2017 and December 31, 2016, the notional amounts of our foreign exchange contracts were $253.2 million and $280.1 million, respectively.
Fair Values of Derivative Instruments in the Consolidated Balance Sheet

	Asset Derivatives				Liability Derivatives			
	June 30, 2017		December 31, 2016		June 30, 2017		December 31, 2016	
	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	$ 4.1	Other Current Assets	$ 1.5	Other Accrued & Current Liabilities	$ 1.1	Other Accrued & Current Liabilities	$ 1.4
Total derivatives not designated as hedging instruments		$ 4.1		$ 1.5		$ 1.1		$ 1.4
Total Derivatives		$ 4.1		$ 1.5		$ 1.1		$ 1.4

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,	
		2017	2016	2017	2016

Foreign exchange forward contracts	Non-Operating Income (Expenses) – Net	$ 3.2	$ (7.4)	$ 4.8	$ (6.8)

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.

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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.
The following table presents information about our assets and liabilities measured at fair value on a recurring basis as of June 30, 2017 and December 31, 2016, 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, 2017 for assets and liabilities measured at fair value on a recurring basis:

	Quoted Prices in Active Markets for Identical	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs	Balance at June 30,

	Assets (Level I)		(Level III)	2017
Assets:				
Cash Equivalents (1)	$ 207.5	$ —	$ —	$ 207.5
Other Current Assets:				
Foreign Exchange Forwards (2)	$ —	$ 4.1	$ —	$ 4.1
Liabilities:				
Other Accrued and Current Liabilities:				
Foreign Exchange Forwards (2)	$ —	$ 1.1	$ —	$ 1.1

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(1) Cash equivalents represents 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.

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2017. There were no transfers in or transfers out of Level 3 in the fair value hierarchy for the six months ended June 30, 2017.

The following table summarizes fair value measurements by level at December 31, 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 December 31, 2016
Assets:				
Cash Equivalents (1)	$ 238.3	$ —	$ —	$ 238.3
Other Current Assets:				
Foreign Exchange Forwards (2)	$ —	$ 1.5	$ —	$ 1.5
Liabilities:				
Other Accrued and Current Liabilities:				
Foreign Exchange Forwards (2)	$ —	$ 1.4	$ —	$ 1.4
Contingent Consideration (3)	$ —	$ —	$ —	$ —
Other Non-Current Liabilities:				
Contingent Consideration (3)	$ —	$ —	$ —	$ —

(1) Cash equivalents represents 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. In October 2016, there was an amendment to the Earnout Agreement, replacing it with a service-based award. As a result, in the fourth quarter of 2016, we reversed the balance of the contingent consideration liability of $9.1 million and accrued $14.0 million related to the service-based award associated with 2016. Both adjustments were reflected in “Operating Costs” in our Americas segment in the fourth quarter of 2016. See Note 18 to the consolidated financial statements included in our Annual Report on Form 10-K for further detail.

There were no transfers between Levels 1 and 2 for the year ended December 31, 2016. There were no transfers in or transfers out of Level 3 in the fair value hierarchy for the year ended December 31, 2016.

At June 30, 2017 and December 31, 2016, 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, 2017		December 31, 2016	
	Carrying Amount (Asset)	Fair Value (Asset) Liability	Carrying Amount (Asset)	Fair Value (Asset) Liability

	Liability		Liability	
Short-term and Long-term Debt	$1,044.5	$ 1,068.6	$1,043.5	$ 1,063.1
Revolving Credit Facility	$292.1	$ 290.8	$199.8	$ 200.2
Term Loan Facility	$363.9	$ 370.7	$373.7	$ 383.6

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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, 2017 and 2016, we did not measure any assets or liabilities at fair value on a nonrecurring basis.

Note 12 -- Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive income ("AOCI") as of June 30, 2017 and 2016:

	Foreign Currency Translation Adjustments	Defined Benefit Pension Plans	Total
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)
Balance, December 31, 2016	$ (266.2)	$(683.4)	$(949.6)
Other Comprehensive Income Before Reclassifications	22.4	—	22.4
Amounts Reclassified From Accumulated Other Comprehensive Income, net of tax	—	12.3	12.3
Balance, June 30, 2017	$ (243.8)	$(671.1)	$(914.9)

The following table summarizes the reclassifications out of AOCI as of June 30, 2017 and 2016:

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,		Amount Reclassified from Accumulated Other Comprehensive Income (Loss) Six Months Ended June 30,	
		2017	2016	2017	2016
Defined Benefit Pension Plans:					
Amortization of Prior Service Costs	Selling and Administrative Expenses	$ (0.1)	$ (0.2)	$ (0.3)	$ (0.4)
	Operating Expenses	(0.1)	(0.1)	(0.2)	(0.2)
Amortization of Actuarial Gain/Loss	Selling and Administrative Expenses	6.3	6.2	12.6	12.4
	Operating Expenses	3.3	2.9	6.8	6.0
Total Before Tax		9.4	8.8	18.9	17.8
Tax (Expense) or Benefit		(3.3)	(3.0)	(6.6)	(6.2)
Total After Tax		$ 6.1	$ 5.8	$ 12.3	$ 11.6
Total Reclassifications for the Period, Net of Tax		$ 6.1	$ 5.8	$ 12.3	$ 11.6

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Note 13 -- Acquisition
Avention, Inc.
On January 9, 2017, we acquired a 100% equity interest in Avention. Avention is a Massachusetts-based company that provides organizations with a deeper understanding of company, contact and market data, delivered through a robust technology platform. As a result of the acquisition, the combined capability of our data and Avention's technology positions Dun & Bradstreet as a leader in the sales acceleration market. The results of Avention have been included in our unaudited consolidated financial statements since the date of acquisition.
The acquisition was accounted for in accordance with ASC 805 "Business Combinations." The acquisition was valued at $150 million, net of cash acquired. Transaction costs of $4.1 million were included in Selling and Administrative Expenses in the unaudited consolidated statement of operations and comprehensive income (loss). 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.
The table below reflects the purchase price related to the acquisition and the resulting purchase allocation:

	Amortization Life (years)	Preliminary Purchase Price Allocation at March 31, 2017	Measurement Period Adjustment	Preliminary Purchase Price Allocation at June 30, 2017
Cash		$ 4.2	$ —	$ 4.2
Accounts Receivable		13.6	—	13.6
Other Current Assets		2.3	—	2.3
Total Current Assets		$ 20.1	$ —	$ 20.1
Intangible Assets:				
Customer Relationships	10 to 12	31.2	1.0	32.2
Technology	6	15.8	(0.7)	15.1
Backlog	2	5.8	1.0	6.8
Goodwill	Indefinite	112.8	0.8	113.6
Other		5.3	—	5.3
Total Assets Acquired		$ 191.0	$ 2.1	$ 193.1
Deferred Revenue		$ 23.3	$ (1.0)	$ 22.3
Deferred Tax Liability		7.7	3.1	10.8
Other Liabilities		5.8	—	5.8
Total Liabilities Assumed		$ 36.8	$ 2.1	$ 38.9
Total Purchase Price		154.2	—	154.2
Less:				
Cash Assumed		(4.2)	—	(4.2)
Net Cash Consideration		$ 150.0	$ —	$ 150.0

The fair value of the customer relationships and backlog intangible assets were determined by applying the income approach through a discounted cash flow analysis, 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 assets.
The technology intangible asset represents Avention's data service platform 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 fair value of the deferred revenue was determined based on estimated direct costs to fulfill the related obligations, plus a reasonable profit margin based on selected peer companies' margins as a benchmark.

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The preliminary fair values of the acquired assets and liabilities are subject to change within the one-year measurement period. We expect to continue to obtain 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 March 31, 2017, we have allocated goodwill and intangible assets between our Americas and Non-Americas segments based on their respective projected cash flows. In addition, we recorded an adjustment to the deferred tax liability reflecting the allocation of intangible assets between segments. The above measurement period adjustments to the preliminary valuation of assets and liabilities resulted in a net increase of goodwill of $0.8 million in the second quarter of 2017. We expect to further analyze certain assumptions applied to the projected cash flow models utilized for allocating the goodwill and intangible assets between domestic and international reporting units. We expect to complete the purchase accounting process as soon as practicable but no later than one year from the acquisition date. We believe that the information gathered to date provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed. But, if facts and circumstances arise that necessitate change, we will adjust the associated fair values. Thus, the provisional measurements of fair value set forth above may be subject to further change.

Goodwill of $93.8 million and $19.8 million was assigned to our Americas and Non-Americas segment, respectively, at June 30, 2017. The value of the goodwill is primarily related to Avention's capability associated with product development which provides potential growth opportunity in the Sales Acceleration space. In addition, we expect cost synergies as a result of the acquisition. The intangible assets, with useful lives from 2 to 12 years, are being amortized over a weighted-average useful life of 8.7 years utilizing a straight-line method, which approximates the timing of the benefits derived. The intangibles have been recorded within Other Intangibles in our unaudited consolidated balance sheet since the date of acquisition.

Tax Treatment of Goodwill

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 Dun & Bradstreet and Avention, assuming that the acquisition had occurred on January 1, 2016.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Reported GAAP Revenue (1)	$405.7	$398.8	$787.2	$773.8
Add: Avention Preacquisition Revenue	—	15.0	—	29.6
Add: Deferred Revenue Fair Value Adjustment	2.7	(2.7)	5.0	(5.0)
Pro Forma Revenue	$408.4	$411.1	$792.2	$798.4
Reported GAAP Net Income Attributable to Dun & Bradstreet Common Shareholders (2)	$45.1	$18.8	$60.6	$48.8
Pro Forma Adjustments - Net of Income Tax:				
Preacquisition Net Income (Losses)	—	(1.8)	—	(4.1)
Deferred Revenue Fair Value Adjustment	1.8	(1.8)	3.4	(3.4)
Amortization for Intangible Assets	—	(1.5)	—	(2.8)
Acquisition-Related Costs	—	—	2.8	(2.8)
Pro Forma Net Income Attributable to Dun & Bradstreet Common Shareholders	$46.9	$13.7	$66.8	$35.7

(1) Reported GAAP revenue includes revenue from Avention since the acquisition date of $10.7 million and $22.3 million for the three month and six month periods ended June 30, 2017, respectively.

(2)

Reported GAAP Net Income Attributable to Dun & Bradstreet Common Shareholders includes net loss from Avention since the acquisition date of $3.3 million and $5.0 million for the three month and six month periods ended June 30, 2017, respectively.

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

Note 14 -- Divestitures and Discontinued Operations
Divestitures
As part of our growth strategy, we 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 domestic 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 Banque Populaire Developpement. Subsequent to the signing of the definitive agreement, but prior to the closing, CB Alliance assigned its rights and obligations under the definitive agreement to its affiliates Amerigo Alliance AG ("Amerigo") and Jade Green Investments, Inc. In addition, subsequent to the signing of the definitive agreement, but prior to the closing, Banque Populaire Developpement assigned its rights and obligations under the definitive agreement to its affiliate Altares B.V. 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. These commercial agreements also provide us access to the domestic data in the Benelux and Latin America territories. Both transactions were closed in the fourth quarter of 2016 with the completion of the Latin America divestiture on September 30, 2016 and the Benelux divestiture on November 7, 2016. Our subsidiaries outside the U.S. and Canada reflect a year-end of November 30.
Latin America
The sale was valued at $11 million, for which we received a five-year note with an interest rate of 2% per annum. We recorded a total pre-tax loss of $18.4 million in connection with the sale of the Latin America businesses for the year ended December 31, 2016. The loss was primarily attributable to the release of a cumulative foreign currency translation loss of $16.6 million. We also recognized a liability of $1.8 million related to our contingent liability to reimburse the purchasers for certain future severance payments and other employee benefit payments related to our former employees transferred to the buyer as part of the divestiture transaction. The liability was established based on our estimate of the probable outcome of the related contingent events. Our businesses in Latin America were historically included in our Americas segment. Transaction costs associated with the divestiture were $4.4 million, of which $4.3 million has been paid as of December 31, 2016 and included as "Cash Flows from Investing Activities" in our Consolidated Statements of Cash Flows for the year ended December 31, 2016. The remaining transaction costs of $0.1 million were paid in the first quarter of 2017.
The assets and liabilities in the Latin America businesses on the disposal date were as follows:

	At Disposal Date
Cash and Cash Equivalents	$ 1.7
Accounts Receivable	0.6
Other Current Assets	0.4
Goodwill	5.5
Other Long-Term Assets	2.0
Total Assets	$ 10.2
Accrued and Other Current Liabilities	$ 1.7
Deferred Revenue	1.6
Other Long-Term Liabilities	0.3
Total Liabilities	$ 3.6

In connection with the divestiture, we also entered into a commercial service agreement with the initial term of eight years through 2024. The agreement is renewable subject to certain terms and conditions. Under the agreement, Amerigo will act as the exclusive distributor of our products and services in the Latin American territory, and we will act as the exclusive data distributor of Amerigo outside the Latin American territory. As part of this commercial service agreement, we also entered into a trademark license agreement and technology services agreement with the same term as the commercial service agreement. We expect to receive total payments of approximately $36 million under these agreements during the initial eight-year period.

Benelux

The sale was valued at $27 million, net of a working capital adjustment of $0.9 million. In November 2016, we received proceeds, net of divested cash, of $24 million and estimated a working capital adjustment of $0.2 million payable to the buyer.

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

In the first quarter of 2017, we have finalized the working capital adjustment and made a payment of $0.9 million to the buyer. As a result, we recorded an additional pre-tax loss of $0.7 million for the sale of the Benelux businesses in the first quarter of 2017. For the year ended December 31, 2016, we recorded a total pre-tax loss of $76.7 million related to the divestiture of the Benelux businesses. The loss was primarily attributable to the release of a cumulative foreign currency translation loss of $72.9 million. We also recognized a liability of $0.8 million related to our contingent liability to reimburse Altares B.V. for certain future severance payments to our former employees transferred to the buyer as part of the divestiture transaction. The liability was established based on our estimate of the probable outcome of the related contingent events. Our businesses in Benelux were historically included in our Non-Americas segment. Transaction costs associated with the divestiture were $5.0 million, which were paid as of December 31, 2016 and included as “Cash Flows from Investing Activities” in our Consolidated Statements of Cash Flows for the year ended December 31, 2016.
The assets and liabilities in the Benelux businesses on the disposal date were as follows:

	At Disposal Date
Cash and Cash Equivalents	$ 3.7
Accounts Receivable	12.4
Other Current Assets	0.8
Goodwill	31.4
Other Long-Term Assets	0.8
Total Assets	$ 49.1
Accrued and Other Current Liabilities	$ 5.3
Deferred Revenue	18.0
Other Long-Term Liabilities	—
Total Liabilities	$ 23.3

In connection with the divestiture, we also entered into a commercial service agreement with the initial term of ten years through 2026. The agreement is renewable subject to certain terms and conditions. Under the agreement, Altares B.V., will act as the exclusive distributor of our products and services in the Benelux territory, and we will act as the exclusive data distributor of Altares B.V. outside the Benelux territory. As part of this commercial service agreement, we also entered into a trademark license agreement and technology services agreement with the same term as the commercial service agreement. We expect to receive total payments of approximately $252 million under these agreements during the initial ten-year period.
Discontinued Operations
As part of our growth strategy, we decided to shift our business in Australia and New Zealand (“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. In accordance with ASC 205-20, “Discontinued Operations,” if a disposal of a business represents a strategic shift that has a major effect on an entity’s operations and financial results, the disposal transaction should be reported in discontinued operations. Accordingly, we have reclassified the historical financial results of the ANZ business as discontinued operations.
The sale was initially valued at $169.8 million, of which we received proceeds of $159.7 million, inclusive of a working capital adjustment of $0.7 million. The remaining proceeds of $10.1 million were 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. At December 31, 2016, we did not expect to receive any payment from the escrow fund and had a

reserve of $10.1 million. In March 2017, there was an amendment to the Share Sale Agreement eliminating the escrow requirements. In addition, during the first quarter of 2017 we recorded a loss on the disposal of business of $0.8 million, resulting from a settlement payment associated with Archer's warranty claim. 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

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

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 million during the initial five-year period.

Note 15 -- Goodwill and Other Intangibles

Computer Software and Goodwill:

	Computer Software	Goodwill
December 31, 2016	$ 108.1	$ 651.9
Acquisitions (1)	0.6	112.8
Additions at Cost (2)	12.7	—
Amortization	(7.7)	—
Other (3)	(0.1)	0.3
March 31, 2017	113.6	765.0
Acquisitions (1)	—	0.8
Additions at Cost (2)	14.5	—
Amortization	(7.8)	—
Other (3)	2.7	4.4
June 30, 2017	$ 123.0	$ 770.2

(1) Computer Software and Goodwill - Related to the acquisition of Avention. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

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

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

Other Intangibles:

	Customer Relationships	Other Definite-Lived Intangibles	Other Indefinite-Lived Intangibles	Total
December 31, 2016 (4)	$ 74.6	$ 63.1	$ 158.4	$ 296.1
Acquisitions (5)	31.2	21.6	—	52.8
Additions at Cost	—	—	—	—
Amortization	(3.7)	(4.5)	—	(8.2)
Other	0.1	—	—	0.1
March 31, 2017 (4)	102.2	80.2	158.4	340.8
Acquisitions (5)	1.0	0.3	—	1.3
Additions at Cost	—	0.2	—	0.2
Amortization	(3.8)	(4.6)	—	(8.4)
Other	0.4	0.1	—	0.5
June 30, 2017 (4)	$ 99.8	$ 76.2	$ 158.4	$ 334.4

(4) Customer Relationships - Net of accumulated amortization of $32.9 million, $28.8 million and $25.1 million as of June 30, 2017, March 31, 2017 and December 31, 2016, respectively.

Other Definite-Lived Intangibles - Net of accumulated amortization of $100.7 million, $95.4 million and $91.2 million as of June 30, 2017, March 31, 2017 and December 31, 2016, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)-continued
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(5) Customer Relationships and Other Definite-Lived Intangibles - Related to the acquisition of Avention. See Note 13 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

Note 16 -- Contractual Obligations

Convergys Customer Management Group

We currently have outsourcing agreements with Convergys Customer Management Group (“CCMG”) through December 2022 related to our customer contact center solution. The primary scope of the agreement includes the following services for our North America business: (i) Inbound Customer Service, which principally involves the receipt of, response to and resolution of inquiries received from customers; (ii) Outbound Customer Service, which principally involves the collection, compilation and verification of information contained in our databases; and (iii) Data Update Service, which principally involves the bulk or discrete updates to the critical data elements about companies in our databases.

In March 2017, we notified CCMG of our decision to discontinue certain services under the outsourcing agreements primarily related to the Inbound Customer Service function effective September 2017, resulting in a reduction of service commitment of approximately $19 million. At March 31, 2017, total expected payments to CCMG over the remaining terms of the above contracts will aggregate to approximately $70 million.

The agreements specify service level commitments required of CCMG for achievement of our customer satisfaction targets and our overall satisfaction. The agreements also specify a methodology for calculating credits to us if CCMG fails to meet certain service levels.

As a result of the above amendment, we have updated our future contractual obligations as the following:

Contractual Obligations	2017	2018	2019	2020	2021	Thereafter	Total
Obligations to Outsourcers	$138.5	$76.7	$45.3	$36.3	$29.8	$ 12.4	$339.0

Note 17 -- Subsequent Events

Dividend Declaration

In August 2017, the Board of Directors approved the declaration of a dividend of $0.5025 per share of common stock for the third quarter of 2017. This cash dividend will be payable on September 8, 2017 to shareholders of record at the close of business on August 23, 2017.

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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, 2017 contained more than 265 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, retention payments and contingent consideration adjustments); and acquisition-related intangible amortization expense. A recurring component excluded from our "As Adjusted" results 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 revenue from acquired businesses for one year from the date of the acquisition and 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 annual value of committed customer contracts. This term is often referred to as bookings or commitments by other companies.

In the fourth quarter of 2016, we divested our operations in the Netherlands and Belgium ("Benelux") and Latin America, which were reported within our Non-Americas and Americas segments, respectively.

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, share 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 also monitor deferred revenue after adjusting for the effect of foreign exchange, dispositions, acquisitions and the impacts of the write-down of deferred revenue due to purchase accounting.

We report and monitor our revenue performance as Risk Management Solutions and Sales & Marketing Solutions. Within Risk Management Solutions, we monitor the performance as Trade Credit and Other Enterprise Risk Management. Trade Credit represents our commercial credit products such as D&B Credit Suite (which includes DNBi® and D&B Credit solutions), and "Other Trade Credit" solutions, which are products and services used to manage credit risk and support our customers' internal credit risk decisioning process. 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. Effective January 1, 2017, we began managing and reporting our Sales and Marketing Solutions as Sales Acceleration and Advanced Marketing Solutions (newly defined). Sales Acceleration includes solutions designed to align sales and marketing teams around the same refined and inter-connected information (data that is current, tied to buying signals, and delivered with context) to shorten sales cycles, increase win rates, and accelerate revenue growth more quickly. Our customers want to target more intelligently to enhance sales productivity; that is to know who they are selling to, what their customers might be buying, how things are changing at their customers' companies, where their customers have purchased before, and how to most efficiently engage with them. We provide these solutions through applications such as D&B Hoovers, as well as direct access to our contact data. Advanced Marketing Solutions (newly defined) consists of our Master Data solutions, which enable our customers to integrate and organize data to create a single view of customers and prospects, enrich data, continuously manage data quality and link company identity and hierarchy. It also consists of new use cases such as Audience Solutions, which uses data and analytics to fuel enhanced programmatic targeting and web visitor intelligence.

We also evaluate our business and provide the following supplemental revenue metrics. For Trade Credit, we further provide revenue for the D&B Credit Suite and Other Trade Credit. Prior to January 1, 2017, the D&B Credit Suite was referred to as DNBi®. Also effective January 1, 2017, we began providing a new revenue metric called D&B Hoovers Suite. This new metric encompasses our legacy Hoover's product, our new D&B Hoovers product, our Salesforce alliance revenue through data.com and our Avention, Inc. ("Avention") product portfolio.

Management believes that these measures provide further insight into our performance and the growth of our business. We no longer report our Sales and Marketing Solutions as Traditional Prospecting Solutions or use the prior definition of Advanced Marketing Solutions and we no longer report our total revenue on a Direct or Alliances & Partners basis. Where appropriate, we have reclassified certain prior year amounts to conform to the current year presentation.

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 similar measures of other companies.

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

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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 our Latin America Worldwide Network (we divested our Latin America operations in September 2016); and

- Non-Americas, which consists of our operations in the United Kingdom ("U.K."), Greater China, India and our European and Asia Pacific Worldwide Networks (we divested our operations in both the Netherlands and Belgium ("Benelux") in November 2016 and our Australian operations in June 2015).

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:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Revenue:				
Americas	82%	83%	82%	82%
Non-Americas	18%	17%	18%	18%

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,	
	2017	2016	2017	2016
Revenue by Customer Solution Set:				
Risk Management Solutions	59%	61%	61%	62%
Sales & Marketing Solutions	41%	39%	39%	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, 2016 and "How We Manage Our Business" included in Item 2. of this Quarterly Report on Form 10-Q.

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, 2016.

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, 2016, 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,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Americas	$ 333.6	$ 329.1	$ 648.1	$ 636.1
Non-Americas	72.1	69.7	139.1	137.7
Total Revenue	$ 405.7	$ 398.8	$ 787.2	$ 773.8

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,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$240.6	$242.1	$ 477.0	$ 476.5
Sales & Marketing Solutions	165.1	156.7	310.2	297.3
Total Revenue	$405.7	$398.8	$ 787.2	$ 773.8

Three Months Ended June 30, 2017 vs. Three Months Ended June 30, 2016

Total revenue increased $6.9 million, or 2% (both after and before the effect of foreign exchange), for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016. The increase in total revenue was driven by an increase in Americas total revenue of $4.5 million, or 1% (both after and before the effect of foreign exchange) and an increase in Non-Americas total revenue of $2.4 million, or 3% (7% increase before the effect of foreign exchange).

We acquired a 100% equity interest in Avention during the first quarter of 2017 and a 100% equity interest in Dun & Bradstreet Credibility Corp ("DBCC") during the second quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction to revenue of $2.7 million and $0.5 million for the three months ended June 30, 2017 and 2016, 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 on the Avention acquisition.

We divested our operations in the Netherlands and Belgium in November 2016 and our operations in Latin America in September 2016.

Customer Solution Sets

On a customer solution set basis, total revenue reflects:

- A $1.5 million, or 1% decrease (less than 1% decrease before the effect of foreign exchange), in Risk Management Solutions. The decrease was driven by a decrease in revenue in Non-Americas of $0.8 million, or 2% (2% increase before the effect of foreign exchange) and a decrease in revenue in Americas of $0.7 million, or less than 1% (both after and before the effect of foreign exchange); and

- An $8.4 million, or 5% increase (6% increase before the effect of foreign exchange), in Sales & Marketing Solutions. The increase was driven by an increase in revenue in Americas of $5.2 million, or 4% (both after and before the effect of foreign exchange) and an increase in Non-Americas of $3.2 million, or 29% (36% increase before the effect of foreign exchange).

Six Months Ended June 30, 2017 vs. Six Months Ended June 30, 2016

Total revenue increased $13.4 million, or 2% (both after and before the effect of foreign exchange), for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase in total revenue was driven by an increase in Americas total revenue of $12.0 million, or 2% (both after and before the effect of foreign exchange) and an increase in Non-Americas total revenue of $1.4 million, or 1% (6% increase before the effect of foreign exchange).

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We acquired a 100% equity interest in Avention during the first quarter of 2017 and a 100% equity interest in Dun & Bradstreet Credibility Corp ("DBCC") during the second quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction to revenue of $5.0 million and $3.1 million for the six months ended June 30, 2017 and 2016, 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 on the Avention acquisition.
We divested our operations in the Netherlands and Belgium in November 2016 and our operations in Latin America in September 2016.
Customer Solution Sets
On a customer solution set basis, total revenue reflects:

- A $0.5 million, or less than 1% increase (1% increase before the effect of foreign exchange), in Risk Management Solutions. The increase was driven by an increase in revenue in Americas of $3.5 million, or 1% (both after and before the effect of foreign exchange), partially offset by a decrease in revenue in Non-Americas of $3.0 million, or 3% (1% increase before the effect of foreign exchange); and

- A $12.9 million, or 4% increase (5% increase before the effect of foreign exchange), in Sales & Marketing Solutions. The increase was driven by an increase in revenue in Americas of $8.5 million, or 3% (both after and before the effect of foreign exchange) and an increase in Non-Americas of $4.4 million, or 20% (27% increase before the effect of foreign exchange).

Recent Developments
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, which has now ended, although we are continuing to meet with representatives of both the SEC and DOJ to fully resolve the matter.
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.
Although our discussions with both the SEC and DOJ are ongoing, we do not believe that the ultimate outcome will be material to 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. We continue to have follow-up meetings with the SEC and DOJ, most recently meeting with the SEC in July 2017 and separately with the DOJ also in July 2017, and the parties are still discussing the evidence and other factors to help bring this matter to resolution. In accordance with ASC 450, we have adjusted the amount in respect of this matter that has been accrued in the consolidated financial statements.

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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, 2017 and 2016:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Operating Expenses	$139.7	$133.0	$ 281.7	$ 265.4
Selling and Administrative Expenses	162.7	196.1	333.4	359.4
Depreciation and Amortization	19.4	17.3	38.3	33.7
Restructuring Charge	7.5	5.9	16.5	15.6
Operating Costs	$329.3	$352.3	$ 669.9	$ 674.1
Operating Income	$76.4	$46.5	$ 117.3	$ 99.7

Operating Expenses

Operating expenses increased $6.7 million, or 5%, and $16.3 million, or 6%, for the three month and six month periods ended June 30, 2017, respectively, compared to the three month and six month periods ended June 30, 2016, respectively. The increase was primarily due to the following:

- Increased compensation and data costs as a result of investments in our strategy; and
- Increased costs as a result of the acquisition of Avention during the first quarter of 2017;

partially offset by:

- Lower costs as a result of the divestiture of our Benelux operations during the fourth quarter of 2016; and
- Decreased costs as a result of our cost reduction efforts.

Selling and Administrative Expenses

Selling and administrative expenses decreased $33.4 million, or 17%, and $26.0 million, or 7%, for the three month and six month periods ended June 30, 2017, respectively, compared to the three month and six month periods ended June 30, 2016, respectively. The decrease was primarily due to:

- Lower costs resulting from accrued expenses for legal matters recorded in the second quarter of 2016 and a decrease of accrued expenses for legal matters, in the second quarter of 2017, related to the SEC and DOJ investigation of our China operations. See Note 7 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q; and
- Lower costs as a result of the divestiture of our Benelux operations during the fourth quarter of 2016;

partially offset by:

- Increased compensation costs as a result of investments in our strategy; and
- Increased costs as a result of the acquisition of Avention during the first quarter of 2017.

Matters Impacting Both Operating Expenses and Selling and Administrative Expenses

Pension, Postretirement and 401(k) Plan

We had net pension cost of $1.5 million and $3.1 million for the three month and six month periods ended June 30, 2017, respectively, compared with $0.7 million and $2.1 million for the three month and six month periods ended June 30, 2016, respectively. The net pension cost in 2017 was negatively impacted by a lower expected return on plan assets driven by a lower long-term rate of return assumption at January 1, 2017 for our U.S. Qualified Plan. For 2017, we use a long-term rate of return of 7.00%, compared to 7.25% for 2016. Additionally, the pension cost in 2017 was negatively impacted by higher amortization of actuarial loss due to a lower discount rate at January 1, 2017. The decrease in income was partially offset by a lower interest cost, also driven by a lower discount rate at January 1, 2017. The weighted average discount rate applied to the projected benefit obligation for our pension plans globally at January 1, 2017 was 3.62%, a 22 basis points decrease from the 3.84% discount rate used for 2016.

We had net postretirement benefit income of $0.3 million and $0.6 million for the three month and six month periods ended June 30, 2017, respectively, compared with $0.5 million and $1.0 million for the three month and six month periods ended June 30, 2016, respectively. Lower postretirement benefit income in 2017 was primarily due to higher amortization of actuarial gains in the prior year period as a result of better actual plan experience in 2015.

We had expense associated with our 401(k) Plan of $2.7 million and $6.9 million for the three month and six month periods ended June 30, 2017, respectively, compared with $2.9 million and $6.7 million for the three month and six month periods ended June 30, 2016, respectively. Fluctuations in the expense for our 401(k) Plan were driven by company matching contributions associated with employee compensation.

Stock-Based Compensation

For the three month and six month periods ended June 30, 2017, we recognized total stock-based compensation expense of $5.5 million and $10.9 million, respectively, compared to $5.3 million and $9.7 million for the three month and six month periods ended June 30, 2016, respectively.

Expense associated with restricted stock unit programs was $5.2 million and $10.1 million for the three month and six month periods ended June 30, 2017, respectively, compared to $5.0 million and $9.0 million for the three month and six month periods ended June 30, 2016, respectively. The increase for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016 was primarily due to our increased use of performance-based restricted stock units. The increase for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016 was primarily due to higher payouts of our performance-based restricted stock units during 2017 as well as higher forfeitures in 2016.

Expense associated with our Employee Stock Purchase Plan (“ESPP”) was $0.3 million and $0.8 million for the three month and six month periods ended June 30, 2017, respectively, compared to $0.3 million and $0.6 million for the three month and six month periods ended June 30, 2016, respectively. The increase was primarily due to a higher level of participation in 2017.

We had no expense associated with our stock option programs for the three month and six month periods ended June 30, 2017, respectively, compared to less than $0.1 million and $0.1 million for the three month and six month periods ended June 30, 2016, respectively.

We expect total equity-based compensation of approximately $23 million for 2017. 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 $2.1 million, or 12%, and $4.6 million, or 14%, for the three month and six month periods ended June 30, 2017, respectively, as compared to the three month and six month periods ended June 30, 2016, respectively. The increase in depreciation and amortization was primarily due to the acquisition of Avention during the first quarter of 2017, partially offset by the completion of the depreciable lives of certain assets.

Restructuring Charge

We recorded restructuring charges of $7.5 million and $16.5 million for the three month and six month periods ended June 30, 2017, respectively, as compared to $5.9 million and $15.6 million for the three month and six month periods ended

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June 30, 2016, respectively. See Note 3 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail.

Interest Income (Expense) — Net

The following table presents our "Interest Income (Expense) – Net" for the three month and six month periods ended June 30, 2017 and 2016:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Interest Income	$ 0.4	$ 0.5	$ 0.8	$ 1.0
Interest Expense	(15.1)	(13.4)	(29.7)	(26.9)
Interest Income (Expense) – Net	$ (14.7)	$ (12.9)	$ (28.9)	$ (25.9)

Interest income decreased $0.1 million and $0.2 million for the three month and six month periods ended ended June 30, 2017, respectively, as compared to the three month and six month periods ended June 30, 2016. The decrease in interest income was primarily attributable to lower average interest rates on invested cash.

Interest expense increased $1.7 million and $2.8 million for the three month and six month periods ended ended June 30, 2017, respectively, as compared to the three month and six month periods ended June 30, 2016. The increase in interest expense was primarily attributable to higher average interest rates on our outstanding debt balances.

Other Income (Expense) — Net

The following table presents our "Other Income (Expense) — Net" for the three month and six month periods ended June 30, 2017 and 2016:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Loss on Sale of Businesses (a)	$ —	$ —	$ (0.7)	$ —
Miscellaneous Other Income (Expense) – Net (b)	1.8	(0.5)	0.7	0.3
Other Income (Expense) – Net	$ 1.8	$ (0.5)	$ —	$ 0.3

(a) During the six months ended June 30, 2017, we recorded an additional pre-tax loss of $0.7 million for the divestiture of the Benelux businesses related to a working capital adjustment. See Note 14 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further detail.

(b) Other Income - Net increased during the three month and six month periods ended June 30, 2017, as compared to the three month and six month periods ended June 30, 2016. The increase was primarily due to an increase in dividend income from our minority-interest investments, partially offset by higher foreign exchange losses in 2017.

Provision for Income Taxes

For the three month and six month periods ended June 30, 2017, our effective tax rate was 29.4% and 30.4%, respectively, as compared to 42.9% and 34.0% for the three month and six month periods ended June 30, 2016, respectively. The lower effective tax rate in 2017 was primarily attributable to a higher non-deductible expense in the prior year period and higher non-taxable income in the current year period, both related to the legal reserve associated with the SEC and DOJ investigation of our China operations, partially offset by the impact of lower foreign tax credits in the current year period. See Note 7 to our unaudited consolidated financial statements included in this Quarterly Report on Form 10-Q.

For the three month and six month periods ended June 30, 2017, there are no known changes in our effective tax rate that either have had or that we expect may reasonably have a material impact on our operations or future performance.

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Earnings per Share

Basic earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period, plus the dilutive effect of outstanding restricted stock unit awards, stock options, and contingently issuable shares using the treasury stock method. See Note 1 to our consolidated financial statements included in Item 8. of our Annual Report on Form 10-K for further detail on our accounting policies related to EPS.

The following table sets forth our EPS for the three month and six month periods ended June 30, 2017 and 2016:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Basic Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.52	$1.66	$1.35
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.52	$1.64	$1.35
Diluted Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.51	$1.65	$1.34
Loss from Discontinued Operations Attributable to Dun & Bradstreet Common Shareholders	—	—	(0.02)	—
Net Income Attributable to Dun & Bradstreet Common Shareholders	$1.22	$0.51	$1.63	$1.34

For the three month and six month periods ended June 30, 2017, basic EPS attributable to Dun & Bradstreet common shareholders increased 135% and 21%, respectively, compared with the three month and six month periods ended June 30, 2016, respectively. For the three month and six month periods ended June 30, 2017, diluted EPS attributable to Dun & Bradstreet common shareholders increased 139% and 22%, respectively, compared with the three month and six month periods ended June 30, 2016, respectively. The increases for basic and diluted EPS were primarily due to higher net income from continuing operations in 2017 largely driven by accrued expenses for legal matters recorded in the second quarter of 2016 and a decrease of accrued expenses for legal matters, in the second quarter of 2017, related to the SEC and DOJ investigation of our China operations.

Segment Results

We manage and report our business through the following two segments:

- Americas, which consists of our operations in the U.S., Canada, and our Latin America Worldwide Network (we divested our Latin America operations in September 2016); and
- Non-Americas, which consists of our operations in the U.K., Greater China, India and our European and Asia Pacific Worldwide Network (we divested our operations in Benelux in November 2016 and our Australian operations in June 2015).

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 82% and 83% of our total revenue for the three months ended June 30, 2017 and 2016, respectively, as compared to 82% of our total revenue for each of the six months ended June 30, 2017 and 2016.

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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, 2017 and 2016:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$183.3	$184.0	$ 365.3	$ 361.8
Sales & Marketing Solutions	150.3	145.1	282.8	274.3
Americas Total Revenue	$333.6	$329.1	$ 648.1	$ 636.1
Operating Income	$77.1	$83.7	$ 133.8	$ 153.3

Three Months Ended June 30, 2017 vs. Three Months Ended June 30, 2016

Americas Overview

Americas total revenue increased $4.5 million, or 1% (both after and before the effect of foreign exchange), for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016. We acquired a 100% equity interest in Avention during the first quarter of 2017 and a 100% equity interest in DBCC during the second quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction to revenue of $3.2 million and $0.5 million for the three months ended June 30, 2017 and 2016, 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 on the Avention acquisition.

Americas Customer Solution Sets

On a customer solution set basis, the $4.5 million increase in total revenue for the three months ended June 30, 2017, as compared to the three months ended June 30, 2016, reflects:

Risk Management Solutions

A decrease in Risk Management Solutions of $0.7 million, or less than 1% (both after and before the effect of foreign exchange) attributable to:

Trade Credit, which accounted for 67% of total Americas Risk Management Solutions, decreased 3% (both after and before the effect of foreign exchange), primarily due to:

- Decreased revenue associated with our legacy Other Trade Credit products and our D&B Credit Suite;

partially offset by:

- Increased revenue from our new Analytics product offerings.

Other Enterprise Risk Management, which accounted for 33% of total Americas Risk Management Solutions, increased 6% (both after and before the effect of foreign exchange), primarily due to:

- Increased revenue from our risk data offerings and our Supply and Compliance products; and
- Increased revenue driven by certain products within our emerging business channel.

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Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $5.2 million, or 4% (both after and before the effect of foreign exchange) attributable to:

Sales Acceleration Solutions, which accounted for 44% of total Americas Sales & Marketing Solutions, increased 9% (both after and before the effect of foreign exchange), primarily due to:

- Increased revenue associated with the acquisition of Avention in the first quarter of 2017; and
- Increased revenue from our S&MS Analytics product offerings;

partially offset by:

- Decreased revenue in legacy Hoover's due to declining sales performance in the prior year.

Advanced Marketing Solutions, which accounted for 56% of total Americas Sales & Marketing Solutions, decreased 1% (both after and before the effect of foreign exchange), primarily due to:

- Decline in our Optimizer product, resulting from a large customer reducing its spend partially due to its strategic decision to move away from the B2B part of its business;

partially offset by:

- Increased revenue through our D&B Direct and Audience Solutions offerings.

Americas Operating Income

Americas operating income for the three months ended June 30, 2017 was $77.1 million, compared to $83.7 million for the three months ended June 30, 2016, a decrease of $6.6 million, or 8%. The decrease in operating income was primarily attributable to:

- Increased costs as a result of the acquisition of Avention during the first quarter of 2017; and
- Increased compensation and data costs as a result of investments in our strategy;

partially offset by:

- Increased revenue primarily associated with the acquisition of Avention during the first quarter of 2017; and
- Decreased costs as a result of our cost reduction efforts.

Six Months Ended June 30, 2017 vs. Six Months Ended June 30, 2016

Americas Overview

Americas total revenue increased $12.0 million, or 2% (both after and before the effect of foreign exchange), for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. We acquired a 100% equity interest in Avention during the first quarter of 2017 and a 100% equity interest in DBCC during the second quarter of 2015. The impact of the deferred revenue fair value adjustment was a reduction to revenue of $5.0 million and $3.1 million for the six months ended June 30, 2017 and 2016, 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 on the Avention acquisition.

Americas Customer Solution Sets

On a customer solution set basis, the $12.0 million increase in total revenue for the six months ended June 30, 2017, as compared to the six months ended June 30, 2016, reflects:

Risk Management Solutions

An increase in Risk Management Solutions of $3.5 million, or 1% (both after and before the effect of foreign exchange) attributable to:

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Trade Credit, which accounted for 67% of total Americas Risk Management Solutions, decreased 3% (both after and before the effect of foreign exchange), primarily due to:

- Decreased revenue associated with our legacy Other Trade Credit products and our D&B Credit Suite; and

- Decreased revenue due to the timing of a government contract;

partially offset by:
- Increased revenue from our new Analytics product offerings; and
- Increased revenue from our Latin America Worldwide Network Partnership.

Other Enterprise Risk Management, which accounted for 33% of total Americas Risk Management Solutions, increased 11% (both after and before the effect of foreign exchange), primarily due to:
- Increased revenue driven by certain products within our emerging business channel; and
- Increased revenue from our risk data offerings and our Compliance product.

Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $8.5 million, or 3% (both after and before the effect of foreign exchange) attributable to:

Sales Acceleration Solutions, which accounted for 48% of total Americas Sales & Marketing Solutions, increased 10% (both after and before the effect of foreign exchange), primarily due to:
- Increased revenue associated with the acquisition of Avention in the first quarter of 2017; and
- Increased revenue from our S&MS Analytics product offerings;

partially offset by:
- Decreased revenue in legacy Hoover's due to declining sales performance in the prior year.

Advanced Marketing Solutions, which accounted for 52% of total Americas Sales & Marketing Solutions, decreased 3% (both after and before the effect of foreign exchange), primarily due to:
- Decline in our Optimizer product, resulting from a large customer reducing its spend partially due to its strategic decision to move away from the B2B part of its business;

partially offset by:
- Increased revenue through our D&B Direct and Audience Solutions offerings.

Americas Operating Income

Americas operating income for the six months ended June 30, 2017 was $133.8 million, compared to $153.3 million for the six months ended June 30, 2016, a decrease of $19.5 million, or 13%. The decrease in operating income was primarily attributable to:
- Increased costs as a result of the acquisition of Avention during the first quarter of 2017; and
- Increased compensation and data costs as a result of investments in our strategy;

partially offset by:
- Increased revenue primarily associated with the acquisition of Avention during the first quarter of 2017; and
- Decreased costs as a result of our cost reduction efforts.

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Non-Americas

Non-Americas represented 18% and 17% of our total revenue for the three months ended June 30, 2017 and 2016, respectively. Non-Americas represented 18% of our total revenue for each of the six months ended June 30, 2017 and 2016.

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, 2017 and 2016.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
	(Amounts in millions)		(Amounts in millions)	
Revenue:				
Risk Management Solutions	$57.3	$58.1	$ 111.7	$ 114.7
Sales & Marketing Solutions	14.8	11.6	27.4	23.0
Non-Americas Total Revenue	$72.1	$69.7	$ 139.1	$ 137.7
Operating Income	$20.6	$14.2	$ 39.4	$ 27.2

Three Months Ended June 30, 2017 vs. Three Months Ended June 30, 2016

Non-Americas Overview

Non-Americas total revenue increased $2.4 million, or 3% (7% increase before the effect of foreign exchange), for the three months ended June 30, 2017 as compared to the three months ended June 30, 2016. We acquired a 100% equity interest in Avention during the first quarter of 2017. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further details on the Avention acquisition.

Non-Americas Customer Solution Sets

On a customer solution set basis, the $2.4 million increase in Non-Americas total revenue for the three months ended June 30, 2017, as compared to the three months ended June 30, 2016, reflects:

Risk Management Solutions

A decrease in Risk Management Solutions of $0.8 million, or 2% (2% increase before the effect of foreign exchange) attributable to:

Trade Credit, which accounted for 72% of total Non-Americas Risk Management Solutions, decreased 2% (4% increase before the effect of foreign exchange), primarily due to:

- The negative impact of foreign exchange;

partially offset by:

- Increased revenue from our Worldwide Network Partnerships, including the impact of the conversion of our Benelux operations to our Worldwide Network Partnerships.

Other Enterprise Risk Management, which accounted for 28% of total Non-Americas Risk Management Solutions, decreased 1% (2% decrease before the effect of foreign exchange), primarily due to:

- The divestiture of our Benelux operations during the fourth quarter of 2016;

partially offset by:

- Increased use of various risk products in our China market by new and existing customers.

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Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $3.2 million, or 29% (36% increase before the effect of foreign exchange) attributable to:

Sales Acceleration Solutions, which accounted for 57% of total Non-Americas Sales & Marketing Solutions, increased 80% (84% increase before the effect of foreign exchange) primarily due to the acquisition of Avention during the first quarter of 2017.

Advanced Marketing Solutions, which accounted for 43% of total Non-Americas Sales & Marketing Solutions, decreased 7% (less than 1% increase before the effect of foreign exchange), primarily due to:

- The divestiture of our Benelux operations during the fourth quarter of 2016; 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.

Non-Americas Operating Income

Non-Americas operating income for the three months ended June 30, 2017 was $20.6 million, compared to $14.2 million for the three months ended June 30, 2016, an increase of $6.4 million, or 46%. The increase was primarily due to:

- Lower costs as a result of the divestiture of our Benelux operations during the fourth quarter of 2016; and
- An increase in revenue primarily due to the acquisition of Avention during the first quarter of 2017;

partially offset by:

- Increased compensation, technology and data expenses.

Six Months Ended June 30, 2017 vs. Six Months Ended June 30, 2016

Non-Americas Overview

Non-Americas total revenue increased $1.4 million, or 1% (6% increase before the effect of foreign exchange), for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. We acquired a 100% equity interest in Avention during the first quarter of 2017. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further details on the Avention acquisition.

Non-Americas Customer Solution Sets

On a customer solution set basis, the $1.4 million increase in Non-Americas total revenue for the six months ended June 30, 2017, as compared to the six months ended June 30, 2016, reflects:

Risk Management Solutions

A decrease in Risk Management Solutions of $3.0 million, or 3% (1% increase before the effect of foreign exchange) attributable to:

Trade Credit, which accounted for 74% of total Non-Americas Risk Management Solutions, decreased less than 1% (6% increase before the effect of foreign exchange), primarily due to:

- The negative impact of foreign exchange; and
- Decreased revenue from various risk products, primarily due to declining sales performance in prior quarters;

partially offset by:

- Increased revenue from our Worldwide Network Partnerships, including the impact of the conversion of our Benelux operations to our Worldwide Network Partnerships.

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Other Enterprise Risk Management, which accounted for 26% of total Non-Americas Risk Management Solutions, decreased 9% (both after and before the effect of foreign exchange), primarily due to:

- The divestiture of our Benelux operations during the fourth quarter of 2016;

partially offset by:

- Increased use of various risk products in our China market by new and existing customers.

Sales & Marketing Solutions

An increase in Sales & Marketing Solutions of $4.4 million, or 20% (27% increase before the effect of foreign exchange) attributable to:

Sales Acceleration Solutions, which accounted for 49% of total Non-Americas Sales & Marketing Solutions, increased 49% (52% increase before the effect of foreign exchange), primarily due to:

- The acquisition of Avention during the first quarter of 2017;

partially offset by:

- Decreased project revenue in our marketing business in China.

Advanced Marketing Solutions, which accounted for 51% of total Non-Americas Sales & Marketing Solutions, increased 1% (10% increase before the effect of foreign exchange), primarily due to:

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

partially offset by:

- The divestiture of our Benelux operations during the fourth quarter of 2016; and
- The negative impact of foreign exchange.

Non-Americas Operating Income

Non-Americas operating income for the six months ended June 30, 2017 was $39.4 million, compared to $27.2 million for the six months ended June 30, 2016, an increase of $12.2 million, or 45%. The increase was primarily due to:

- Lower costs as a result of the divestiture of our Benelux operations during the fourth quarter of 2016; and
- An increase in revenue primarily due to the acquisition of Avention during the first quarter of 2017;

partially offset by:

- Increased compensation, technology and data expenses; and
- The negative impact of foreign exchange.

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

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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 databases 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, publication and/or sale 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, publish and/or sell data; and (xiv) the other factors described under the headings “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 payments, 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 U.K. approved a non-binding referendum in favor of the U.K.'s withdrawal from membership in the 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

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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 Interest, 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 ended before December 31, 2016. For fiscal quarters ending on or after December 31, 2016, the total debt to EBITDA ratio reverted to 4.0:1.0. We were in compliance with the $1 billion revolving credit facility financial and non-financial covenants at June 30, 2017 and at June 30, 2016. At June 30, 2017 and June 30, 2016, we had $292.1 million and $309.6 million, respectively, in borrowings outstanding under our $1 billion revolving credit facility.

As of June 30, 2017, $390.5 million of our $400.2 million cash and cash equivalents on the unaudited consolidated balance sheet was held by our foreign operations. We maintain the $390.5 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 is permanently invested overseas and is generally used to finance the subsidiaries' operational activities and future foreign investments.

On March 27, 2017, Standard & Poor's Ratings Services downgraded our corporate credit rating to BB+ from BBB-. As a result, and in accordance with the provisions of their indentures, the interest rates on each of our senior notes were adjusted above their initial stated coupons by 25 basis points commencing with the interest period during which the downgrade occurred. As a result of the coupon adjustment, the incremental interest cost for the quarter ended March 31, 2017 was approximately $0.8 million, which included a component that was retroactive to the commencement of the respective senior note interest periods in December 2016. The incremental interest cost for the quarter ended June 30, 2017 was $0.7 million and is expected to be approximately $0.7 million per quarter going forward until either the maturity of any one of the senior notes or a change in our corporate credit rating that triggers an adjustment in our interest rate coupons, whichever is earlier. On May 22, 2017, Fitch Ratings downgraded our corporate credit rating to BBB- from BBB. The interest rates on each of our senior notes were not impacted as a result of the downgrade. Any further downgrade in our corporate credit rating by either rating agency would result in additional increases in the interest rates of our senior notes. In addition, further downgrades may increase our overall cost of borrowing and/or may negatively impact our ability to raise additional debt capital.

Cash Provided by Operating Activities from Continuing Operations

Net cash provided by operating activities was $176.5 million and $180.9 million for the six months ended June 30, 2017 and 2016, respectively. The $4.4 million decrease was driven by:

- An increase in tax payments compared to the prior year period;
- A payment to resolve a legal matter (Jeffrey A Thomas vs DBCC) during the second quarter of 2017;
- A payment for a service-based award during the first quarter of 2017 related to the DBCC acquisition in 2015; and
- Increased spending as a result of investments in our strategy;

partially offset by:

- Increased collections of accounts receivable as compared to the prior year period; and
- Lower restructuring payments compared to the prior year period.

Cash Used in Investing Activities from Continuing Operations

Net cash used in investing activities was $183.3 million for the six months ended June 30, 2017, as compared to net cash used in investing activities of $39.7 million for the six months ended June 30, 2016. The $143.6 million increase in net cash used was driven by the acquisition of Avention during the first quarter of 2017. See Note 13 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q.

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

Net cash provided by financing activities was $42.5 million for the six months ended June 30, 2017, as compared to net cash used in financing activities of $114.9 million for the six months ended June 30, 2016. As set forth below, this $157.4 million change primarily relates to usage under the revolving credit facility.

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We had $292.1 million and $309.6 million of borrowings outstanding under the $1 billion revolving credit facility at June 30, 2017 and 2016, respectively. We borrowed under this facility from time to time during the six months ended June 30, 2017 and 2016 to supplement the timing of receipts in order to fund our working capital needs. We also borrowed under this facility during the first quarter of 2017 to fund a portion of the consideration for our purchase of Avention.

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, 2017, we had not yet commenced share repurchases under this program.

Dividends

In August 2017, the Board of Directors approved the declaration of a dividend of $0.5025 per share of common stock for the third quarter of 2017. This cash dividend will be payable on September 8, 2017 to shareholders of record at the close of business on August 23, 2017.

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, 2017 and June 30, 2016.

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 $7.4 million as of June 30, 2017. Although we do not anticipate payments within the next twelve months for these matters, these could require the aggregate use of cash totaling approximately $6.2 million as of such date.

Contractual Cash Obligations

In March 2017, we notified Convergys Customer Management Group (“CCMG”) of our decision to discontinue certain services under the outsourcing agreements primarily related to the Inbound Customer Service function effective September 2017, resulting in a reduction of service commitment of approximately $19 million. See Note 16 to the unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

We do not have any transactions, obligations or relationships that could be considered off-balance sheet arrangements.

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, 2017, we did not have any unobservable (Level III) inputs in determining the fair value of our assets and liabilities measured at fair value on a recurring basis other than our real estate funds within our pension plans.

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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, 2017, 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, 2016 included in Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

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, 2017, 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 2017 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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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.

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, 2017, 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, 2017	—	$ —	—	$ —
May 1 - 31, 2017	—	$ —	—	$ —
June 1 - 30, 2017	—	$ —	—	$ —
	—	$ —	—	$ 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, 2017, we had not yet commenced share repurchases under this program.

Item 6. Exhibits

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, 2017 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 8, 2017	Chief Financial Officer
	By: /s/ ANTHONY PIETRONTONE JR.
	Anthony Pietrontone Jr.
Date: August 8, 2017	Principal Accounting Officer and Corporate Controller