

Edgar Filing: Morningstar, Inc. - Form 10-Q

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of April 22, 2016, there were 42,911,386 shares of the Company's common stock, no par value, outstanding.

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

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Morningstar, Inc. and Subsidiaries

Unaudited Condensed Consolidated Statements of Income

(in millions except per share amounts)	Three months ended March 31	
	2016	2015
Revenue	\$192.1	\$189.8
Operating expense:		
Cost of revenue	85.3	78.7
Sales and marketing	22.3	25.4
General and administrative	25.6	26.1
Depreciation and amortization	16.6	15.1
Total operating expense	149.8	145.3
Operating income	42.3	44.5
Non-operating income (expense):		
Interest income, net	0.2	0.2
Loss on sale of investments, reclassified from other comprehensive income	(0.1)	—
Other income (expense), net	0.4	(0.6)
Non-operating income (expense), net	0.5	(0.4)
Income before income taxes and equity in net income of unconsolidated entities	42.8	44.1
Equity in net income of unconsolidated entities	0.5	0.5
Income tax expense	14.6	14.8
Consolidated net income	28.7	29.8
Net income attributable to noncontrolling interest	—	(0.1)
Net income attributable to Morningstar, Inc.	\$28.7	\$29.7
Net income per share attributable to Morningstar, Inc.:		
Basic	\$0.67	\$0.67
Diluted	\$0.67	\$0.67
Dividends per common share:		
Dividends declared per common share	\$0.22	\$0.19
Dividends paid per common share	\$0.22	\$0.19
Weighted average shares outstanding:		
Basic	43.0	44.3
Diluted	43.1	44.5

See notes to unaudited condensed consolidated financial statements.

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