DUN & BRADSTREET CORP/NW
Form 10-K
February 29, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Fiscal Year Ended December 31, 2011

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $0.01 per share	**New York Stock Exchange**
Preferred Share Purchase Rights	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes x No ¨

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ¨ No x

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 x No ¨

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

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 x 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 x

As of June 30, 2011, the aggregate market value of all shares of Common Stock of The Dun & Bradstreet Corporation outstanding and held by nonaffiliates* (based upon its closing transaction price on the New York Stock Exchange Composite Tape on June 30, 2011) was approximately $3.710 billion.

As of January 31, 2012, 47,721,808 shares of Common Stock of The Dun & Bradstreet Corporation were outstanding.

Documents Incorporated by Reference

Portions of the registrant s definitive proxy statement for use in connection with its annual meeting of shareholders, scheduled to be held on May 9, 2012 are incorporated into Part III of this Form 10-K.

* Calculated by excluding all shares held by executive officers and directors of the registrant. Such exclusions will not be deemed to be an admission that all such persons are affiliates of the registrant for purposes of federal securities laws.

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PART I

Item 1. ***Business***
Overview

The Dun & Bradstreet Corporation (D&B or we or our or the Company) is the world s leading source of commercial information and insight o businesses, enabling customers to Decide with Confidence® for 170 years. Our global commercial database as of December 31, 2011 contained more than 205 million business records. The database is enhanced by our proprietary DUNSRight® Quality Process, which transforms commercial data into valuable insight which is the foundation of our global solutions that customers rely on to make critical business decisions.

D&B provides solution sets that meet a diverse set of customer needs globally. Customers use D&B Risk Management Solutions to mitigate credit and supplier risk, increase cash flow and drive increased profitability; D&B Sales & Marketing Solutions to provide services to enhance customers marketing databases to increase revenue from new and existing customers; and D&B Internet Solutions to convert prospects into clients by enabling business professionals to research companies, executives and industries.

Our Aspiration and Our Strategy

D&B is a company committed to delivering Total Shareholder Return (TSR). To achieve this objective, we remain focused on three key drivers of TSR over time: revenue growth; margin expansion; and maintaining a disciplined approach to deploying our free cash flow. These have been the central drivers of our success, and they will remain the key areas of focus for us going forward. We continue to execute our strategy in the following ways:

- First, we remain focused on the commercial marketplace and continuing to be the world s largest and best provider of insight about businesses. This is reflected in our aspiration, which is To be the most trusted source of commercial insight so our customers can Decide with Confidence®.

- Second, maintaining our fundamental competitive advantage in the marketplace (i.e., data quality), we will continue to improve our data quality (better coverage and accuracy) and provide new sources of insight. To accomplish this, we are investing in a new technology platform that is scalable and far more agile, and will allow us to more readily provide innovative new products so we can meet emerging customer demands faster, and at a much lower cost over time.

- Third, we will leverage our data assets to enhance our products and services within our three solution sets: Risk Management Solutions business (RMS), Sales & Marketing Solutions business (S&MS) and Internet Solutions.

Our strategy relies on four core competitive advantages that support our commitment to driving TSR and our aspiration to be the most trusted source of commercial insight so our customers can Decide with Confidence®. These core competitive advantages include our:

- Trusted Brand;

- DUNSRight Quality Process;

- Winning Culture; and

Financial Flexibility.

For the reasons described below, we believe that these core competitive advantages will continue to drive our growth and profitability going forward.

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Trusted Brand

The D&B® brand dates back to the founding of our company in 1841. We believe that the D&B brand is unique in the marketplace, standing for trust and confidence in commercial insight; our customers rely on D&B and the quality of our brand when they make critical business decisions. The Hoover ® brand is also very well respected within its customer segment and we will seek to further leverage both brands going forward.

DUNSRight Quality Process

DUNSRight is our proprietary quality process that powers all of our customer solution sets and serves as our key strategic differentiator as a commercial insight company.

The foundation of our DUNSRight Quality Process is Quality Assurance, which includes over 2,000 separate automated and manual checks to ensure that data meets our high quality standards.

In addition, our five DUNSRight Quality Drivers work sequentially to enhance the data and make it useful to our customers in making critical business decisions.

The process works as follows:

Global Data Collection brings together data from a variety of sources such as company trade data, banking information, court and legal filings, business registries, publications, telephone interviews and company financial statements, worldwide;

We integrate the data into our database through our patented **Entity Matching** process, which produces a single, more accurate picture of each business using proprietary methods that consider sound, meaning, geographic location, and unique semantic capabilities for complex challenges such as Asian writing systems;

We apply the **D-U-N-S® Number** as a unique and consistent means of identifying and tracking a business globally throughout every step in the life and activity of the business;

We use **Corporate Linkage** to enable our customers to view their total risk or opportunity across related businesses; and

Finally, our **Predictive Indicators** use statistical techniques to rate a business s past performance, to predict how a business is likely to perform in the future or to describe endemic risk.

Winning Culture

Our culture is focused on developing strong leaders, because we believe that great leadership drives great results, improves customer satisfaction and helps increase TSR. To build such leadership, we have developed and deployed a consistent, principles-based leadership model throughout our Company.

Our leadership development process ensures that team members, which include our management and employees, performance goals and financial rewards are linked to our strategy. In addition, we link a component of the compensation of each of our senior leaders to our overall financial results. Our leadership development process also enables team members to receive ongoing feedback on their performance goals and on their leadership. All team members are expected to focus on their own personal development, build on their leadership strengths and work on their areas of development.

We have a talent assessment process that provides a framework to assess and improve skill levels and performance and acts as a tool to aid talent development and succession planning. We also administer an employee engagement survey that enables team members worldwide to provide feedback on areas that will improve their performance, drive customer satisfaction and evolve our winning culture.

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Financial Flexibility

Financial Flexibility is an ongoing process that reallocates spending from low-growth or low-value activities to activities that create greater value for shareholders through enhanced revenue growth, improved profitability and/or quality improvements. We are committed through this process to examining how every dollar is spent and optimizing between variable and fixed costs to ensure flexibility in changes to our operating expense base as we make strategic choices. This enables us to continually and systematically identify improvement opportunities in terms of quality, cost and customer experience. In executing our Financial Flexibility process, we seek to improve, standardize, consolidate and automate our business functions.

Segments

Effective January 1, 2011, we began reporting our business through three segments:

North America (which consists of our operations in the United States (U.S.) and Canada);

Asia Pacific (which primarily consists of our operations in Australia, Japan, China and India); and

Europe and other International Markets (which primarily consists of our operations in the United Kingdom (UK), the Netherlands, Belgium, Latin America and our Worldwide Network).

The following table presents the contribution by segment to total revenue and core revenue:

	For the Years Ended December 31,		
	2011	**2010**	**2009**
Total Revenue:			
North America	71%	75%	78%
Asia Pacific	15%	10%	8%
Europe and Other International Markets	14%	15%	14%
Core Revenue:			
North America	71%	75%	78%
Asia Pacific	15%	10%	8%
Europe and Other International Markets	14%	15%	14%

Prior to January 1, 2011, we managed and reported our business globally through two segments:

North America (which consisted of our operations in the U.S. and Canada); and

International (which consisted of our operations in Europe, Asia Pacific and Latin America).

We conduct business internationally through our wholly-owned subsidiaries, joint ventures that we hold a majority interest in, independent correspondents, strategic relationships through our D&B Worldwide Network ® and minority equity investments. Since 2000, we have entered into strategic relationships with strong local players throughout the world that we do not control and who have become part of our D&B Worldwide Network, operating under commercial agreements. Our D&B Worldwide Network enables our customers globally to make business decisions with confidence, because we incorporate data from the members of the D&B Worldwide Network into our database that is subject to our DUNSRight quality assurance standards, and utilize it in our customer solutions. Our customers, therefore, have access to a more powerful database and global solution sets that they can rely on to make their business decisions. Over the last few years, we have strengthened our position internationally through majority-owned joint ventures, for example, in China and India.

In connection with our strategy, we acquire complementary businesses, products and technologies. For example:

In 2009, we acquired substantially all of the assets of Bisnode s UK operations and a 100% equity interest in Bisnode s Irish operations (ICC) and we acquired a 90% equity interest in RoadWay

International Limited (RoadWay), the leading provider of integrated services of direct marketing in China. As part of the RoadWay transaction, D&B Huaxia, our existing joint venture company with Huaxia in China, transferred its Sales & Marketing Solutions business to RoadWay;

In 2010, we acquired a 100% equity interest in D&B Australia; and

In 2011, we acquired a 100% interest in MicroMarketing, a leading provider of direct and digital marketing services in China.
Segment data and other information for the years ended December 31, 2011, 2010 and 2009 are included in Note 14 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K.

Our Customer Solutions and Services

Risk Management Solutions

Risk Management Solutions is our largest customer solution set, accounting for 63%, 62% and 60% of our total revenue for the years ended December 31, 2011, 2010 and 2009, respectively. Within this customer solution set, we offer traditional and value-added solutions. Our Traditional Risk Management Solutions, which include our DNBi® product line, as well as reports from our database which are used primarily for making decisions about new credit applications, constituted 74% of our Risk Management Solutions revenue and 47% of our total revenue for the year ended December 31, 2011. Our Value-Added Risk Management Solutions, which constituted 20% of our Risk Management Solutions revenue and 12% of our total revenue for the year ended December 31, 2011, generally support automated decision-making and portfolio management through the use of scoring and integrated software solutions. See Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations of this Annual Report on Form 10-K for a discussion of trends in this customer solutions set.

Our Risk Management Solutions help customers increase cash flow and profitability while mitigating credit, operational and regulatory risks by helping them answer questions such as:

Should I extend credit to this new customer?

What credit limit should I set?

Will this customer pay me on time?

How can I avoid supply chain disruption?

How do I know whether I am in compliance with regulatory acts?
Our principal Risk Management Solutions are:

DNBi, our interactive, customizable online application that offers customers real time access to our most complete and up-to-date global DUNSRight information, comprehensive monitoring and portfolio analysis. We are also focused on helping more customers protect their business from risk through additions to the DNBi suite of products including:

DNBi Professional, providing a simple three-step credit evaluation process to help small businesses make better credit decisions;

DNBi Corporate, offering flexible pricing options allowing credit departments of all sizes to get just the data and options they need; and

Portfolio Risk Manager for DNBi, a new module that allows DNBi users to create strategic one -click analytic reports to see risk and opportunity across their customer base;

Various business information reports (e.g., our Business Information Report, our Comprehensive Report, and our International Report, etc.) that are consumed in a transactional manner across multiple platforms such as DNB.com; and

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eRAM, our enterprise solution for large global and domestic customers for automated decisioning and portfolio analytics.
Certain solutions are available on a subscription pricing basis, including our DNBi subscription pricing plan. Our subscription pricing plans represent a larger portion of our revenue, provide increased access to our risk management reports and data to help customers increase their profitability while mitigating their risk.

Sales & Marketing Solutions

Sales & Marketing Solutions is our second-largest customer solution set, accounting for 30%, 29% and 28% of our total revenue, respectively, for each of the years ended December 31, 2011, 2010 and 2009. Within this customer solution set, we offered traditional and value-added solutions. Our Traditional Sales & Marketing Solutions generally consist of marketing lists, labels and customized data files used by our customers in their direct mail and marketing activities. These solutions constituted 36% of our Sales & Marketing Solutions revenue and 11% of our total revenue for the year ended December 31, 2011.

Our Value-Added Sales & Marketing Solutions generally include decision-making and customer information management solutions, including data management solutions like Optimizer (our solution to cleanse, identify and enrich our customers client portfolios) and products introduced as part of our Data-as-a-Service (or DaaS) Strategy, which integrates our data directly into the applications and platforms that our customers use every day. Customer Relationship Management (CRM) is our first area of focus, with D&B360, which helps CRM customers manage their data, increase sales and improve customer engagement. Beyond CRM, D&B Direct, a software Application Programming Interface (API), enables data integration inside enterprise applications such as ERP, and enables master data management. The vision for DaaS is to make D&B s data available wherever and whenever our customers need it, thereby powering more effective business processes.

The Value-Added Sales & Marketing Solutions constituted 64% of Sales & Marketing Solutions revenue and 19% of our total revenue for the year ended December 31, 2011. See Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations of this Annual Report on Form 10-K for a discussion of trends in this customer solutions set.

Our Sales & Marketing Solutions help customers increase revenue from new and existing customers by helping them answer questions such as:

Who are my best customers?

How can I find prospects that look like my best customers?

How can I exploit untapped opportunities with my existing customers?

How can I allocate sales force resources to revenue growth potential?
Our principal Sales & Marketing Solutions are:

Our customer data integration solutions, which are solutions that cleanse, identify, link and enrich customer information with our DUNSRight Quality Process. Our D&B Optimizer solution, for example, uses our DUNSRight Quality Process to transform customer prospects and files into up-to-date, accurate and actionable commercial insight, enabling a single customer view across multiple systems and touchpoints, such as marketing and billing databases, and better enabling a customer to make sales and marketing decisions; D&B360®, which integrates our data into third-party CRM applications; and D&B Direct, an API that enables developers to build D&B data into their enterprise applications.

Our Direct Marketing Lists, which benefit from our DUNSRight Quality Process to enable our customers to create an accurate and comprehensive marketing campaign.

Internet Solutions

Our Internet Solutions business provides highly organized, efficient and easy-to-use products that address the online sales and marketing needs of professionals and businesses, including information on companies, industries and executives, integration tools that bring this information into the day-to-day workflow of our customers, and research and advice regarding starting up and managing a business.

Internet Solutions, primarily representing the results of our Hoover s business, accounted for 7% of our total revenue for each of the years ended December 31, 2011, 2010 and 2009, respectively. See Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations of this Annual Report on Form 10-K for a discussion on trends in this customer solutions set.

Growth of our Internet Solutions business depends upon the development of improved and new products targeted to our primary customer segments, as well as the development of Internet products targeted to the needs of customer segments outside our core audience.

Hoover s, primarily a prospecting tool, provides information on public and private companies, and on industries and executives, sales, marketing and research professionals worldwide. The database includes industry and company briefs, information on competitors, corporate financials, executive contact information, current news, including social media and research, family trees, and contact information including biographies. Hoover s subscribers access the data online via the subscription service Hoover s Online®. As part of our Strategic Technology Investment, which we refer to as MaxCV for Maximizing Customer Value, we are migrating customers to newer, and higher performing platforms, such as Hoover s, while we are shutting down legacy products that will not be supported by our new data supply chain.

Our Internet Solutions help customers convert prospects to clients faster by providing a workflow solution to answer questions such as:

- How do I identify prospects and better prepare for sales calls?
- Who are the key senior-level decision makers?
- How does the prospect compare to others in their industry?

Our principal Internet Solutions are:

- Our subscription solutions delivered online through Hoover s Online (such as Researcher®, Prospector, Relationship Manager, Executive, and our First Research industry data solution) and via electronic data feeds;
- Our advertising and e-marketing solutions provided through *www.hoovers.com*, *www.firstresearch.com* and related Internet sites; and
- Licensing of Hoover s proprietary content to third-party content providers.

Our Sales Force

We rely primarily on our sales force of approximately 2,200 team members worldwide to sell our customers solutions, of which approximately 1,100 were in our North American segment and 1,100 were in our international segments as of December 31, 2011. Our sales force includes relationship managers and solution specialists who sell to our strategic and commercial customers, telesales teams, a team that sells to federal, state and local governments, and a team that sells to resellers of our solutions and our data. Our global sales force is also a source of competitive advantage, which allows us to effectively serve large, medium and small sized customers.

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Our Customers

We believe that different size customers have different needs and require different skill sets to service them. Accordingly, we are organized to effectively serve each of our large, medium and small sized customers. Our principal customers are banks and other credit and financial institutions, manufacturers, wholesalers, retailers, government agencies, insurance companies and telecommunication companies, as well as sales, marketing and business development professionals. None of our customers accounted for more than 10% of our 2011 total revenue or of the revenue of our North American, Asia Pacific or Europe and other International Markets segments. Accordingly, neither we nor any of our segments is dependent on a single customer, such that a loss of any one would have a material adverse effect on our consolidated annual results of operations or the annual results of any of our segments.

Competition

We are subject to highly competitive conditions in all aspects of our business. However, we believe no competitor offers our complete line of solutions or can match our global data quality resulting from our DUNSRight Quality Process.

In North America, we are a market leader in our Risk Management Solutions business in terms of revenue. We compete with our customers own internal business practices by continually developing more efficient alternatives to our customers risk management processes to capture more of their internal spend. We also directly compete with a broad range of companies, including consumer credit companies such as Equifax, Inc. and Experian Information Solutions, Inc. (Experian), which have traditionally offered primarily consumer information services, but also offer products that combine consumer information with business information as a tool to help customers make credit decisions with respect to small businesses.

We also compete in North America with a broad range of companies offering solutions similar to our Sales & Marketing Solutions. Our direct competitors in Sales & Marketing Solutions include companies such as Equifax and infoGROUP. In addition, we face competition in data services from our customers own internal development and from data quality software solutions.

In our Internet Solutions, Hoover s competition varies based on the size of the customer and the level of spending available for services such as Hoover s Online. On the high end of product pricing, Hoover s Researcher, Hoover s Prospector and Hoover s Relationship Manager products compete with other business information providers such as infoGROUP. New, less established entrants are also pursuing some of these same customers. On the lower end of product pricing, our Hoover s Essentials Ecommerce-enabled product, as well as the Hoovers Acquisition free site mainly compete with advertising-supported Internet sites, and other free or low-priced information sources, such as Yahoo! Finance and MarketWatch, Inc.

Outside the U.S., the competitive environment varies by region and country, and can be significantly impacted by the legislative actions of local governments.

In Europe, our direct competition is primarily local, such as Experian in the UK and Graydon in Belgium and the Netherlands. We believe that we offer superior solutions when compared to these competitors because of our DUNSRight Quality Process. In addition, the Sales & Marketing Solutions landscape is both localized and fragmented throughout Europe, where numerous local players of varying size compete for business.

In Asia, we face competition in our Risk Management Solutions business from a mix of local and global providers. For example, we compete with Sinotrust in China, which is majority owned by Experian, with Veda in Australia and with Experian in India. In addition, as in Europe, the Sales & Marketing Solutions landscape throughout Asia is localized and fragmented.

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We also face significant competition from the in-house operations of the businesses we seek as customers, other general and specialized credit reporting and business information services, and credit insurers. For example, in certain international markets, such as Europe, some credit insurers have identified the provision of credit information as an additional revenue stream. In addition, business information solutions and services are becoming more readily available, principally due to the expansion of the Internet, greater availability of public data and the emergence of new providers of business information solutions and services.

As discussed in Our Aspiration and Our Strategy above, we believe that our Trusted Brand, our DUNSRight Quality Process, our Winning Culture and our Financial Flexibility form a powerful competitive advantage.

Our ability to continue to compete effectively will be based on a number of factors, including our ability to:

- Communicate and demonstrate to our customers the value of our existing and new products and services based upon our proprietary DUNSRight Quality Process and, as a result, improve customer satisfaction;

- Maintain and develop proprietary information and services such as analytics (e.g., scoring) and sources of data not publicly available;

- Leverage MaxCV to significantly improve our value proposition for customers in order to make D&B s data available wherever and whenever our customers need it, as well as our brand perception and the value of our D&B Worldwide Network®;

- Maintain those third-party relationships on whom we rely for data and certain operational services; and

- Attract and retain a high-performing workforce.

Intellectual Property

We own and control various intellectual property rights, such as trade secrets, confidential information, trademarks, service marks, trade names, copyrights, patents and applications. These rights, in the aggregate, are of material importance to our business. We also believe that the D&B name and related trade names, marks and logos are of material importance to our business. We are licensed to use certain technology and other intellectual property rights owned and controlled by others, and other companies are licensed to use certain technology and other intellectual property rights owned and controlled by us. We consider our trademarks, service marks, databases, software, copyrights, patents, patent applications and other intellectual property to be proprietary, and we rely on a combination of statutory (e.g., copyright, trademark, trade secret, patent, etc.) and contract and liability safeguards for protection thereof throughout the world.

Unless the context indicates otherwise, the names of our branded solutions and services referred to in this Annual Report on Form 10-K are trademarks, service marks or registered trademarks or service marks owned by or licensed to us or one or more of our subsidiaries.

We own patents and patent applications both in the U.S. and in other selected countries of importance to us. The patents and patent applications include claims which pertain to certain technologies which we have determined are proprietary and warrant patent protection. We believe that the protection of our innovative technology, especially technology pertaining to our proprietary DUNSRight Quality Process such as our proprietary methods for data curation and Identity Resolution, through the filing of patent applications is a prudent business strategy, and we will continue to seek to protect those assets for which we have expended substantial capital. Filing of these patent applications may or may not provide us with a dominant position in the fields of technology. However, these patents and/or patent applications may provide us with legal defenses should subsequent patents in these fields be issued to third parties and later asserted against us. Where appropriate, we may also consider asserting or cross-licensing our patents.

Employees

As of December 31, 2011, we employed approximately 5,100 team members worldwide, of which approximately 2,500 were in our North American segment and Corporate and approximately 2,600 were in our remaining segments. We believe that we have good relations with our employees. There are no unions in the North American segment. Works Councils and Trade Unions represent a portion of our employees in our European and Latin American operations.

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (SEC). Investors may read and copy any document that we file, including this Annual Report on Form 10-K, at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Investors may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at *www.sec.gov* that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, from which investors can electronically access our SEC filings.

We make available free of charge on or through our Internet site *(www. dnb.com)* our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with, or furnish the material to, the SEC. The information on our Internet site, on our Hoover s Internet site or on our related Internet sites is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC.

Organizational Background of Our Company

As used in this report, except where the context indicates otherwise, the terms D&B, Company, we, us, or our refer to The Dun & Bradstreet Corporation and our subsidiaries. We were incorporated in 2000 in the State of Delaware.

Item 1A. ***Risk Factors***

Our business model is dependent upon third parties to provide data and certain operational services, the loss of which would materially impact our business and financial results.

We rely significantly on third parties to support our business model. For example:

- We obtain much of the data that we use from third parties, including public record sources;
- We utilize single source providers in certain countries to support the needs of our customers around the globe and rely on members of our D&B Worldwide Network to provide local data in countries in which we do not directly operate;
- We have outsourced certain portions of our data acquisition, processing and delivery and customer service and call center processes; and
- We have also outsourced various functions, such as our data center operations, technology help desk and network management functions in the U.S. and the UK.

If one or more data providers were to experience financial or operational difficulties or were to withdraw their data, cease making it available, be unable to make it available due to changing industry standards, substantially increase the cost of their data, not adhere to our data quality standards, or be acquired by a competitor who would cause any of these disruptions to occur, our ability to provide solutions and services to our customers could be materially adversely impacted, which could have a material adverse effect on our business

and financial results. Similarly, if one of our outsource providers, including third parties with whom we have strategic relationships, were to experience financial or operational difficulties, their services to us would suffer or they may no longer be able to provide services to us at all, having a material adverse effect on our business and financial results. We cannot be certain that we could replace our large third-party vendors in a timely manner or on terms commercially reasonable to us. If we change a significant outsource provider, an existing provider makes significant changes to the way it conducts its operations, or we seek to bring in-house certain services performed today by third parties, we may experience unexpected disruptions in the provision of our solutions, which could have a material adverse effect on our business and financial results.

Our business performance is dependent upon successful implementation and the ongoing operation of our Strategic Technology Investment, and appropriate investment in our technology infrastructure thereafter, the failure of which could materially impact our business and financial results.

In February 2010, we announced a Strategic Technology Investment program, which we refer to as MaxCV for Maximizing Customer Value, aimed at strengthening our leading position in commercial data and improving our current technology platform to meet the emerging needs of customers. We will continue to rely in part on third-party providers to implement and update certain aspects of our technology infrastructure and to thereafter run certain of such operations both from within D&B and from their own remote locations. Upon completion of this investment, we expect that it will:

- Simplify and re-architect our data supply chain in order to, among other things, supply intra-day updates;
- Create a services layer to optimize access to our data for customers and third parties and to make it easier for us to innovate and develop new products;
- Consolidate many of our legacy products to provide fewer but more impactful applications for customers;
- Accelerate revenue growth in our North American segment upon the completion of the investment; and
- Significantly reduce our technology costs upon completion of the investment.

We expect that MaxCV will have a total cost of approximately $160 million in 2012. The project will largely focus on continuing to rebuild the data supply chain as well as introducing additional Web services. We expect MaxCV and the associated spending will be largely complete by the end of 2012. However, product and customer migration are now targeted to be concluded in the second half of 2013. We may experience additional costs that we do not currently foresee.

In the event we fail to execute on this investment in a timely manner and/or without interruption to service, including hiring and retaining appropriate technology personnel, engaging and managing third parties, re-architecting our data supply chain, and simplifying our product portfolio while migrating our customers to new products, and maintaining such data and technology operations on an ongoing basis, we will not achieve our expected revenue acceleration or growth, or the anticipated cost savings from this investment, and we could experience a significant competitive disadvantage in the marketplace, such as the inability to offer certain types of new services or to collect certain types of new data, which could have a material adverse effect on our business and financial results.

Our success depends in part on our ability to adapt our solutions to our customers preferences. Advances in information technology and uncertain or changing economic conditions are changing the way our customers use and purchase business information. As a result, our customers are demanding both lower prices and more features from our solutions, such as decision-making tools like credit scores and electronic delivery formats, and are expecting real-time data provided in a manner relevant to them. If we do not successfully adapt our solutions to our customers preferences, our business and financial results would be materially adversely affected. Specifically, for our larger customers, our continued success will be dependent on our ability to satisfy more of their needs by providing more breadth and depth of data and allowing them more flexibility to use our data through web services and third-party solutions. For our smaller customers, our success will depend in part on our ability to develop a strong value proposition, including simplifying our solutions and pricing offerings, to enhance our marketing efforts to these customers and to improve our service to them.

Upon the successful completion of MaxCV, the failure to continue to invest in our business could result in a material adverse effect on our future financial results. Such investments may include: (i) our ability to successfully evolve our workforce away from those third parties who assisted us in the build of MaxCV, to internal employees who can successfully execute thereon; (ii) executing on, and mitigating risks associated with, new product offerings such as DaaS; and (iii) ensuring continued compatibility of our new platforms and technologies with our Worldwide Network partners and other affiliates.

We face competition that may cause price reductions or loss of market share.

We are subject to competitive conditions in all aspects of our business. We compete directly with a broad range of companies offering business information services to customers. We also face competition from:

- The in-house operations of the businesses we seek as customers;
- Other general and specialized credit reporting and other business information services; and
- Credit insurers.

Business information solutions and services are becoming more readily available, principally due to the expansion of the Internet, greater availability of public data and the emergence of new providers of business information solutions and services. Large Internet companies can provide low-cost alternatives to data gathering and change how our customers perform key activities such as marketing campaigns. Such companies, and other third parties which may not be readily apparent today, may become significant low-cost or no-cost competitors and adversely impact the demand for our solutions and services, or limit our growth potential.

Weak economic conditions can result in customers seeking to utilize free or lower-cost information that is available from alternative sources such as the Internet and European Commission-sponsored projects like the European Business Register. Intense competition could adversely impact us by causing, among other things, price reductions, reduced gross margins and loss of market share.

We face competition outside the U.S., and our competitors could develop an alternative to our D&B Worldwide Network.

We face competition from consumer credit companies that offer consumer information solutions to help their customers make credit decisions regarding small businesses. Consumer information companies are seeking to expand their operations more broadly into aspects of the business information space. While their presence is currently small in the business information market, given the size of the consumer market in which they operate, they have scale advantages in terms of scope of operations and size of relationship with customers, which they can potentially leverage to an advantage.

Our ability to continue to compete effectively will be based upon a number of factors, including our ability to:

- Communicate and demonstrate to our customers the value of our products and services based upon our proprietary DUNSRight Quality Process and, as a result, improve customer satisfaction;
- Maintain and develop proprietary information and services such as analytics (e.g., scoring), and sources of data not publicly available, such as detailed trade data;
- Demonstrate value through our decision-making tools and integration capabilities;

Leverage our brand perception and the value of our D&B Worldwide Network;

Continue to implement the Financial Flexibility component of our strategy and effectively reallocate our spending;

Obtain and deliver reliable and high-quality business and professional contact information through various media and distribution channels in formats tailored to customer requirements;

Adopt and maintain an effective information technology infrastructure, including our work under MaxCV, to support product delivery as customer needs and preferences change and competitors offer more sophisticated products;

Attract and retain a high-performance workforce;

Enhance our existing services and introduce new services;

Enter new customer markets; and

Improve our international business model and data quality through the successful management of the members of our D&B Worldwide Network and through our undertaking of acquisitions or entering into joint ventures or similar relationships.

Our business performance might not be sufficient for us to meet the full-year financial guidance that we provide publicly.

We provide full-year financial guidance to the public which is based upon our assumptions regarding our expected financial performance. This includes, for example, assumptions regarding our ability to grow revenue, to grow operating income, to achieve desired tax rates and to generate cash. We believe that our financial guidance provides investors and analysts with a better understanding of our view of our near-term financial performance. Such financial guidance may not always be accurate, due to our inability to meet the assumptions we make and the impact on our financial performance that could occur as a result of the various risks and uncertainties to our business as set forth in these risk factors and in our public filings with the SEC or otherwise. If we fail to meet the full-year financial guidance that we provide or if we find it necessary to revise such guidance as we conduct our operations throughout the year, the market value of our common stock or other securities could be materially adversely affected.

We may lose key business assets or suffer interruptions in product delivery, including loss of data center capacity or the interruption of telecommunications links, the Internet, or power sources which could significantly impede our ability to do business.

Our operations depend on our ability, as well as that of third-party service providers to whom we have outsourced several critical functions, to protect data centers and related technology against damage from hardware failure, fire, power loss, telecommunications failure, impacts of terrorism, breaches in security (such as the actions of computer hackers), the theft of services, natural disasters, or other disasters. The online services we provide are dependent on links to telecommunications providers. We generate a significant amount of our revenue through telesales centers and Internet sites that we use in the acquisition of new customers, fulfillment of solutions and services and responding to customer inquiries. We may not have sufficient redundant operations or change management processes in connection with our introduction of new online products or services to prevent a loss or failure in all of these areas in a timely manner. Any damage to, or failure by our service providers to properly maintain our data centers, failure of our telecommunications links or inability to access these telesales centers or Internet sites could cause interruptions in operations that adversely affect our ability to meet our customers requirements and materially adversely affect our business and financial results.

A failure in the integrity of our database could harm our brand and result in a loss of sales and an increase in legal claims.

The reliability of our solutions is dependent upon the integrity of the data in our global database. We have in the past been subject to customer and third-party complaints and lawsuits regarding our data, which have occasionally been resolved by the payment of money damages. A failure in the integrity of our database, whether inadvertently or through the actions of a third party, which may be on the rise, could harm us by exposing us to customer or third-party claims or by causing a loss of customer confidence in our solutions. We may experience an increase in risks to the integrity of our database as we move toward real time data feeds, including those from

social media sources, upon the completion of MaxCV. We must continue to invest in our database to improve and maintain the quality, timeliness and coverage of the data contained therein if we are to maintain our competitive positioning in the marketplace.

We have licensed, and we may license in the future, proprietary rights to third parties. While we attempt to ensure that the quality of our brand is maintained by the third parties to whom we grant such licenses and by customers, they may take actions that could materially adversely affect the value of our proprietary rights or our reputation. It cannot be assured that these licensees and customers will take the same steps we have taken to prevent misappropriation of our data solutions or technologies.

Cybersecurity risks could harm our operations, the operations of our critical outsourcers, or the operations of our partners on whom we rely for data and to meet our customer needs, any of which could materially impact our business and financial results.

We rely upon the security of our information technology infrastructure to protect us from cyber attacks and unauthorized access. Cyber attacks can include malware, computer viruses, or other significant disruption of our Information Technology (IT) networks and related systems. Government agencies and security experts have warned about growing risks of hackers, cyber-criminals and other potential attacks targeting every type of IT system. We may face increasing cyber security risks, as we receive data from new sources, such as social media sites or through data aggregators who provide us with information.

If we experience a problem with the functioning of an important IT system or a security breach of our IT systems, the resulting disruptions could have a material adverse effect on our business. We also store sensitive information in connection with our human resources operations and other aspects of our business which could be compromised by a cyber attack. To the extent that any disruptions or security breach results in a loss or damage to our data, an inappropriate disclosure of confidential information, an inability to access data sources, or an inability to process data for or send data to our customers, it could cause significant damage to our reputation, affect our relationships with our customers, lead to claims against the Company and ultimately harm our business. We may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future. While we have insurance coverage for certain instances of a cyber security breach, our coverage may not be sufficient if we suffer a significant or multiple attacks.

Our outsourcing partners are primarily responsible for the security of our IT environment and we rely significantly on third parties to supply clean data content and to resell our products in a secure manner. All of these third parties face risks relating to cyber security similar to ours which could disrupt their businesses and therefore materially impact ours. While we provide guidance and specific requirements in some cases, we do not directly control any of such parties IT security operations, or the amount of investment they place in guarding against cyber security threats. Accordingly, we are subject to any flaw in or breaches to their IT systems or those that they operate for us, which could materially impact our business, operations and financial results.

Our brand and reputation are key assets and competitive advantages of our Company and our business may be affected by how we are perceived in the marketplace.

Our brand and its attributes are key assets of the Company. Our ability to attract and retain customers is highly dependent upon the external perceptions of our level of data quality, effective provision of services, business practices, including actions of our employees, third-party providers and members of the D&B Worldwide Network, that are not consistent with D&B s policies and standards, and overall financial condition. Negative perceptions or publicity regarding these matters could damage our reputation with customers and the public, which could make it difficult for us to attract and maintain customers. Adverse developments with respect to our industry may also, by association, negatively impact our reputation, or result in higher regulatory or legislative scrutiny. Although we monitor developments for areas of potential risk to our reputation and brand, negative perceptions or publicity could have a material adverse effect on our business and financial results.

We rely on annual contract renewals for a substantial part of our revenue, and our quarterly results may be significantly impacted by the timing of these renewals or a shift in product mix that results in a change in the timing of revenue recognition.

We derive a substantial portion of our revenue from annual customer contracts. If we are unable to renew a significant number of these contracts, our revenue and results of operations would be harmed. In addition, our results of operations from period-to-period may vary due to the timing of customer contract renewals. As contracts are renewed, we have experienced, and may continue to experience, a shift in product mix underlying such contracts. This could result in the deferral of increased amounts of revenue into future periods as a larger portion of revenue is recognized over the term of our contracts rather than upfront at contract signing or the acceleration of deferred revenue into an earlier reporting period. Although this may cause our financial results from period-to-period to vary substantially, such change in revenue recognition would not change the total revenue recognized over the life of our contracts.

We may be adversely affected by the global economic environment.

As a result of the macro-economic challenges currently affecting the economy of the United States, Europe, and other parts of the world, our customers or vendors may experience problems with their earnings, cash flow, or both. This may cause our customers to delay, cancel or significantly decrease their purchases from us, and we may experience delays in payment or their inability to pay amounts owed to us. Our vendors may substantially increase their prices to us and without notice. Any such change in the behavior of our customers or vendors may materially adversely affect our earnings and cash flow. If economic conditions in the United States and other key markets deteriorate further or do not show improvement, we may experience material adverse impacts to our business, operating results, and/or access to credit markets.

Changes in the legislative, regulatory and commercial environments in which we operate could adversely impact our ability to collect, compile, use and publish data and could impact our financial results.

Certain types of information we collect, compile, use and publish are subject to regulation by governmental authorities in various jurisdictions in which we operate, particularly in our international markets. There is increasing awareness and concern among the general public, governmental bodies, and others regarding marketing and privacy matters, particularly as they relate to individual privacy interests and the ubiquity of the Internet. These concerns may result in new or amended laws and regulations that could adversely impact our business. In general, compliance with existing laws and regulations has not to date materially impacted our business and financial results. Nonetheless, future laws and regulations with respect to the collection, compilation, use and publication of information, and adverse publicity or litigation concerning the commercial use of such information could result in limitations being imposed on our operations, increased compliance or litigation costs and/or loss of revenue, which could have a material adverse effect on our business and financial results.

Our business relies on the availability of the Internet as it is currently configured and operated both to obtain data and services and to provide data and services to our customers. If the rules governing the operation of the Internet were to change, such as, for example, by permitting broadband suppliers to discriminate in providing access to their networks, this could have a material adverse impact on our business.

Governmental agencies may seek to increase the costs we must pay to acquire, use and/or redistribute data that such governmental agencies collect. While we would seek to pass along any such price increases to our customers or provide alternative services, there is no guarantee that we would be able to do so, given competitive pressures or other considerations. Should our proportion of multiyear contracts increase, our risk of having to incur such additional costs further increases. Any such price increases or alternative services may result in reduced usage by our customers and/or loss of market share, which could have a material adverse effect on our business and financial results.

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Acquisitions, joint ventures or similar strategic relationships may disrupt or otherwise have a material adverse effect on our business and financial results.

As part of our strategy, we may seek to acquire other complementary businesses, products and technologies or enter into joint ventures or similar strategic relationships. These transactions are subject to the following risks:

- Acquisitions, joint ventures or similar relationships may cause a disruption in our ongoing business, distract our management and make it difficult to maintain our standards, controls and procedures;
- We may not be able to integrate successfully the services, content, products and personnel of any such transaction into our operations;
- We may not derive the revenue improvements, cost savings and other intended benefits of any such transaction; and
- There may be risks, exposures and liabilities of acquired entities or other third parties with whom we undertake a transaction, that may arise from such third parties activities prior to undertaking a transaction with us.

We have no direct management control over third-party members of the D&B Worldwide Network or other third parties who conduct business under the D&B brand name in local markets or who license and sell under the D&B name.

The D&B Worldwide Network is comprised of wholly-owned subsidiaries, joint ventures that we either control or hold a minority interest in, and third-party members who conduct business under the D&B brand name in local markets. While third-party member participation in the D&B Worldwide Network and certain of our relationships with other third parties are controlled by commercial services agreements and the use of our trademarks is controlled by license agreements, we have no direct management control over these members or third parties beyond the terms of the agreements. We license data to certain third parties to be included in the data solutions that they sell to their customers and such arrangements may increase as a percentage of our total revenue in the future. We do not have direct control over such third parties sales people or practices, and their failure to successfully sell products which include our data will impact the revenue we receive and could have a material adverse effect on our business and financial results. As a result, actions or inactions taken by these third parties may have a material impact on our business and financial results. For example, one or more third parties or members may:

- Provide a product or service that does not adhere to our data quality standards;
- Fail to comply with D&B brand and communication standards;
- Engage in illegal or unethical business practices;
- Elect not to support new or revised products and services or other strategic initiatives;
- Fail to execute other data or distribution contract requirements; or
- Refuse to provide new sources of data.

Such actions or inactions may have an impact on customer confidence in the D&B brand globally, which could materially adversely impact our business and financial results.

Our international businesses are subject to various risks associated with operations in foreign countries, which could materially adversely affect our business and financial results.

Our success depends in part on our various international businesses. For the three years ended December 31, 2011, 2010 and 2009, our businesses outside of North America accounted for 29%, 25% and 22% of total revenue, respectively. Our international businesses are subject to many of the same challenges as our domestic business, as well as the following:

Our competition is primarily local, and our customers may have greater loyalty to our local competitors which may have a competitive advantage because they are not restricted by U.S. and international laws with which we require our international businesses to comply, such as the U.S. Foreign Corrupt Practices Act (FCPA);

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- While our services have not usually been regulated, governments, particularly in emerging market areas, may adopt legislation or regulations, or we may learn that our current methods of operation violate existing legislation or regulations, governing the collection, compilation, use and/or publication of the kinds of information we collect, compile, use and publish, which could bar or impede our ability to operate and this could adversely impact our business;

- Credit insurance is a significant credit risk mitigation tool in certain markets that may reduce the demand for our Risk Management Solutions; and

- In some markets, key data elements are generally available from public-sector sources, thus reducing a customer s need to purchase that data from us.

In addition, the FCPA and anti-bribery and anti-corruption laws in other jurisdictions generally prohibit improper payments to government officials or other persons for the purpose of obtaining or retaining business. We cannot assure you that our policies and procedures will always protect us from acts committed by our employees or third party intermediaries. From time to time, under appropriate circumstances, we have undertaken and will continue to undertake investigations of the relevant facts and circumstances and, when appropriate, take remedial actions, which can be expensive and require significant time and attention from senior management. Violations of these laws may result in criminal or civil sanctions, which could disrupt our business and result in a material adverse effect on our business and financial results.

Our international strategy includes the leveraging of our D&B Worldwide Network to improve our data quality. We form and manage strategic relationships to create a competitive advantage for us over the long term; however, these strategic relationships may not be successful or may be subject to ownership change.

The issue of data privacy is an increasingly important area of public policy in various international markets, and we operate in an evolving regulatory environment. If our existing business practices were deemed to violate existing data privacy laws or such laws as they may evolve from time to time, our business or the business of third parties on whom we depend could be adversely impacted.

Our operating results could be negatively affected by a variety of other factors affecting our foreign operations, many of which are beyond our control. These factors may include currency fluctuations, economic, political or regulatory conditions, competition from government agencies in a specific country or region, trade protection measures and other regulatory requirements. Additional risks inherent in international business activities generally include, among others:

- Longer accounts receivable payment cycles;

- The costs and difficulties of managing international operations and strategic alliances, including the D&B Worldwide Network; and

- The need to comply with a broader array of regulatory and licensing requirements, the failure of which could result in fines, penalties or business suspensions.

We may not be able to attract and retain qualified personnel, including members of our sales force and technology team, which could impact the quality of our performance and customer satisfaction.

Our success and financial results depend on our continuing ability to attract, retain and motivate highly qualified personnel at all levels and to appropriately use the time and resources of such individuals. This includes members of our sales force on whom we rely for generating the vast majority of our revenue, and members of our technology team on whom we rely to continually maintain and upgrade all of our technology operations and to maintain and develop our products. Competition for these individuals is intense, and we may not be able to retain our key personnel or key members of our sales or technology teams, or attract, assimilate or retain other highly-qualified individuals in the future. We have from time-to-time experienced, and we expect to continue to experience, difficulty in hiring and retaining employees, including members of our sales force and technology team, who have appropriate qualifications.

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We may be unable to reduce our expense base through our Financial Flexibility, and the related reinvestments from savings from this program may not produce the level of desired revenue growth which would materially adversely affect our business and financial results.

Successful execution of our strategy includes reducing our expense base through our Financial Flexibility initiatives, and reallocating our expense base reductions into initiatives to produce our desired revenue growth. The success of this program may be affected by:

- Our ability to continually adapt and improve our organizational design and efficiency to meet the changing needs of our business and our customers;
- Our ability to implement the actions required under this program within the established time frame;
- Our ability to implement actions that require process or technology changes to reduce our expense base;
- Our ability to enter into or amend agreements with third-party vendors to obtain terms beneficial to us;
- Managing third-party vendor relationships effectively;
- Completing agreements with our local works councils and trade unions related to potential reengineering actions in certain International markets; and
- Maintaining quality around key business processes utilizing our reduced and/or outsourced resources.

If we fail to reduce our expense base, or if we do not achieve our desired level of revenue growth from new initiatives, our business and financial results would be materially adversely affected.

We are involved in legal proceedings that could have a material adverse impact on us.

We are involved in legal proceedings, claims and litigations that arise in the ordinary course of business. As discussed in greater detail under Note 13. Contingencies in Notes to Consolidated Financial Statements in Part II, Item 8. of this Annual Report on Form 10-K, certain of these matters could materially adversely affect our business and financial results.

Item 1B. ***Unresolved Staff Comments***

Not applicable.

Item 2. ***Properties***

Our corporate office is located at 103 JFK Parkway, Short Hills, New Jersey 07078, in a 123,000-square-foot property that we lease. We renewed our lease on this property in 2011 for a term of eight years, with two five-year renewal options. This property also serves as the executive offices of our North American segment.

Our other properties are geographically distributed to meet sales and operating requirements worldwide. We generally consider these properties to be both suitable and adequate to meet current operating requirements. As of December 31, 2011, the most important of these other properties include the following sites:

A 178,000 square-foot leased office building in Center Valley, Pennsylvania, which houses various sales, finance, fulfillment and data acquisition personnel;

A 147,000 square-foot office building that we own in Parsippany, New Jersey, housing personnel from our North American sales, marketing and technology groups (approximately one-third of this building is leased to a third party);

A 78,000 square-foot leased office building in Austin, Texas, housing technology development, certain product development and sales operations;

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A 79,060 square-foot leased space in Marlow, England, which houses our UK business, International technology and certain other International teams;

A total of 59,000 square-feet of leased office space in Australia, housing our Australian sales, marketing and technology groups; and

A 47,782 square-foot leased space in Dublin, Ireland, housing technology development, data operations and sales operations.

In addition to the above locations, we also conduct operations in other offices across the globe, most of which are leased.

Item 3. ***Legal Proceedings***

Information in response to this Item is included in Part II, Item 8. Note 13. Contingencies and is incorporated by reference into Part I of this Annual Report on Form 10-K.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II

Item 5. ***Market for Registrant s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Our common stock is listed on the New York Stock Exchange and trades under the symbol DNB. We had 2,375 shareholders of record as of December 31, 2011.

The following table summarizes the high and low sales prices for our common stock, as reported in the periods shown:

	2011		2010	
	High	Low	High	Low
First Quarter	$ 86.45	$ 76.98	$ 83.37	$ 69.31
Second Quarter	$ 83.33	$ 74.25	$ 78.82	$ 67.12
Third Quarter	$ 76.79	$ 61.06	$ 74.54	$ 65.90
Fourth Quarter	$ 74.83	$ 59.25	$ 82.09	$ 73.87

We paid quarterly dividends to our shareholders totaling $70.4 million, $70.0 million and $71.5 million during the years ended December 31, 2011, 2010 and 2009, respectively. On February 6, 2012, we declared a dividend of $0.38 per share for the first quarter of 2012. This cash dividend will be payable on March 14, 2012 to shareholders of record at the close of business on February 28, 2012.

Issuer Purchases of Equity Securities

The following table provides information about purchases made by us or on our behalf during the quarter ended December 31, 2011 of shares of equity that are registered pursuant to Section 12 of the Exchange Act:

Period	Total Number of Shares Purchased (a)(b)	Average Price Paid Per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs(a)(b)	Maximum Number of Currently Authorized Shares that May Yet Be Purchased Under the Plans or Programs(a)	Approximate Dollar Value of Currently Authorized Shares that May Yet Be Purchased Under the Plans or Programs(b)
	(Dollar amounts in millions, except share data)				
October 1 - 31, 2011	331,556	$ 60.32	331,556		$
November 1 - 30, 2011	327,733	$ 67.07	327,733		$
December 1 - 31, 2011	311,712	$ 70.08	311,712		$
	971,001	$ 65.73	971,001	4,175,566	$ 470.2

(a) During the three months ended December 31, 2011, we repurchased 131,448 shares of common stock for $9.2 million under our Board of Directors approved repurchase program to mitigate the dilutive effect of the shares issued under our stock incentive plans and Employee Stock Purchase Plan. This program was announced in May 2010 and expires in October 2014. The maximum amount authorized under the program is five million shares, of which 824,434 shares have been repurchased as of December 31, 2011. We anticipate that this program will be completed by October 2014.

(b) During the three months ended December 31, 2011, we repurchased 403,783 shares of common stock for $24.8 million related to a previously announced $200 million share repurchase program approved by our Board of Directors in February 2009. This program was completed in November 2011.

In addition, during the three months ended December 31, 2011, we repurchased 435,770 shares of common stock for $29.8 million related to a previously announced $500 million share repurchase program approved by our Board of Directors in October 2011. Although this share repurchase program has no expiration date and there is not currently a specific time frame within which we plan to complete this share repurchase program, we intend to continue our policy of returning excess free cash to shareholders in the form of share buybacks and/or dividends.

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FINANCIAL PERFORMANCE COMPARISON GRAPH*

SINCE DECEMBER 31, 2006

In accordance with SEC rules, the graph below compares the Company s cumulative total shareholder return against the cumulative total return of the Standard & Poor s 500 Index and a published industry index starting on December 31, 2006. Our past performance may not be indicative of future performance.

As an industry index, the Company chose the S&P 500 Commercial & Professional Services Index, a subset of the S&P 500 Index that includes companies that provide business-to-business services.

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN

AMONG D&B, S&P 500 INDEX AND THE S&P 500 COMMERCIAL &

PROFESSIONAL SERVICES INDEX

* Assumes $100 invested on December 31, 2006, and reinvestment of dividends.

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Item 6. ***Selected Financial Data***

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
	(Amounts in millions, except per share data)				
Results of Operations:					
Revenue	$ 1,758.5	$ 1,676.6	$ 1,687.0	$ 1,726.3	$ 1,599.2
Costs and Expenses	1,333.7	1,267.5	1,222.5	1,256.6	1,173.6
Operating Income(1)	424.8	409.1	464.5	469.7	425.6
Non-Operating Income (Expense) Net(2)	(56.7)	(21.2)	(32.0)	(30.8)	0.7
Income from Continuing Operations Before Provision for Income Taxes and Equity in Net Income of Affiliates	368.1	387.9	432.5	438.9	426.3
Provision for Income Taxes(3)	109.2	137.9	112.1	128.0	135.8
Equity in Net Income of Affiliates	1.3	0.9	1.6	1.0	1.3
Income from Continuing Operations	260.2	250.9	322.0	311.9	291.8
Income from Discontinued Operations, Net of Income Taxes	0.0	0.0	0.0	0.7	5.4
Gain on Disposal of Italian Real Estate Business, Net of Tax Impact	0.0	0.0	0.0	0.4	0.0
Income from Discontinued Operations, Net of Income Taxes(4)	0.0	0.0	0.0	1.1	5.4
Net Income	260.2	250.9	322.0	313.0	297.2
Less: Net (Income) Loss Attributable to the Noncontrolling Interest	0.1	1.2	(2.6)	(2.4)	0.9
Net Income Attributable to D&B	$ 260.3	$ 252.1	$ 319.4	$ 310.6	$ 298.1
Basic Earnings Per Share of Common Stock:					
Income from Continuing Operations Attributable to D&B Common Shareholders	$ 5.31	$ 5.03	$ 6.06	$ 5.65	$ 4.99
Income from Discontinued Operations Attributable to D&B Common Shareholders	0.0	0.0	0.0	0.02	0.09
Net Income Attributable to D&B Common Shareholders	$ 5.31	$ 5.03	$ 6.06	$ 5.67	$ 5.08
Diluted Earnings Per Share of Common Stock:					
Income from Continuing Operations Attributable to D&B Common Shareholders	$ 5.28	$ 4.98	$ 5.99	$ 5.56	$ 4.88
Income from Discontinued Operations Attributable to D&B Common Shareholders	0.0	0.0	0.0	0.02	0.09
Net Income Attributable to D&B Common Shareholders	$ 5.28	$ 4.98	$ 5.99	$ 5.58	$ 4.97
Other Data:					
Weighted Average Number of Shares Outstanding Basic	48.9	49.9	52.3	54.4	58.3
Weighted Average Number of Shares Outstanding Diluted	49.3	50.4	52.9	55.3	59.6
Amounts Attributable to D&B Common Shareholders					
Income from Continuing Operations, Net of Income Taxes	$ 260.3	$ 252.1	$ 319.4	$ 309.5	$ 292.7
Income from Discontinued Operations, Net of Income Taxes	0.0	0.0	0.0	1.1	5.4
Net Income Attributable to D&B	$ 260.3	$ 252.1	$ 319.4	$ 310.6	$ 298.1
Cash Dividends Paid per Common Share	$ 1.44	$ 1.40	$ 1.36	$ 1.20	$ 1.00
Cash Dividends Declared per Common Share	$ 1.44	$ 1.40	$ 1.36	$ 0.90	$ 1.30
Other Comprehensive Income, Net of Tax					
Net Income	$ 260.2	$ 250.9	$ 322.0	$ 313.0	$ 297.2
Foreign Currency Translation Adjustments, no Tax Impact	$ (7.5)	$ (0.3)	$ 43.2	$ (70.8)	$ 20.5
Defined Benefit Pension Plans:					
Prior Service Costs, Net of Tax Income (Expense) of $3.8, ($7.8), ($4.0), $2.5, and ($42.2) at December 31, 2011, 2010, 2009, 2008 and 2007, respectively	$ (5.8)	$ 0.9	$ 18.1	$ (3.8)	$ 80.3
Net Loss, Net of Tax Income (Expense) of $76.6, $15.2, $6.3, $184.4 and $0.5 at December 31, 2011, 2010, 2009, 2008 and 2007, respectively	$ (116.6)	$ (1.4)	$ (28.5)	$ (287.3)	$ (1.0)

Derivative Financial Instruments, Net of Tax Income (Expense) of $3.4 in 2008 and ($0.1) in 2007	$	3.0	$	0.0	$	0.5	$	(5.4)	$	(1.0)
Comprehensive Income, Net of Tax	$	133.3	$	250.1	$	355.3	$	(54.3)	$	396.0
Less: Comprehensive Income Attributable to the Noncontrolling Interest	$	1.4	$	0.8	$	(2.9)	$	(2.9)	$	0.9
Comprehensive Income Attributable to D & B	$	134.7	$	250.9	$	352.4	$	(57.2)	$	396.9
Balance Sheet:										
Total Assets(5)	$	1,977.1	$	1,919.5	$	1,763.4	$	1,586.0	$	1,658.8
Long-Term Debt	$	963.9	$	972.0	$	961.8	$	904.3	$	724.8
Total D&B Shareholders Equity (Deficit)(5)	$	(743.9)	$	(677.6)	$	(769.0)	$	(856.7)	$	(440.1)
Noncontrolling Interest	$	3.7	$	8.8	$	11.7	$	6.1	$	3.6
Total Equity (Deficit)(5)	$	(740.2)	$	(668.8)	$	(757.3)	$	(850.6)	$	(436.5)

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(1) Non-core gain and (charges) [a] included in Operating Income:

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
Restructuring Charges	$ (22.1)	$ (14.8)	$ (23.1)	$ (31.4)	$ (25.1)
Impaired Intangible Assets	$ (3.3)	$ (20.4)	$ (3.0)	$ 0.0	$ 0.0
Strategic Technology Investment or MaxCV	$ (44.8)	$ (36.5)	$ 0.0	$ 0.0	$ 0.0
Settlement of Legacy Pension Obligation	$ (5.1)	$ 0.0	$ 0.0	$ 0.0	$ 0.0
Settlement of International Payroll Tax Matter Related to a Divested Entity	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ (0.8)

(a) See Item 7. included in this Annual Report on Form 10-K for definition of non-core gains and (charges).

(2) Non-core gains and (charges) [a] included in Non-Operating Income (Expense) Net:

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
Effect of Legacy Tax Matters	$ (7.1)	$ (0.4)	$ 1.0	$ 1.2	$ 1.6
Strategic Technology Investment or MaxCV	$ 0.0	$ 0.3	$ 0.0	$ 0.0	$ 0.0
Gain on Disposal of North American Self Awareness Solutions business	$ 0.0	$ 23.1	$ 0.0	$ 0.0	$ 0.0
Gain (Loss) on Sale of Investment	$ (11.4)	$ 0.0	$ 0.0	$ 0.0	$ 0.9
One-Time Gain on Hedge of Purchase Price of Australian Acquisition	$ 0.0	$ 3.4	$ 0.0	$ 0.0	$ 0.0
Gain Associated with Huaxia/D&B China Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ 5.8
Gain Associated with Beijing D&B HuiCong Market Research Co., Ltd Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ 0.6	$ 0.0
Gain Associated with Tokyo Shoko Research/D&B Japan Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ 13.2
Tax Reserve true-up for the Settlement of 2003 tax year, related to the Amortization and Royalty Expense Deductions transaction	$ 0.0	$ 0.0	$ 0.0	$ (7.7)	$ 0.0
Settlement of Legacy Tax Matter Arbitration	$ 0.0	$ 0.0	$ 4.1	$ 8.1	$ 0.0
Gain on Disposal of Italian Domestic Business	$ 0.0	$ 0.0	$ 6.5	$ 0.0	$ 0.0

(a) See Item 7. included in this Annual Report on Form 10-K for definition of non-core gains and (charges).

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(3) Non-core gains and (charges) [a] included in Provision for Income Taxes:

	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
Restructuring Charges	$ 7.9	$ 5.2	$ 8.4	$ 11.2	$ 9.4
Impaired Intangible Assets	$ 1.2	$ 7.6	$ 1.2	$ 0.0	$ 0.0
Strategic Technology Investment or MaxCV	$ 10.5	$ 8.3	$ 0.0	$ 0.0	$ 0.0
Settlement of Legacy Pension Obligation	$ 1.9	$ 0.0	$ 0.0	$ 0.0	$ 0.0
Gain (Loss) on Investment	$ 3.5	$ 0.0	$ 0.0	$ 0.0	$ (0.3)
Tax Benefit on a Loss on the Tax Basis of a Legal Entity	$ 8.5	$ 0.0	$ 0.0	$ 0.0	$ 0.0
Gain on Disposal of North American Self Awareness Solutions business	$ 0.0	$ (9.0)	$ 0.0	$ 0.0	$ 0.0
One-Time Gain on Hedge of Purchase Price of Australian Acquisition	$ 0.0	$ (1.3)	$ 0.0	$ 0.0	$ 0.0
Reduction of a Deferred Tax Asset Resulting from the Healthcare Act of 2010	$ 0.0	$ (13.0)	$ 0.0	$ 0.0	$ 0.0
Refund Claim on Legacy Tax Matters	$ 0.0	$ 13.8	$ 0.0	$ 0.0	$ 0.0
Gain Associated with Beijing D&B HuiCong Market Research Co., Ltd Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ (0.1)	$ 0.0
Effect of Legacy Tax Matters	$ 12.0	$ (0.5)	$ (1.0)	$ (1.2)	$ (1.6)
Gain Associated with Huaxia/D&B China Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ (2.9)
Gain Associated with Tokyo Shoko Research/D&B Japan Joint Venture	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ (8.3)
Settlement of International Payroll Tax Matter Related to a Divested Entity	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ 0.2
Settlement of Legacy Tax Matter Arbitration	$ 0.0	$ 0.0	$ (3.1)	$ (3.1)	$ 0.0
Benefits Derived From Worldwide Legal Entity Simplification	$ 0.0	$ 0.0	$ 36.2	$ 0.0	$ 0.0
Gain on Disposal of Italian Domestic Business	$ 0.0	$ 0.0	$ 3.5	$ 0.0	$ 0.0
Tax Reserve true-up for the Settlement of 1997-2002 tax years, primarily related to the Amortization and Royalty Expense Deductions/Royalty Income 1997-2007 transaction	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ 31.2
Tax Reserve true-up for the Settlement of 2003 tax year, related to the Amortization and Royalty Expense Deductions transaction	$ 0.0	$ 0.0	$ 0.0	$ 15.4	$ 0.0
Favorable Resolution of Global Tax Audits including the Liquidation of Dormant International Corporations and/or Divested Entities	$ 0.0	$ 0.0	$ 0.0	$ 22.7	$ 0.0
Interest on IRS Deposit	$ 0.0	$ 0.0	$ 0.0	$ 1.3	$ 0.0
Impact of Revaluing the Net Deferred Tax Assets in the UK as a Result of a UK Tax Law Change, Enacted in Q3 2007, Which Reduces the General UK Tax Rate From 30% to 28%	$ 0.0	$ 0.0	$ 0.0	$ 0.0	$ (2.5)

(a) See Item 7. included in this Annual Report on Form 10-K for definition of non-core gains and (charges).

(4) On December 27, 2007, we sold our Italian real estate business for $9.0 million, which was a part of our International segment, and we have reclassified the historical financial results of the Italian real estate business as discontinued operations. We have reflected the results of this business as discontinued operations in the consolidated statements of earnings for all periods presented as set forth in this Annual Report on Form 10-K. We have recorded the resulting gain of $0.4 million (both pre-tax and after-tax) from the sale in the first quarter of 2008 in the consolidated statement of operations and comprehensive income.

(5) See Note 1 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for information on our revised financial statements.

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Item 7. ***Management s Discussion and Analysis of Financial Condition and Results of Operations***

How We Manage Our Business

For internal management purposes, we refer to core revenue, which we calculate as total operating revenue less the revenue of divested businesses. Core revenue is used to manage and evaluate the performance of our segments and to allocate resources because this measure provides an indication of the underlying changes in revenue in a single performance measure. Core revenue does not include reported revenue of divested businesses since they are not included in future revenue.

On July 30, 2010, we completed the sale of substantially all of the assets and liabilities of our North American Self Awareness Solution business. This business has been classified as a Divested Business. This divested business contributed 2% and 5% of our North America total revenue for the years ended December 31, 2010 and 2009, respectively. See Note 14 and Note 17 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for further detail.

On May 29, 2009, we completed the sale of substantially all the assets and liabilities of the domestic portion of our Italian operations. This business has been classified as a Divested Business. This divested business contributed 9% of our Europe and Other International total revenue for the year ended December 31, 2009. See Note 17 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for further detail.

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 with and without 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 core revenue growth both after and before the effects of foreign exchange. Core revenue growth excludes the effects of foreign exchange.

From time-to-time we have analyzed and we may continue to further analyze core revenue growth before the effects of foreign exchange among two components, organic core revenue growth and core revenue growth from acquisitions. We analyze organic core revenue growth and core revenue growth from acquisitions because management believes this information provides an important insight into the underlying health of our business. Core revenue includes the revenue from acquired businesses from the date of acquisition.

We evaluate the performance of our business segments based on segment revenue growth before the effects of foreign exchange, and segment operating income growth before certain types of gains and charges that we consider do not reflect our underlying business performance. Specifically, for management reporting purposes, we evaluate business segment performance before non-core gains and charges because such charges are not a component of our ongoing income or expenses and/or may have a disproportionate positive or negative impact on the results of our ongoing underlying business operations. A recurring component of non-core gains and charges are our restructuring charges, which result from a foundational element of our growth strategy that we refer to as Financial Flexibility. Through Financial Flexibility, management identifies opportunities to improve the performance of the business in terms of reallocating our spending from low-growth or low-value activities to activities that will create greater value for shareholders through enhanced revenue growth, improved profitability and/or quality improvements. Management is committed through this process to examining our spending, and optimizing between variable and fixed costs to ensure flexibility in changes to our operating expense base as we make strategic choices. This enables us to continually and systematically identify improvement opportunities in terms of quality, cost and customer experience. Such charges are variable from period-to-period based upon actions identified and taken during each period. Management reviews operating results before such non-core gains and charges 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 before non-core gains and charges and a significant percentage weight is placed upon performance before non-core gains and charges in determining whether

performance objectives have been achieved. Management believes that by eliminating non-core gains and charges from such financial measures, and by being overt to shareholders about the results of our operations excluding such charges, business leaders are provided incentives to recommend and execute actions that are in the best long-term interests of our shareholders, rather than being influenced by the potential impact a charge in a particular period could have on their compensation. Additionally, transition costs (period costs such as consulting fees, costs of temporary employees, relocation costs and stay bonuses incurred to implement the Financial Flexibility component of our strategy) are reported as Corporate and Other expenses and are not allocated to our business segments. See Note 14 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for financial information regarding our segments.

Similarly, when we evaluate the performance of our business as a whole, we focus on results (such as operating income, operating income growth, operating margin, net income, tax rate and diluted earnings per share) before non-core gains and charges because such non-core gains and charges are not a component of our ongoing income or expenses and/or may have a disproportionate positive or negative impact on the results of our ongoing underlying business operations and may drive behavior that does not ultimately maximize shareholder value. It may be concluded from our presentation of non-core gains and charges that the items that result in non-core gains and charges may occur in the future.

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

In addition, we evaluate our North America Risk Management Solutions based on two metrics: (1) subscription, and non-subscription, and (2) DNBi® and non-DNBi. We define subscription as contracts that allow customers unlimited use. In these instances, we recognize revenue ratably over the term of the contract, which is generally one year and non-subscription as all other revenue streams. We define DNBi as our interactive, customizable online application that offers our customers real time access to our most complete and up-to-date global DUNSRight information, comprehensive monitoring and portfolio analysis and non-DNBi as all other revenue streams. Management believes these measures provide further insight into our performance and growth of our North America Risk Management Solutions revenue.

The adjustments discussed herein to our results as determined under generally accepted accounting principles in the United States of America (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 before non-core gains and charges and free cash flow) are not prepared in accordance with GAAP, and should not be considered in isolation or as a substitute for total revenue, operating income, operating income growth, operating margin, net income, tax rate, diluted earnings per share, or net cash provided by operating activities, investing activities and financing activities prepared in accordance with GAAP. In addition, it should be noted that because not all companies calculate these financial measures similarly, or at all, the presentation of these financial measures is not likely to be comparable to measures of other companies.

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

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Overview

Effective January 1, 2011, we began reporting our business through three segments:

- North America (which consists of our operations in the United States (U.S.) and Canada);
- Asia Pacific (which primarily consists of our operations in Australia, Japan, China and India); and
- Europe and other International Markets (which primarily consists of our operations in the United Kingdom (UK), the Netherlands, Belgium, Latin America and our Worldwide Network).

We have reported financial results in this new segment structure beginning with the results for the year ended December 31, 2011 and have conformed historical amounts to reflect the new segment structure.

Prior to January 1, 2011, we managed and reported our business globally through two segments:

- North America (which consisted of our operations in the U.S. and Canada); and
- International (which consisted of our operations in Europe, Asia Pacific and Latin America).

The financial statements of our subsidiaries outside of North America reflect a fiscal year ended November 30 to facilitate the timely reporting of our consolidated financial results and financial position.

The following table presents the contribution by segment to total revenue and core revenue:

	For the Years Ended December 31,		
	2011	**2010**	**2009**
Total Revenue:			
North America	71%	75%	78%
Asia Pacific	15%	10%	8%
Europe and Other International Markets	14%	15%	14%
Core Revenue:			
North America	71%	75%	78%
Asia Pacific	15%	10%	8%
Europe and Other International Markets	14%	15%	14%

The following table presents the contribution by customer solution set to total revenue and core revenue:

	For the Years Ended December 31,		
	2011	**2010**	**2009**
Total Revenue by Customer Solution Set(1):			
Risk Management Solutions	63%	62%	60%
Sales & Marketing Solutions	30%	29%	28%
Internet Solutions	7%	7%	7%

Core Revenue by Customer Solution Set:			
Risk Management Solutions	63%	63%	63%
Sales & Marketing Solutions	30%	30%	30%
Internet Solutions	7%	7%	7%

(1) Our divested businesses contributed 2% and 5% of our total revenue for the years ended December 31, 2010 and 2009, respectively. There were no divested businesses for the year ended December 31, 2011.

These customer solution sets are discussed in greater detail in Item 1. Business of this Annual Report on Form 10-K.

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Within our Risk Management Solutions, we monitor the performance of our Traditional products, our Value-Added products and our Supply Management products. Within our Sales & Marketing Solutions, we monitor the performance of our Traditional products and our Value-Added products.

Risk Management Solutions

Our Traditional Risk Management Solutions include our DNBi® product line, as well as reports from our database which are used primarily for making decisions about new credit applications. Our Traditional Risk Management Solutions constituted the following percentages of total Risk Management Solutions Revenue, Total Revenue and Core Revenue:

	For the Years Ended December 31,		
	2011	2010	2009
Risk Management Solutions Revenue	74%	74%	73%
Total Revenue	47%	46%	44%
Core Revenue	47%	46%	46%

Our Value-Added Risk Management Solutions generally support automated decision-making and portfolio management through the use of scoring and integrated software solutions. Our Value-Added Risk Management Solutions constituted the following percentages of total Risk Management Solutions Revenue, Total Revenue and Core Revenue:

	For the Years Ended December 31,		
	2011	2010	2009
Risk Management Solutions Revenue	20%	20%	21%
Total Revenue	12%	12%	12%
Core Revenue	12%	13%	13%

Our Supply Management Solutions can help companies better understand the financial risk of their supply chain. Our Supply Management Solutions constituted the following percentages of total Risk Management Solutions Revenue, Total Revenue and Core Revenue:

	For the Years Ended December 31,		
	2011	2010	2009
Risk Management Solutions Revenue	6%	6%	6%
Total Revenue	4%	4%	4%
Core Revenue	4%	4%	4%

Sales & Marketing Solutions

Our Traditional Sales & Marketing Solutions generally consist of marketing lists, labels and customized data files used by our customers in their direct mail and marketing activities. Our Traditional Sales & Marketing Solutions constituted the following percentages of total Sales & Marketing Solutions Revenue, Total Revenue and Core Revenue:

	For the Years Ended December 31,		
	2011	2010	2009
Sales & Marketing Solutions Revenue	36%	38%	40%
Total Revenue	11%	11%	11%
Core Revenue	11%	12%	12%

Our Value-Added Sales & Marketing Solutions generally include decision-making and customer information management solutions, including data management solutions like Optimizer (our solution to cleanse,

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identify and enrich our customers client portfolios) and products introduced as part of our Data-as-a-Service (or DaaS) Strategy, which integrates our data directly into the applications and platforms that our customers use every day. Our Value-Added Sales & Marketing Solutions constituted the following percentages of total Sales & Marketing Solutions Revenue, Total Revenue and Core Revenue:

	For the Years Ended December 31,		
	2011	2010	2009
Sales & Marketing Solutions Revenue	64%	62%	60%
Total Revenue	19%	18%	17%
Core Revenue	19%	18%	18%

Our Critical Accounting Policies and Estimates

In preparing our consolidated financial statements and accounting for the underlying transactions and balances reflected therein, we have applied the significant accounting policies described in Note 1 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K. Of those policies, we consider the policies described below to be critical because they are both most important to the portrayal of our financial condition and results, and they require management s subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We base our estimates on historical experience and on various other factors that we believe to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

If actual results in a given period ultimately differ from previous estimates, the actual results could have a material impact on such period.

We have discussed the selection and application of our critical accounting policies and estimates with the Audit Committee of our Board of Directors, and the Audit Committee has reviewed the disclosure regarding critical accounting policies and estimates as well as the other sections in this Management s Discussion and Analysis of Financial Condition and Results of Operations.

Pension and Postretirement Benefit Obligations

Through June 30, 2007, we offered to substantially all of our U.S. based employees coverage under a defined benefit plan called The Dun & Bradstreet Corporation Retirement Account (U.S. Qualified Plan). The U.S. Qualified Plan covered active and retired employees. The benefits to be paid upon retirement are based on a percentage of the employee s annual compensation. The percentage of compensation allocated annually to a retirement account ranged from 3% to 12.5% based on age and service. Amounts allocated under the U.S. Qualified Plan also receive interest credits based on the 30-year Treasury rate or equivalent rate published by the Internal Revenue Service. Pension costs are determined actuarially and funded in accordance with the Internal Revenue Code. During 2010 in conjunction with a determination letter review, we updated certain portions of the U.S. Qualified Plan s cash balance pay credit scale, along with the minimum interest crediting rate, retroactive to January 1, 1997, to ensure that the plan complies with the accrual rules in the Internal Revenue Code. We received a favorable determination letter for the U.S. Qualified Plan in October 2010 in conjunction with these changes.

We also maintain supplemental and excess plans in the United States (U.S. Non-Qualified Plans) to provide additional retirement benefits to certain key employees of the Company. These plans are unfunded, pay-as-you-go plans. The U.S. Qualified Plan and the U.S. Non-Qualified Plans account for approximately 73% and 15% of our pension obligation, respectively, at December 31, 2011. Effective June 30, 2007, we amended the U.S. Qualified Plan and one of the U.S. Non-Qualified Plans, known as the U.S. Pension Benefit Equalization Plan (the PBEP). Any pension benefit that had been accrued through such date under the two plans was

frozen at its then current value and no additional benefits, other than interest on such amounts, will accrue under the U.S. Qualified Plan and the PBEP. Our employees in certain of our international operations are also provided with retirement benefits through defined benefit plans, representing the remaining balance of our pension obligations.

We also provide various health care for retirees. U.S. based employees, hired before January 1, 2004, who retire with 10 years of vesting service after age 45, are eligible to receive benefits. Postretirement benefit costs and obligations are determined actuarially. During the first quarter of 2010, we eliminated company-paid life insurance benefits for retirees and modified our sharing of the Retiree Drug Subsidy with retirees that were projected to receive. Effective July 1, 2010, we elected to convert the current prescription drug program for retirees over 65 to a group-based company sponsored Medicare Part D program, or Employer Group Waiver Plan (EGWP). Under this change, beginning in 2013, we will use the Part D subsidies delivered through the EGWP each year to reduce net company retiree medical costs until net company costs are completely eliminated. At that time, the Part D subsidies will be shared with retirees going forward to reduce retiree contributions.

The key assumptions used in the measurement of the pension and postretirement obligations and net periodic pension and postretirement cost are:

Expected long-term rate of return on pension plan assets which is based on a target asset allocation as well as expected returns on asset categories of plan investments;

Discount rate which is used to measure the present value of pension plan obligations and postretirement health care obligations. The discount rates are derived using a yield curve approach which matches projected plan benefit payment streams with bond portfolios, reflecting actual liability duration unique to our plans;

Rates of compensation increase and cash balance accumulation/conversion rates which are based on an evaluation of internal plans and external market indicators; and

Health care cost trends which are based on historical cost data, the near-term outlook and an assessment of likely long-term trends.

We believe that the assumptions used are appropriate, though changes in these assumptions would affect our pension and other postretirement benefit costs. The factor with the most immediate impact on our consolidated financial statements is a change in the expected long-term rate of return on pension plan assets for the U.S. Qualified Plan. For 2012, we will use an expected long-term rate of return of 7.75%. This assumption was 8.25% in each of the years 2011, 2010 and 2009. The 7.75% assumption represents our best estimate of the expected long-term future investment performance of the U.S. Qualified Plan, after considering expectations for future capital market returns and the plan s asset allocation. As of December 31, 2011, the U.S. Qualified Plan was 53% invested in publicly traded equity securities, 44% invested in debt securities and 3% invested in real estate investments. Every one-quarter-percentage-point increase or decrease in the long-term rate of return increases or reduces our annual operating income by approximately $3 million by increasing or reducing our net periodic pension income.

Changes in the discount rate, rate of compensation increase and cash balance accumulation/conversion rates also have an effect on our annual operating income. Based on the factors noted above, the discount rate is adjusted at each remeasurement date while other assumptions are reviewed annually. For our U.S. plans, every one-quarter-percentage-point increase or decrease in the discount rate reduces or increases our pension cost by approximately $0.5 million. The discount rate used to determine pension cost for our U.S. pension plans was 5.06%, 5.72% and 6.10% for 2011, 2010 and 2009, respectively. For 2012, we decreased the discount rate to 4.05% from 5.06% for all our U.S. pension plans.

Differences between the assumptions stated above and actual experience could affect our pension and other postretirement benefit costs. When actual plan experience differs from the assumptions used, actuarial gains or

losses arise. These gains and losses are aggregated and amortized generally over the average future service periods or life expectancy of plan participants to the extent that such gains or losses exceed a corridor. The purpose of the corridor is to reduce the volatility caused by the difference between actual experience and the pension-related assumptions noted above, on a plan-by-plan basis. For all of our pension plans, total actuarial losses that have not been recognized in our pension costs as of December 31, 2011 and 2010 were $1,093.8 million and $902.7 million, respectively, of which $879.9 million and $703.8 million, respectively, were attributable to the U.S. Qualified Plan, $120.2 million and $105.2 million, respectively, were attributable to the U.S. Non-Qualified Plans, and the remainder was attributable to the non-U.S. pension plans. See discussion in Note 10 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K. We expect to recognize a portion of such losses in our 2012 net periodic pension cost of $26.4 million, $6.9 million and $2.2 million, for the U.S. Qualified Plan, U.S. Non-Qualified Plans and non-U.S. plans, respectively, compared to $18.1 million, $6.4 million and $1.9 million, respectively, in 2011. The higher amortization of actuarial loss in 2012 for the U.S. Qualified plan, which will be included in our pension cost in 2012, is primarily due to a lower discount rate and higher unrecognized actuarial loss subject to amortization in 2012 for the U.S. Qualified Plan related to the investment loss from 2008.

Differences between the expected long-term rate of return assumption and actual experience could affect our net periodic pension cost. For our pension plans, we recorded net pension periodic cost of $7.1 million, $5.8 million and $6.0 million for the years ended December 31, 2011, 2010 and 2009, respectively. A major component of the net pension periodic cost is the expected return on plan assets, which was $110.4 million, $113.4 million and $115.2 million for the years ended December 31, 2011, 2010 and 2009, respectively. The expected return on plan assets was determined by multiplying the expected long-term rate of return assumption by the market-related value of plan assets. The market-related value of plan assets recognizes asset gains and losses over five years to reduce the effects of short-term market fluctuations on net periodic cost. For our pension plans we recorded: (i) for the year ended December 31, 2011, a total investment gain of $39.3 million which was comprised of a gain of $27.7 million in our U.S. Qualified Plan and a gain of $11.6 million in our non-U.S. plans; (ii) for the year ended December 31, 2010, a total investment gain of $138.5 million which was comprised of a gain of $126.3 million in our U.S. Qualified Plan and a gain of $12.2 million in our non-U.S. plans; and (iii) for the year ended December 31, 2009, a total investment gain of $191.5 million which was comprised of a gain of $162.4 million in our U.S. Qualified Plan and a gain of $29.1 million in our non-U.S. plans. At January 1, 2012, the market-related value of plan assets of our U.S. Qualified Plan and the non-U.S. plans was $1,166.4 million and $194.5 million, respectively, compared with the fair value of its plan assets of $1,056.5 million and $191.6 million, respectively.

Changes in the funded status of our pension plans could result in fluctuation in our shareholders equity (deficit). We are required to recognize the funded status of our benefit plans as a liability or an asset, on a plan-by-plan basis with an offsetting adjustment to Accumulated Other Comprehensive Income (AOCI), in our shareholders equity (deficit), net of tax. Accordingly, the amounts recognized in equity represent unrecognized gains/losses and prior service costs. These unrecognized gains/losses and prior service costs are amortized out of equity (deficit) based on an actuarial calculation each period. Gains/losses and prior service costs that arise during the year are recognized as a component of Other Comprehensive Income (OCI) which is then reflected in AOCI. As a result, we recorded a net loss of $122.4 million and $0.5 million in OCI, net of applicable tax, in the years ended December 31, 2011 and 2010, respectively. In addition, $9.1 million was recorded to AOCI in 2010 related to a tax adjustment associated with the enactment of the Health Care and Education Reconciliation Act. The increase of the loss in 2011 was primarily due to the deterioration of the funded status for the U.S. Qualified Plan and U.S. Non-Qualified Plans at December 31, 2011. Funded status for our global pension plans was a deficit of $589.4 million at December 31, 2011 compared to $431.2 million at December 31, 2010, driven by worse asset performance for our U.S. Qualified Plan and the impact of assumption changes for our U.S. Qualified Plan and U.S. Non-Qualified Plans. The funded status for our U.S. Qualified Plan was a deficit of $290.0 million at December 31, 2011 compared to a deficit of $133.2 million at December 31, 2010.

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For information on pension and postretirement benefit plan contribution requirements, please see Future Liquidity Sources and Uses of Funds Pension Plan and Postretirement Benefit Plan Contribution Requirements. See Note 10 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for more information regarding costs of, and assumptions for, our pension and postretirement benefit obligations and costs.

Income Taxes and Tax Contingencies

In determining taxable income for financial statement purposes, we must make certain estimates and judgments. These estimates and judgments affect the calculation of certain tax liabilities and the determination of the recoverability of certain of the deferred tax assets, which arise from temporary differences between the tax and financial statement recognition of revenue and expense.

In evaluating our ability to recover our deferred tax assets we consider all available positive and negative evidence including our past operating results, the existence of cumulative losses in the most recent years and our forecast of future taxable income. In estimating future taxable income, we develop assumptions including the amount of future pre-tax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we are using to manage the underlying businesses.

We currently have recorded valuation allowances that we will maintain until it is more likely than not the deferred tax assets will be realized. Our income tax expense recorded in the future may be reduced to the extent of decreases in our valuation allowances. The realization of our remaining deferred tax assets is primarily dependent on future taxable income in the appropriate jurisdiction. Any reduction in future taxable income may require that we record an additional valuation allowance against our deferred tax assets. An increase in the valuation allowance could result in additional income tax expense in such period and could have a significant impact on our future earnings. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management records the effect of a tax rate or law change on our deferred tax assets and liabilities in the period of enactment. Future tax rate or law changes could have a material effect on our financial condition, results of operations or cash flows.

In addition, the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in a multitude of jurisdictions across our global operations. We recognize potential liabilities and record tax liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes will be due. These tax liabilities are reflected net of related tax loss carryforwards. We adjust these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. If our estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If payment of these amounts ultimately proves to be less than the recorded amounts, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary.

Revenue Recognition

Revenue is recognized when the following four conditions are met:

- Persuasive evidence of an arrangement exists;
- The contract fee is fixed and determinable;
- Delivery or performance has occurred; and
- Collectability is reasonably assured.

If at the outset of an arrangement we determine that collectability is not reasonably assured, revenue is deferred until the earlier of when collectability becomes probable or the receipt of payment. If there is

uncertainty as to the customer s acceptance of our deliverables, revenue is not recognized until the earlier of receipt of customer acceptance or expiration of the acceptance period. If at the outset of an arrangement we determine that the arrangement fee is not fixed or determinable, revenue is deferred until the arrangement fee becomes fixed or determinable, assuming all other revenue recognition criteria have been met.

Our Risk Management Solutions are generally sold under fixed price subscription contracts that allow customers unlimited access to risk information. Revenue on this type of contract is recognized ratably over the term of the contract, which is generally one year.

Risk information is also sold using monthly or annual contracts that allow customers to purchase our risk information up to the contract amount based on an agreed price list. Once the contract amount is fully used, additional risk information can be purchased at per-item prices which may be different than those in the original contract. Revenue on these contracts is recognized on a per-item basis as information is purchased and delivered to the customer. If customers do not use the full amount of their contract and forfeit the unused portion, we recognize the forfeited amount as revenue at contract expiration.

Where a data file of risk information is sold with periodic updates to that information, a portion of the revenue related to the updates is deferred as a liability on the balance sheet and recognized as the updates are delivered, usually on a quarterly or monthly basis over the term of the contract.

Revenue related to services, such as monitoring, is recognized ratably over the period of performance.

Sales & Marketing Solutions that provide continuous access to our marketing information and business reference databases may include access or hosting fees which are sold on a subscription basis. Revenue is recognized ratably over the term of the contract, which is typically one year.

Where a data file of marketing information is sold, we recognize revenue upon delivery of the marketing data file to the customer. If the contract provides for periodic updates to that marketing data file, the portion of the revenue related to updates is deferred as a liability on the balance sheet and recognized as the updates are delivered, usually on a quarterly or monthly basis, over the term of the contract.

Internet Solutions represent the results of our Hoover s business, including our First Research division. Hoover s and First Research provide subscription solutions that allow continuous access to our business information databases. Revenue is recognized ratably over the term of the contract, which is generally one year. Any additional solutions purchased are recognized upon delivery to the customer.

Sales of software that are considered to be more than incidental are recognized in revenue when a non-cancelable license agreement has been signed and the software has been shipped and installed, if required.

Revenue from consulting and training services is recognized as the services are performed.

Multiple Element Arrangements

Effective January 1, 2011, we adopted Accounting Standards Update (ASU) 2009-13, Revenue Recognition Multiple-Deliverable Revenue Arrangements, which amends guidance in Accounting Standards Codification (ASC) 605-25, Revenue Recognition: Multiple-Element Arrangements, on a prospective basis for all new or materially modified arrangements entered into on or after that date. The new standard:

Provides updated guidance on whether multiple deliverables exist, how the elements in an arrangement should be separated, and how the consideration should be allocated;

Requires an entity to allocate revenue in an arrangement using the best estimated selling prices (BESP) of each element if a vendor does not have vendor-specific objective evidence of selling prices (VSOE) or third-party evidence of selling price (TPE); and

Eliminates the use of the residual method and requires a vendor to allocate revenue using the relative selling price method.

We have certain solution offerings that are sold as multi-element arrangements. The multiple element arrangements or deliverables may include access to our business information database, information data files, periodic data refreshes, software and services. We evaluate each deliverable in an arrangement to determine whether it represents a separate unit of accounting. Most product and service deliverables qualify as separate units of accounting and can be sold standalone or in various combinations across our markets. A deliverable constitutes a separate unit of accounting when it has standalone value and there are no customer-negotiated refunds or return rights for the delivered items. If the arrangement includes a customer-negotiated refund or return right relative to the delivered items, and the delivery and performance of the undelivered item is considered probable and substantially in our control, the delivered item constitutes a separate unit of accounting. The new guidance requires for deliverables with standalone value in a multi-element arrangement for which revenue was previously deferred due to undelivered elements not having fair value of selling price to be separated and recognized as delivered, rather than over the longest service delivery period as a single unit with other elements in the arrangement.

If the deliverable or a group of deliverables meets the separation criteria, the total arrangement consideration is allocated to each unit of accounting based on its relative selling price. The amount of arrangement consideration that is allocated to a delivered unit of accounting is limited to the amount that is not contingent upon the delivery of another unit of accounting.

We determine the selling price for each deliverable using VSOE, if it exists, TPE if VSOE does not exist, or BESP if neither VSOE nor TPE exist. Revenue allocated to each element is then recognized when the basic revenue recognition criteria are met for each element.

Consistent with our methodology under the previous accounting guidance, we determine VSOE of a deliverable by monitoring the price at which we sell the deliverable on a standalone basis to third parties or from the stated renewal rate for the elements contained in the initial arrangement. In certain instances, we are not able to establish VSOE for all deliverables in an arrangement with multiple elements. This may be due to us infrequently selling each element separately, not pricing products or services within a set range, or only having a limited sales history. Where we are unable to establish VSOE, we may use the price at which we or a third party sell a similar product to similarly situated customers on a standalone basis. Generally, our offerings contain a level of differentiation such that comparable pricing of solutions with similar functionality or delivery cannot be obtained. Furthermore, we are rarely able to reliably determine what similar competitors selling prices are on a standalone basis. Therefore, we typically are not able to determine TPE of selling price.

When we are unable to establish selling prices by using VSOE or TPE, we establish the BESP in our allocation of arrangement consideration. The objective of BESP is to determine the price at which we would transact a sale if the solution were sold on a standalone basis. The determination of BESP is based on our review of available data points and consideration of factors such as but not limited to pricing practices, our growth strategy, geographies, and customer segment and market conditions. The determination of BESP is made through consultation with and formal approval of our management, taking into consideration our go-to-market strategy.

We regularly review VSOE and have a review process for TPE and BESP and maintain internal controls over the establishment and updates of these estimates.

The adoption of this new authoritative guidance did not have a material impact on our consolidated financial statements.

Prior to January 1, 2011 and pursuant to the previous accounting standards, we allocated revenue in a multiple element arrangement to each deliverable based on its relative fair value. If we did not have fair value for the delivered items, the contract fee was allocated to the undelivered items based on their fair values and the remaining residual amount, if any, was allocated to the delivered items. After the arrangement consideration, we applied the appropriate revenue recognition method from those described above for each unit of accounting,

assuming all other revenue recognition criteria were met. All deliverables that did not meet the separation criteria were combined with an undelivered unit of accounting. We generally recognized revenue for a combined unit of accounting based on the method most appropriate for the last delivered item.

Deferred revenue consists of amounts billed in excess of revenue recognized on sales of our information solutions and generally relates to deferral of subscription revenue. Deferred revenue is included in current liabilities in the balance sheet and is subsequently recognized as revenue in accordance with our revenue recognition policies.

We record revenue on a net basis for those sales where we act as an agent or broker in the transaction.

Goodwill and Other Intangible Assets

Goodwill represents the excess of costs over fair value of assets of businesses acquired. Goodwill and intangibles with an indefinite life are not subject to regular periodic amortization. Instead, the carrying amount of the goodwill and indefinite-lived intangibles is tested for impairment at least annually, and between annual tests if events or circumstances warrant such a test. An impairment loss would be recognized if the carrying amount exceeded the fair value.

We assess recoverability of goodwill at the reporting unit level. A reporting unit is an operating segment or a component of an operating segment which is a business and for which discrete financial information is available and reviewed by a segment manager. Our reporting units are North America, United Kingdom, Benelux, Latin America, Partnerships, Japan, Greater China, Australia and India. When applicable, we will perform a qualitative assessment before calculating the fair value of a reporting unit in Step 1 of the goodwill impairment test. If we determine, on the basis of qualitative factors, that the fair value of a reporting unit is more likely than not less than the carrying amount, the two-step impairment test would be required. Otherwise, no further testing would be needed. We perform a two-step goodwill impairment test. In the first step, we compare the fair value of each reporting unit to its carrying value. We determine the fair value of our reporting units based on the market approach and also in certain instances use the income approach to further validate our results. Under the market approach, we estimate the fair value based on market multiples of current year earnings before interest, taxes, depreciation and amortization (EBITDA) for each individual reporting unit. For the market approach, we use judgment in identifying the relevant comparable-company market multiples (i.e., recent divestitures/acquisitions, facts and circumstances surrounding the market, dominance, growth rate, etc.). As of our most recent impairment analysis, the current year EBITDA multiples used to determine the individual reporting unit s fair value range from 8 to 12. For the income approach, we used projections based on management s most recent view of the long-term outlook for each reporting unit. Factors specific to each reporting unit including revenue growth, profit margins, terminal value growth rates, capital expenditures projections, assumed tax rates, discount rates and other assumptions deemed reasonable by management. For our 2011 year end impairment analysis, the discount rates used to determine the individual reporting unit s fair value range from 11% to 14%.

In the first step, if the fair value of the reporting unit exceeds the carrying value of the net assets, including goodwill assigned to that reporting unit, goodwill is not impaired and no further test is performed. However, if the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, the second step of the impairment test is performed to determine the magnitude of the impairment, which is the implied fair value of the reporting unit s goodwill compared to the carrying value. The implied fair value of goodwill is the difference between the fair value of the reporting unit and the fair value of its identifiable net assets. If the carrying value of goodwill exceeds the implied fair value of goodwill, the impaired goodwill is written down to its implied fair value and an impairment loss equal to this difference is recorded in the period the impairment is identified as an operating expense.

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Our determination of current year EBITDA multiples are sensitive to the risk of future variances due to market conditions as well as business unit execution risks. Management assesses the relevance and reliability of the multiples by considering factors unique to its reporting units, including recent operating results, business plans, economic projections, anticipated future cash flows, and other data. EBITDA multiples can also be significantly impacted by the future growth opportunities for the reporting unit as well as for the Company itself, general market and geographic sentiment, and pending or recently completed merger transactions.

Consequently, if future results fall below our forward looking projections for an extended period of time, the results of future impairment tests could indicate impairment exists. Although we believe the multiples of current year EBITDA in our market approach make reasonable assumptions about our business, a significant increase in competition or reduction in our competitive capabilities could have a significant adverse impact on our ability to retain market share and thus on the projected values included in the market approach used to value our reporting units.

As a reasonableness check, we reconcile the estimated fair values derived in the valuations for the total company based on the individual reporting units to total D&B s enterprise value (calculated by multiplying the closing price of D&B s stock on December 30, 2011 by the number of shares outstanding at that time, adjusted for the value of the Company s debt).

At December 31, 2011, each of our reporting units had a fair value of at least 20% in excess of its carrying value.

The allocated goodwill by reportable segment is as follows:

(in millions)	Number of Reporting Units	As of December 31, 2011	As of December 31, 2010
North America	1	$ 266.0	$ 266.3
Asia Pacific	4	219.2	218.3
Europe and Other International Markets	4	113.2	115.1
		$ 598.4	$ 599.7

For indefinite-lived intangibles, other than goodwill, an impairment loss is recognized if the carrying value exceeds the fair value. The estimated fair value is determined by utilizing the expected present value of the future cash flows of the assets.

No impairment charges related to goodwill and indefinite-lived intangible assets have been recognized for the fiscal years ended December 31, 2011, 2010 and 2009.

Recently Issued Accounting Standards

See Note 2 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K for disclosure of the impact that recently issued accounting standards may have on our audited consolidated financial statements.

Results of Operations

The following discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements. They should be read in conjunction with the consolidated financial statements and related footnotes set forth in Item 8. of this Annual Report on Form 10-K, which have been prepared in accordance with GAAP.

Consolidated Revenue

The following table presents our revenue by segment:

	For the Years Ended December 31,		
	2011	2010	2009
	(Amounts in millions)		
Revenue:			
North America	$ 1,246.8	$ 1,229.5	$ 1,239.4
Asia Pacific	259.2	170.8	130.0
Europe and Other International Markets	252.5	243.4	225.4
Core Revenue	$ 1,758.5	1,643.7	1,594.8
Divested Businesses	0.0	32.9	92.2
Total Revenue	$ 1,758.5	$ 1,676.6	$ 1,687.0

The following table presents our revenue by customer solution set:

	For the Years Ended December 31,		
	2011	2010	2009
	(Amounts in millions)		
Revenue:			
Risk Management Solutions	$ 1,114.4	$ 1,036.7	$ 1,002.2
Sales & Marketing Solutions	520.8	492.1	474.6
Internet Solutions	123.3	114.9	118.0
Core Revenue	1,758.5	1,643.7	1,594.8
Divested Businesses	0.0	32.9	92.2
Total Revenue	$ 1,758.5	$ 1,676.6	$ 1,687.0

Year ended December 31, 2011 vs. Year ended December 31, 2010

Total revenue increased $81.9 million, or 5% (3% increase before the effect of foreign exchange), for the year ended December 31, 2011 as compared to the year ended December 31, 2010. The increase in total revenue was driven by an increase in Asia Pacific total revenue of $88.4 million, or 52% (43% increase before the effect of foreign exchange), and an increase in Europe and Other International Markets total revenue of $9.1 million, or 4% (less than 1% increase before the effect of foreign exchange), partially offset by a decrease in North America total revenue of $15.6 million, or 1% (both before and after the effect of foreign exchange).

North America total revenue was negatively impacted by the divestiture of our North American Self Awareness Solution business in the third quarter of 2010, which we reclassified as a divested business and accounted for $32.9 million for the year ended December 31, 2010.

Core revenue, which reflects total revenue less revenue from a divested business, increased $114.8 million, or 7% (5% increase before the effect of foreign exchange), for the year ended December 31, 2011, as compared to the year ended December 31, 2010. The increase in core revenue is primarily attributed to:

Increased revenue as a result of the acquisition of D&B Australia, which we consolidated in the fourth quarter of 2010;

The positive impact of foreign exchange; and

Increased purchases by new and existing customers in certain of our international markets;

partially offset by:

- decline in growth due to a of lack of innovation in Risk Management Solutions, resulting from our strategic decision to move Risk Management Solutions product innovation to our state of the art application development center in Dublin, Ireland.

Customer Solution Set

On a customer solution set basis, the $114.8 million increase in core revenue reflects:

- A $77.7 million, or 8% increase (6% increase before the effect of foreign exchange), in Risk Management Solutions. The increase was driven by an increase in revenue in Asia Pacific of $73.0 million, or 72% (62% increase before the effect of foreign exchange), and an increase in revenue in Europe and Other International Markets of $5.4 million, or 3% (1% decrease before the effect of foreign exchange), partially offset by a decrease in revenue in North America of $0.7 million, or less than 1% (both before and after the effect of foreign exchange).

- A $28.7 million, or 6% increase (5% increase before the effect of foreign exchange), in Sales and Marketing Solutions. The increase was driven by an increase in revenue in Asia Pacific of $15.6 million, or 23% (17% increase before the effect of foreign exchange), an increase in revenue in North America of $9.5 million, or 3% (2% increase before the effect of foreign exchange), and an increase in revenue in Europe and Other International Markets of $3.6 million, or 9% (6% increase before the effect of foreign exchange).

- An $8.4 million, or 7% increase (both before and after the effect of foreign exchange), in Internet Solutions. The increase was driven by an increase in revenue in North America of $8.5 million, or 8% (7% increase before the effect of foreign exchange), and an increase in revenue in Europe and Other International Markets of $0.1 million, or 1% (2% decrease before the effect of foreign exchange), partially offset by a decrease in revenue in Asia Pacific of $0.2 million, or 11% (12% decrease before the effect of foreign exchange).

Year ended December 31, 2010 vs. Year ended December 31, 2009

Total revenue decreased $10.4 million, or 1% (both before and after the effect of foreign exchange), for the year ended December 31, 2010 as compared to the year ended December 31, 2009. The decrease in total revenue was primarily driven by a decrease in North America total revenue of $47.3 million, or 4% (both before and after the effect of foreign exchange), and a decrease in total revenue in Europe and Other International Markets of $3.9 million or 2% (less than 1% decrease before the effect of foreign exchange), partially offset by an increase in Asia Pacific total revenue of $40.8 million, or 31% (26% increase before the effect of foreign exchange). North America was impacted by the divestiture of our North American Self Awareness Solution business in the third quarter of 2010, which we reclassified as a divested business and accounted for $32.9 million and $70.3 million for the years ended December 31, 2010 and 2009, respectively.

Europe and Other International Markets total revenue was negatively impacted by our divestiture of the domestic portion of our Italian operations in the second quarter of 2009, which we reclassified as a divested business and accounted for $21.9 million for the year ended December 31, 2009.

Core revenue, which reflects total revenue less revenue from a divested business, increased $48.9 million, or 3% (both before and after the effect of foreign exchange), for the year ended December 31, 2010, as compared to the year ended December 31, 2009. The increase in core revenue is primarily attributed to:

- Increased revenue as a result of the following acquisitions: a) D&B Australia which we consolidated in the fourth quarter of 2010; b) substantially all of the assets of Bisnode s UK operations and a 100% equity interest in Bisnode s Irish operation (ICC) which we consolidated in the third quarter of 2009; c) Quality Education Data (QED) which we consolidated in the first quarter of 2009; and our

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majority owned joint venture with Roadway International Limited (RoadWay) in China which we consolidated in the third quarter of 2009; all of which in the aggregate, contributed three points of the growth; and

Increased purchases by new and existing customers in certain of our international markets;

partially offset by:

Lower purchases from our customers due to a weak economy and budgetary pressures in North America.

Customer Solution Set

On a customer solution set basis, the $48.9 million increase in core revenue reflects:

A $34.5 million, or 3% increase (both before and after the effect of foreign exchange), in Risk Management Solutions. The increase was driven by an increase in revenue in Asia Pacific of $26.8 million, or 36% (31% increase before the effect of foreign exchange), and an increase in revenue in Europe and Other International Markets of $15.5 million, or 8% (10% increase before the effect of foreign exchange), partially offset by a decrease in revenue in North America of $7.8 million, or 1% (both before and after the effect of foreign exchange);

A $17.5 million, or 4% increase (3% increase before the effect of foreign exchange), in Sales & Marketing Solutions. The increase was driven by an increase in revenue in Asia Pacific of $13.8 million, or 25% (21% increase before the effect of foreign exchange), an increase in revenue in Europe and Other International Markets of $2.7 million, or 8% (9% increase before the effect of foreign exchange), and an increase in revenue in North America of $1.0 million, or less than 1% (both before and after the effect of foreign exchange); and

A $3.1 million, or 3% decrease (both before and after the effect of foreign exchange), in Internet Solutions. The decrease was driven by a decrease in revenue in North America of $3.1 million, or 3% (both before and after the effect of foreign exchange), and a decrease in revenue in Europe and Other International Markets of $0.2 million, or 3% (4% decrease before the effect of foreign exchange), partially offset by an increase in revenue in Asia Pacific of $0.2 million, or 3% (3% decrease before the effect of foreign exchange).

Consolidated Operating Costs

The following table presents our consolidated operating costs and operating income:

	For the Years Ended December 31,		
	2011	2010	2009
	(Amounts in millions)		
Operating Expenses	$ 587.1	$ 557.7	$ 500.3
Selling and Administrative Expenses	643.4	626.9	641.0
Depreciation and Amortization	81.1	68.1	58.1
Restructuring Charge	22.1	14.8	23.1
Operating Costs	$ 1,333.7	$ 1,267.5	$ 1,222.5
Operating Income	$ 424.8	$ 409.1	$ 464.5

Operating Expenses

Year ended December 31, 2011 vs. Year ended December 31, 2010

Operating expenses increased by $29.4 million, or 5%, for the year ended December 31, 2011 as compared to December 31, 2010. The increase was primarily due to the following:

- Increased data acquisition costs and fulfillment costs primarily associated with our acquisition of D&B Australia which we consolidated in the fourth quarter of 2010;

The negative impact of foreign exchange; and

Increased costs associated with our Strategic Technology Investment designed to strengthen our leading position in commercial data and improve our current technology platform to meet emerging needs of customers. As part of our Strategic Technology Investment, which we refer to as MaxCV for Maximizing Customer Value, we are migrating customers to newer, and higher performing platforms, such as Hoover s, while we are shutting down legacy products that will not be supported by our new data supply chain;

partially offset by:

Impairment of certain intangible assets reflected in the year ended December 31, 2010 related to our 2007 Purisma acquisition (which was not repeated for the year ended December 31, 2011);

Lower compensations costs; and

Lower expenses as a result of our 2010 divestiture of our North American Self Awareness Solution business.

Year ended December 31, 2010 vs. Year ended December 31, 2009

Operating expenses increased by $57.4 million, or 12%, for the year ended December 31, 2010 as compared to December 31, 2009. The increase was primarily due to the following:

Increased data acquisition costs and fulfillment costs primarily associated with the following acquisitions: a) D&B Australia which we consolidated in the fourth quarter of 2010; b) ICC which we consolidated in the third quarter of 2009; and our majority owned joint venture with RoadWay in China which we consolidated in the third quarter of 2009;

Increased costs associated with our investments, including $30.3 million for our Strategic Technology Investment or MaxCV designed to strengthen our leading position in commercial data and improve our current technology platform to meet emerging needs of customers;

Impairment of certain intangible assets related to our Purisma product;

Increased compensation costs; and

The negative impact of foreign exchange;

partially offset by:

Lower expenses related to our divestiture of the domestic portion of our Italian operations and our North American Self Awareness Solution business; and

Our ongoing reengineering efforts.

Selling and Administrative Expenses

Year ended December 31, 2011 vs. Year ended December 31, 2010

Selling and administrative expenses increased $16.5 million, or 3%, for the year ended December 31, 2011 as compared to December 31, 2010. The increase was primarily due to the following:

- Increased selling expenses primarily associated with our acquisition of D&B Australia, which we consolidated in the fourth quarter of 2010; and

- The negative impact of foreign exchange;

partially offset by:

- Lower expenses as a result of our divestiture of our North American Self Awareness Solution business.

Year ended December 31, 2010 vs. Year ended December 31, 2009

Selling and administrative expenses decreased $14.1 million, or 2%, for the year ended December 31, 2010 as compared to December 31, 2009. The decrease was primarily due to the following:

- Lower expenses related to our divestiture of our North American Self Awareness Solution business and the domestic portion of our Italian operations; and
- Our ongoing reengineering efforts;

partially offset by:

- Increased selling expenses primarily associated with the following acquisitions: a) D&B Australia which we consolidated in the fourth quarter of 2010; b) ICC which we consolidated in the third quarter of 2009; and our majority owned joint venture with RoadWay in China which we consolidated in the third quarter of 2009;
- Increased costs due to our product investments, including $5.5 million for our Strategic Technology Investment or MaxCV designed to strengthen our leading position in commercial data and improve our current technology platform to meet emerging needs of customers;
- Impairment of certain intangible assets related to our QED acquisition completed in the first quarter of 2009; and
- The negative impact of foreign exchange.

Matters Impacting Both Operating Expenses and Selling and Administrative Expenses

Pension, Postretirement and 401(k) Plan

For our pension plans globally, we had a net pension periodic cost of $7.1 million, $5.8 million and $6.0 million for the years ended December 31, 2011, 2010 and 2009, respectively. The fluctuation in the pension cost was due to the following:

- Expected return on plan assets is a major component of the net pension periodic cost. Expected return on plan assets included in annual pension expense for all global plans was $110.4 million, $113.4 million and $115.2 million for the years ended December 31, 2011, 2010 and 2009, respectively. The expected return on plan assets was determined by multiplying the expected long-term rate of return assumption by the market-related value of plan assets. The market-related value of plan assets recognizes asset gains and losses over five years to reduce the effects of short-term market fluctuations on net periodic cost. The decrease of expected return on plan assets was primarily due to lower market-related value of plan assets driven by the asset loss incurred in 2008.

Actuarial loss amortization included in annual pension expense was also a major factor in driving the pension costs to fluctuate from year-to-year. Actuarial loss amortization was largely impacted by the discount rate, amortization period and plan experience. The lower the discount rate, the higher the loss amortization. Actuarial loss amortization included in annual pension expense for all global plans was $26.4 million, $21.5 million and $22.5 million for the years ended December 31, 2011, 2010 and 2009, respectively, of which $24.5 million, $19.0 million and $21.5 million were attributable to our U.S. plans for the years ended December 31, 2011, 2010 and 2009, respectively. Higher actuarial loss amortization in the U.S. plans was primarily due to lower discount rates applied to our plans at January 1, 2011 and higher actuarial losses subject to amortization. Lower actuarial loss amortization in the U.S. plans in 2010 compared to 2009 was primarily driven by a longer amortization period

applied to the U.S. Qualified Plan, substantially offset by the impact of lower discount rates applied to our plans at January 1, 2010 and higher actuarial losses subject to amortization. Starting in November 2009, the amortization period applied to the unrecognized actuarial gains or losses for our U.S. Qualified Plan has been changed from average future service years of active participants to average life expectancy of all plan participants. The change was the result of almost all the plan participants being deemed inactive. The discount rate used to measure the pension costs for our U.S. plans for the years ended December 31, 2011, 2010 and 2009 was 5.06%, 5.72% and 6.10%, respectively.

The fluctuation in actuarial loss amortization was substantially offset by lower interest cost, a component of net periodic pension costs. Interest cost included in the net periodic pension costs was $85.0 million, $91.3 million and $90.7 million, respectively, for the years ended December 31, 2011, 2010 and 2009, of which $73.0 million, $78.4 million and $79.2 million, respectively, were attributable to our U.S. plans for the years ended December 31, 2011, 2010 and 2009. Decrease of interest cost for our U.S. plans was due to lower discount rates.

We expect that the net pension cost in 2012 will be approximately $17.4 million for all of our global pension plans, of which approximately $13 million and $5 million will be attributable to the U.S. plans and non-U.S. plans, respectively. This compares to a net pension cost of $7.1 million in 2011, of which $2.2 million and $4.9 million attributable to the U.S. plans and non-U.S. plans, respectively. For our U.S. plans, the increase in pension cost in 2012 is primarily driven by lower expected return from plan assets. For 2012, we will use an expected long-term rate of return of 7.75%, a 50 basis points decrease, from 8.25% used for 2011. Additionally, lower expected return from plan assets is also due to lower market-related value of plan assets, which will increase our 2012 net pension cost. Higher actuarial losses amortization in 2012 will be substantially offset by lower interest cost, both driven by a lower discount rate. The discount rate applied to our U.S. plans at January 1, 2012 is 4.05%, a 101 basis points decrease from the 5.06% discount rate used for 2011.

We had postretirement benefit income of $11.0 million, $7.0 million and $1.3 million for the years ended December 31, 2011, 2010 and 2009, respectively. Higher income in 2011 compared to 2010 was primarily due to higher amortization of prior service credits. Effective July 1, 2010, in connection with the Health Care and Education Reconciliation Act of 2010, we converted the then current prescription drug program for retirees over 65 to a group-based company sponsored Medicare Part D program, or EGWP. Beginning in 2013, we will use the Part D subsidies delivered through the EGWP each year to reduce net company retiree medical costs until net company costs are completely eliminated. At that time, the Part D subsidies will be shared with retirees going forward to reduce retiree contributions. As a result, we reduced our accumulated postretirement obligation by $21 million in the third quarter of 2010, which will be amortized over approximately four years.

Higher income in 2010 compared to 2009 was primarily due to higher amortization of prior service credits. During the first quarter of 2010, the retiree company-paid life insurance benefits were eliminated. In addition, we will only share the minimum necessary amount of subsidy received from the government in any year to maintain actuarial equivalence for as long as possible. This plan change was approved in December 2009 and as a result we reduced our accumulated postretirement obligation by approximately $20 million at December 31, 2009, which will be amortized over approximately four years.

Both plan changes were accounted for as plan amendments under ASC 715-60-35, Compensation Retirement Benefits.

We expect postretirement benefit income will be approximately $11 million in 2012, essentially the same as 2011.

We had expense associated with our 401(k) Plan of $15.7 million, $9.7 million and $6.9 million for the years ended December 31, 2011, 2010 and 2009, respectively. The increase in expense in 2011 was due to a higher discretionary company contribution of $7.8 million resulting from company performance, compared to $4.5 million in 2010. In addition, we amended our employer matching provision in the 401(k) Plan, effective in

April 2010, to increase the employer maximum match from 50% of three percent (3%) to 50% of seven percent (7%) of a team member s eligible compensation, subject to certain 401(k) Plan limitations. The increase in expense in 2010 from 2009 was due to an incremental discretionary company contribution of $4.5 million resulting from company performance as well as the increased employer maximum match percentage resulting from the plan amendment as described above effective in April 2010.

We consider net pension cost and postretirement benefit income 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. See the discussion of Our Critical Accounting Policies and Estimates Pension and Postretirement Benefit Obligations, above, and Note 10 to our consolidated financial statements included in Item 8. of this Annual Report on Form 10-K.

Stock-Based Compensation

For the years ended December 31, 2011, 2010 and 2009, we recognized total stock-based compensation expense (e.g., stock options, restricted stock, etc.) of $12.4 million, $18.3 million and $22.3 million, respectively.

For the years ended December 31, 2011, 2010 and 2009, we recognized expense associated with our stock option programs of $4.1 million, $6.5 million and $9.5 million, respectively. The decrease for the year ended December 31, 2011 as compared to the year ended December 31, 2010 was primarily due to a decrease in the fair value of the stock options issued over the past several years. The decrease for the year ended December 31, 2010 as compared to December 31, 2009, was primarily driven by our forfeiture assumption true-up as well as the continuing impact of the decrease in the overall number of employees eligible for stock options.

For the years ended December 31, 2011, 2010 and 2009, we recognized expense associated with our restricted stock, restricted stock units and restricted stock opportunity programs of $7.5 million, $11.0 million and $11.9 million, respectively. The decrease for the year ended December 31, 2011 as compared to the year ended December 31, 2010 was primarily due to a decrease in the fair value of the awards issued over the past several years as well as lower expense as a result of higher forfeitures associated with terminated employees. The decrease for the year ended December 31, 2010 as compared to December 31, 2009, was primarily driven by lower expense as a result of higher forfeitures associated with terminated employees as well as fewer awards being issued in 2010 as compared to the same period in 2009, partially offset by the accelerated expensing of an award issued to a retiree eligible executive.

For the years ended December 31, 2011, 2010 and 2009, we recognized expense associated with our Employee Stock Purchase Plan (ESPP) of $0.8 million, $0.8 million and $0.9 million, respectively.

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

Year ended December 31, 2011 vs. Year ended December 31, 2010

Depreciation and amortization increased $13.0 million, or 19%, for the year ended December 31, 2011, as compared to the year ended December 31, 2010. This increase was primarily driven by an increase in amortization of acquired intangible assets resulting from our acquisitions and increased capital costs for investments to enhance our strategic capabilities (e.g., Strategic Technology Investment or MaxCV).

Year ended December 31, 2010 vs. Year ended December 31, 2009

Depreciation and amortization increased $10.0 million, or 17%, for the year ended December 31, 2010 as compared to December 31, 2009. The increase for the year ended December 31, 2010 was primarily driven by an

increase in amortization of acquired intangible assets resulting from our acquisitions and our majority owned joint ventures, increased capital costs for revenue generating investments to enhance our strategic capabilities and our Strategic Technology Investment or MaxCV. This increase was partially offset by a reassessment in 2009 of the useful lives of our computer software (discussed in further detail below). We review the estimated remaining useful lives of our computer software and may extend the useful life when events and circumstances indicate the computer software can operate beyond its original or current useful life. Prior to the second quarter of 2009, the useful life of computer software assets was typically three to five years. We now expect the useful life of our back-end and back-office software to be in the range of five to eight years, and we have extended the useful lives accordingly. This reassessment included a review of the major components of our strategy and consideration of the effects of obsolescence, technology, competition and other economic factors on the useful life of these assets. The impact of this change was effective in the second quarter of 2009, and the impact for the year ended December 31, 2009 was a reduction in software amortization expense by approximately $7 million after-tax ($0.14 per diluted share).

Restructuring Charge

Financial Flexibility is an ongoing process by which we seek to reallocate our spending from low-growth or low-value activities to other activities that will create greater value for shareholders through enhanced revenue growth, improved profitability and/or quality improvements. With most initiatives, we have incurred restructuring charges (which generally consist of employee severance and termination costs, contract terminations, asset write-offs, and/or costs to terminate lease obligations less assumed sublease income). These charges are incurred as a result of eliminating, consolidating, standardizing and/or automating our business functions.

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

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

We account for one-time termination benefits, contract terminations, asset write-offs, 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 cost associated with an exit or disposal activity, including severance and lease termination obligations, and other related costs, when the liability is incurred, rather than at the date that we commit to an exit plan. We reassess the expected cost to complete the exit or disposal activities at the end of each reporting period and adjust our remaining estimated liabilities, if necessary.

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

During the year ended December 31, 2011, we recorded a $22.1 million restructuring charge in connection with Financial Flexibility initiatives. The significant components of these charges included:

- Severance and termination costs of $17.5 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 400 employees were impacted. Of these 400 employees, approximately 305

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employees have exited the Company in 2011 and approximately 95 employees will exit the Company in 2012. The cash payments for these employees will be substantially completed by the third quarter of 2012; and

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $4.6 million.

During the year ended December 31, 2010, we recorded a $14.8 million restructuring charge in connection with Financial Flexibility initiatives. The significant components of these charges included:

Severance and termination costs of $11.7 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 325 employees were impacted. Of these 325 employees, approximately 315 employees exited the Company in 2010 and approximately 10 employees exited the Company in 2011. The cash payments for these employees was substantially completed by the second quarter of 2011; and

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $3.1 million.

During the year ended December 31, 2009, we recorded a $23.1 million restructuring charge in connection with Financial Flexibility initiatives. The significant components of these charges included:

Severance and termination costs of $12.7 million in accordance with the provisions of ASC 712-10 were recorded. Approximately 535 employees were impacted. Of these 535 employees, approximately 365 employees exited the Company in 2009 and approximately 170 employees exited the Company in 2010. The cash payments for these employees was substantially completed by the third quarter of 2010; and

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $10.4 million.

Interest Income (Expense) Net

The following table presents our Interest Income (Expense) Net:

	For the Years Ended December 31,		
	2011	2010	2009
	(Amounts in millions)		
Interest Income	$ 1.5	$ 2.1	$ 3.0
Interest Expense	(37.0)	(46.0)	(45.7)
Interest Income (Expense) Net	$ (35.5)	$ (43.9)	$ (42.7)

Interest income decreased $0.6 million, or 29%, for the year ended December 31, 2011 as compared to December 31, 2010. The decrease in interest income is primarily attributable to lower average amounts of invested balances. Interest income decreased $0.9 million, or 30%, for the year ended December 31, 2010 as compared to December 31, 2009. The decrease in interest income is primarily attributable to lower average interest rates.

Interest expense decreased by $9.0 million, or 20%, for the year ended December 31, 2011 as compared to December 31, 2010. The decrease in interest expense is primarily attributable to lower average interest rates and lower amounts of average debt outstanding. Interest expense increased by $0.3 million, or 1%, for the year ended December 31, 2010 as compared to December 31, 2009. The increase in interest expense is primarily attributable to higher amounts of average debt outstanding partially offset by lower average interest rates.

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