

DUN & BRADSTREET CORP/NW
Form 10-Q
August 05, 2009

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

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2009

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)

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Delaware
(State of incorporation)

22-3725387
(I.R.S. Employer Identification No.)

103 JFK Parkway, Short Hills, NJ
(Address of principal executive offices)

07078
(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 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 No

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

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

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

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, 2009
Common Stock,	52,763,168
par value \$0.01 per share	

THE DUN & BRADSTREET CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The Dun & Bradstreet Corporation

Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008 (as adjusted, see Note 2)	2009	2008 (as adjusted, see Note 2)
	(Amounts in millions, except per share data)			
Revenue	\$ 416.9	\$ 427.7	\$ 824.3	\$ 842.4
Operating Expenses	129.5	122.1	246.4	245.9
Selling and Administrative Expenses	161.7	184.5	320.5	351.3
Depreciation and Amortization	12.9	13.9	28.6	27.3
Restructuring Charge	2.8	1.2	4.1	11.6
Operating Costs	306.9	321.7	599.6	636.1
Operating Income	110.0	106.0	224.7	206.3
Interest Income	0.8	3.7	1.9	6.1
Interest Expense	(11.4)	(13.2)	(22.8)	(22.6)
Other Income (Expense) - Net	14.6	(8.4)	15.9	(8.1)
Non-Operating Income (Expense) - Net	4.0	(17.9)	(5.0)	(24.6)
Income from Continuing Operations Before Provision for Income Taxes and Equity in Net Income of Affiliates	114.0	88.1	219.7	181.7
Provision for Income Taxes	36.5	3.7	38.1	37.5
Equity in Net Income of Affiliates	0.4	0.4	0.7	0.6
Income from Continuing Operations	77.9	84.8	182.3	144.8
Income from Discontinued Operations, Net of Income Taxes				0.7
Gain on Disposal of Italian Real Estate Business, Net of Tax Impact				0.4
Income from Discontinued Operations, Net of Income Taxes				1.1
Net Income	77.9	84.8	182.3	145.9
Less: Net (Income) Loss Attributable to the Noncontrolling Interest	(1.1)	(0.6)	(1.3)	(0.5)
Net Income Attributable to D&B	\$ 76.8	\$ 84.2	\$ 181.0	\$ 145.4
Basic Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to D&B Common Shareholders	\$ 1.45	\$ 1.54	\$ 3.40	\$ 2.59
Income from Discontinued Operations Attributable to D&B Common Shareholders				0.02

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Net Income Attributable to D&B Common Shareholders	\$ 1.45	\$ 1.54	\$ 3.40	\$ 2.61
Diluted Earnings Per Share of Common Stock:				
Income from Continuing Operations Attributable to D&B Common Shareholders	\$ 1.43	\$ 1.51	\$ 3.36	\$ 2.55
Income from Discontinued Operations Attributable to D&B Common Shareholders				0.02
Net Income Attributable to D&B Common Shareholders	\$ 1.43	\$ 1.51	\$ 3.36	\$ 2.57
Weighted Average Number of Shares Outstanding - Basic	52.6	54.4	52.8	55.2
Weighted Average Number of Shares Outstanding - Diluted	53.2	55.4	53.4	56.2
Amounts Attributable to D&B Common Shareholders				
Income from Continuing Operations, Net of Income Taxes	\$ 76.8	\$ 84.2	\$ 181.0	\$ 144.3
Income from Discontinued Operations, Net of Income Taxes				1.1
Net Income Attributable to D&B	\$ 76.8	\$ 84.2	\$ 181.0	\$ 145.4
Cash Dividend Paid Per Common Share	\$ 0.34	\$ 0.30	\$ 0.68	\$ 0.60
Comprehensive Income Attributable to D&B	\$ 110.5	\$ 88.6	\$ 210.2	\$ 145.8

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

The Dun & Bradstreet Corporation
Consolidated Balance Sheets (Unaudited)

	June 30, 2009	December 31, 2008 (as adjusted, see Note 2)
	(Amounts in millions, except per share data)	
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 226.4	\$ 164.2
Accounts Receivable, Net of Allowance of \$14.7 at June 30, 2009 and \$17.4 at December 31, 2008	369.9	461.8
Other Receivables	11.1	11.4
Prepaid Taxes	34.0	3.9
Deferred Income Tax	31.9	29.9
Other Current Assets	31.9	24.6
Total Current Assets	705.2	695.8
Non-Current Assets		
Property, Plant and Equipment, Net of Accumulated Depreciation of \$76.2 at June 30, 2009 and \$80.7 at December 31, 2008	51.0	53.1
Computer Software, Net of Accumulated Amortization of \$327.1 at June 30, 2009 and \$303.7 at December 31, 2008	101.8	96.0
Goodwill	410.3	397.6
Deferred Income Tax	187.6	190.0
Other Receivables	41.4	43.4
Other Intangibles	77.6	65.3
Other Non-Current Assets	48.3	44.8
Total Non-Current Assets	918.0	890.2
Total Assets	\$ 1,623.2	\$ 1,586.0
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 78.1	\$ 63.0
Accrued Payroll	71.7	115.1
Accrued Income Tax	10.6	29.8
Short-Term Debt	0.6	0.5
Other Accrued and Current Liabilities (Note 6)	173.6	163.6
Deferred Revenue	518.1	536.5
Total Current Liabilities	852.7	908.5
Pension and Postretirement Benefits	479.9	504.8
Long-Term Debt	868.0	904.3
Liabilities for Unrecognized Tax Benefits	100.6	81.6
Other Non-Current Liabilities	41.7	37.4
Total Liabilities	2,342.9	2,436.6
Contingencies (Note 7)		
EQUITY		
D&B 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	210.4	206.1

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Retained Earnings	1,727.6	1,582.8
Treasury Stock, at cost, 29.2 shares at June 30, 2009 and 28.6 shares at December 31, 2008	(1,972.6)	(1,924.4)
Accumulated Other Comprehensive (Loss) Income	(692.8)	(722.0)
Total D&B Shareholders Equity (Deficit)	(726.6)	(856.7)
Noncontrolling Interest	&nbs	6.1
	6.9	