UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

þ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended June 30, 2007

OR

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from__________ to __________

Commission file number 1-15967

The Dun & Bradstreet Corporation

(Exact name of registrant as specified in its charter)

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

Registrant s telephone number, including area code: (973) 921-5500

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No ¨

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

Large accelerated filer þ Accelerated filer ¨ Non-accelerated filer ¨

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

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

Title of Class	Shares Outstanding at June 30, 2007
Common Stock, par value $0.01 per share	58,845,123

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THE DUN & BRADSTREET CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

The Dun & Bradstreet Corporation

Consolidated Statements of Operations (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
	(Amounts in millions, except per share data)			
Operating Revenues	$ 396.8	$ 367.4	$ 789.1	$ 734.6
Operating Expenses	118.8	117.7	236.2	227.1
Selling and Administrative Expenses	169.6	153.0	334.9	311.9
Depreciation and Amortization	10.2	7.5	19.6	14.0
Restructuring Charge	4.9	3.6	19.7	10.0
Operating Costs	303.5	281.8	610.4	563.0
Operating Income	93.3	85.6	178.7	171.6
Interest Income	1.6	1.6	3.1	4.3
Interest Expense	(6.5)	(4.2)	(12.9)	(9.6)
Other Income (Expense) - Net	1.7	0.4	7.6	(0.1)
Non-Operating Income (Expense) - Net	(3.2)	(2.2)	(2.2)	(5.4)
Income Before Provision for Income Taxes	90.1	83.4	176.5	166.2
Provision for Income Taxes	2.6	31.2	36.4	62.5
Minority Interest Income (Expense)	(0.2)	(0.1)	(0.2)	(0.2)
Equity in Net Income of Affiliates	0.3	0.1	0.4	0.2
Net Income	$ 87.6	$ 52.2	$ 140.3	$ 103.7
Basic Earnings Per Share of Common Stock	$ 1.49	$ 0.81	$ 2.38	$ 1.59
Diluted Earnings Per Share of Common Stock	$ 1.46	$ 0.79	$ 2.32	$ 1.54
Weighted Average Number of Shares Outstanding - Basic	58.6	64.3	59.0	65.3
Weighted Average Number of Shares Outstanding - Diluted	60.2	66.1	60.5	67.1

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

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The Dun & Bradstreet Corporation

Consolidated Balance Sheets (Unaudited)

	June 30, 2007	December 31, 2006
	(Amounts in millions, except per share data)	
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 154.8	$ 138.4
Accounts Receivable, Net of Allowance of $19.8 at June 30, 2007 and $21.5 at December 31, 2006	379.8	415.0
Other Receivables	7.8	10.5
Prepaid Taxes	4.8	47.9
Deferred Income Tax	13.8	11.2
Other Current Assets	24.4	22.0
Total Current Assets	585.4	645.0
Non-Current Assets		
Property, Plant and Equipment, Net of Accumulated Depreciation of $151.1 at June 30, 2007 and $145.4 at December 31, 2006	49.4	50.7
Prepaid Pension Costs	258.0	199.0
Computer Software, Net of Accumulated Amortization of $332.8 at June 30, 2007 and $330.4 at December 31, 2006	69.3	54.4
Goodwill	259.7	228.2
Deferred Income Tax	64.7	106.1
Deposit	39.8	39.8
Other Receivables	38.7	
Other Non-Current Assets	52.9	36.9
Total Non-Current Assets	832.5	715.1
Total Assets	$ 1,417.9	$ 1,360.1
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 35.3	$ 40.3
Accrued Payroll	99.3	129.0
Accrued Income Tax		2.8
Short-Term Debt	0.1	0.1
Other Accrued and Current Liabilities (Note 12)	199.0	165.9
Deferred Revenue	520.1	467.4
Total Current Liabilities	853.8	805.5
Pension and Postretirement Benefits	404.3	416.3
Long-Term Debt	475.8	458.9
Liabilities for Unrecognized Tax Benefits	84.0	54.4
Other Non-Current Liabilities	24.8	21.5
Total Liabilities	1,842.7	1,756.6

Contingencies (Note 7)		
Minority Interest Liability	4.8	2.6
Shareholders Equity		
Series A Junior Participating Preferred Stock, $0.01 par value per share, authorized - 0.5 shares; outstanding - none		
Preferred Stock, $0.01 par value per share, authorized - 9.5 shares; outstanding - none		
Series Common Stock, $0.01 par value per share, authorized - 10.0 shares; outstanding - none		
Common Stock, $0.01 par value per share, authorized - 200.0 shares; issued - 81.9 shares	0.8	0.8
Capital Surplus	174.8	186.8
Retained Earnings (Note 13)	1,208.8	1,132.2
Treasury Stock, at cost, 23.1 shares at June 30, 2007 and 21.8 shares at December 31, 2006	(1,404.8)	(1,265.9)
Accumulated Other Comprehensive Income	(409.2)	(453.0)
Total Shareholders Equity	(429.6)	(399.1)
Total Liabilities and Shareholders Equity	$ 1,417.9	$ 1,360.1

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

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The Dun & Bradstreet Corporation

Consolidated Statements of Cash Flows (Unaudited)

	For the Six Months Ended June 30,	
	2007	2006
	(Amounts in millions)	
Cash Flows from Operating Activities:		
Net Income	$ 140.3	$ 103.7
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	19.6	14.0
Amortization of Unrecognized Pension Loss	9.0	
Gain from Sales of Businesses	(6.7)	
Income Tax Benefit from Stock-Based Awards	22.0	31.3
Excess Tax Benefit on Stock-Based Awards	(17.0)	(25.1)
Equity-Based Compensation	13.7	11.1
Restructuring Charge	19.7	10.0
Restructuring Payments	(18.9)	(7.6)
Deferred Income Taxes, Net	(62.0)	(2.7)
Accrued Income Taxes, Net	49.3	(0.8)
Changes in Current Assets and Liabilities:		
Decrease in Accounts Receivable	42.6	58.8
Net Increase in Other Current Assets	(2.5)	(0.4)
Increase in Deferred Revenue	46.0	27.9
Decrease in Accounts Payable	(1.8)	(12.1)
Net Decrease in Accrued Liabilities	(4.0)	(21.3)
Net Decrease in Other Accrued and Current Liabilities	(0.1)	(3.7)
Changes in Non-Current Assets and Liabilities :		
Net Increase in Other Long-Term Assets	(10.5)	(41.9)
Net Decrease in Long-Term Liabilities	(1.7)	(3.9)
Net, Other Non-Cash Adjustments	(0.5)	0.6
Net Cash Provided by Operating Activities	236.5	137.9
Cash Flows from Investing Activities:		
Investments in Marketable Securities		(149.6)
Redemptions of Marketable Securities		259.0
Proceeds from Sales of an Investment	0.8	
Payments for Acquisitions of Businesses, Net of Cash Acquired	(36.7)	(8.3)
Cash Settlements of Foreign Currency Contracts	(0.6)	(0.8)
Capital Expenditures	(9.1)	(4.2)
Additions to Computer Software and Other Intangibles	(24.0)	(16.8)
Net, Other	0.3	0.2
Net Cash (Used in) Provided by Investing Activities	(69.3)	79.5
Cash Flows from Financing Activities:		
Payments for Purchases of Treasury Shares	(180.5)	(396.6)
Net Proceeds from Stock-Based Awards	18.9	25.6
Spin-off Obligation		(20.9)
Payment of Debt		(300.0)
Proceeds from Issuance of Long-Term Debt		299.2
Payments of Dividends	(29.6)	
Proceeds from Borrowings on Credit Facilities	374.4	55.0

Payments of Borrowings on Credit Facilities	(357.5)	
Payment of Bond Issue Costs		(2.2)
Termination of Interest Rate Derivatives		5.0
Excess Tax Benefit on Stock-Based Awards	17.0	25.1
Net, Other	0.2	(0.2)
Net Cash Used in Financing Activities	(157.1)	(310.0)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	6.3	14.4
Increase (Decrease) in Cash and Cash Equivalents	16.4	(78.2)
Cash and Cash Equivalents, Beginning of Period	138.4	195.3
Cash and Cash Equivalents, End of Period	$ 154.8	$ 117.1
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for:		
Income Taxes, Net of Refunds	$ 27.1	$ 34.8
Interest	$ 12.7	$ 10.1

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

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THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

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

Note 1 Basis of Presentation

These interim unaudited consolidated financial statements have been prepared in accordance with the instructions to the Quarterly Report on Form 10-Q. They should be read in conjunction with the audited consolidated financial statements and related notes, which appear in The Dun & Bradstreet Corporation s (D&B, we or our) Annual Report on Form 10-K for the year ended December 31, 2006. The consolidated results for interim periods do not include all disclosures required by accounting principles generally accepted in the United States of America (U.S.) for annual financial statements and are not necessarily indicative of results for the full year or any subsequent period. In the opinion of our management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the consolidated financial position, results of operations and cash flows at the dates and for the periods presented have been included.

All significant inter-company transactions have been eliminated in consolidation.

The financial statements of the subsidiaries outside the U.S. and Canada reflect three month and six month periods ended May 31, 2007 and 2006, in order to facilitate the timely reporting of our unaudited consolidated financial results and financial position.

Where appropriate, we have reclassified certain prior period amounts to conform to our current presentation.

Significant Accounting Policies

In preparing our unaudited 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 our Annual Report on Form 10-K for the year ended December 31, 2006. During the six months ended June 30, 2007, we updated our significant accounting policies as follows:

Income Taxes

Effective January 1, 2007, we adopted Financial Accounting Standard Board (FASB) Interpretation No. (FIN) 48, Accounting for Uncertainty in Income Taxes, or FIN 48, which clarifies the accounting for uncertainty in income taxes recognized in the financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, Accounting for Income Taxes, or SFAS No. 109. We utilize a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Stock-Based Compensation

In connection with our dividend payments, we updated our dividend yield assumption in our Black-Scholes valuation model from 0% at December 31, 2006 to 1.1% at June 30, 2007, in calculating the fair value of our employee stock options. We have estimated the dividend yield assumption by dividing the anticipated annual dividend payment by the stock price on the grant date.

Note 2 Recent Accounting Pronouncements

In June 2007, the Emerging Issues Task Force (EITF) reached a consensus on EITF No. 06-11, Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards, or EITF No. 06-11, that an entity should recognize a realized tax benefit associated with dividends on affected securities charged to retained earnings as an increase in Additional Paid in Capital (APIC). The amount recognized in APIC should be included in the APIC pool. When an entity s estimate of forfeitures increases or actual forfeitures exceed its estimates, the amount of tax benefits previously recognized in APIC should be reclassified into the income statement. The amount reclassified is limited to the APIC pool balance on the reclassification date. EITF No. 06-11 would apply prospectively to the income tax benefits of dividends declared on affected securities in fiscal years beginning after December 15, 2007, and interim periods within those fiscal years. Earlier application is permitted as of the beginning of a fiscal year for which interim financial statements or annual financial statements have not been issued. We are currently assessing the impact that the adoption of EITF No. 06-11 will have, if any, on our consolidated financial statements.

THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

In May 2007, the FASB issued FASB Staff Position (FSP) FIN 48-1, or FSP FIN 48-1, which clarifies when a tax position is considered settled under FIN 48. The FSP explains that a tax position can be effectively settled on the completion of an examination by a taxing authority without legally being extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if (1) the tax position is not considered more likely than not to be sustained solely on the basis of its technical merits and (2) the statute of limitations remain open. FSP FIN 48-1 should be applied upon the initial adoption of FIN 48. The impact of our adoption of FIN 48 (as of January 1, 2007) is in accordance with this FSP and the implementation has not resulted in any changes to our consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities Including an Amendment of FASB Statement No. 115, or SFAS 159. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. Most of the provisions in SFAS 159 are elective; however, the amendment to FASB Statement No. 115, Accounting for Certain Investments in Debt and Equity Securities, applies to all entities with available-for-sale and trading securities. The fair value option established by SFAS 159 permits all entities to choose to measure eligible items at fair value at specified election dates. A business entity will report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. The fair value option: (a) may be applied instrument by instrument, with a few exceptions, such as investments otherwise accounted for by the equity method; (b) is irrevocable (unless a new election date occurs); and (c) is applied only to entire arrangements and not to portions of instruments. SFAS 159 is effective as of the beginning of an entity s first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of the previous fiscal year provided that the entity makes that choice in the first 120 days of that fiscal year and also elects to apply the provisions of SFAS No. 157, Fair Value Measurements, or SFAS No. 157. We are currently assessing the impact that the adoption of SFAS No. 159 will have, if any, on our consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, which defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles in the U.S. (GAAP) and expands fair value measurement disclosures. SFAS No. 157 does not require new fair value measurements and is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. We are currently assessing the impact the adoption of SFAS No. 157 will have, if any, on our consolidated financial statements.

In July 2006, the FASB issued FIN 48, which clarifies the accounting for uncertainty in income taxes recognized in the financial statements in accordance with SFAS No. 109. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. We adopted FIN 48 on January 1, 2007. As a result of the implementation of FIN 48, we recognized approximately $34.1 million (net of tax benefits) in the liability for unrecognized tax benefits, which was accounted for as a reduction to the January 1, 2007, balance of retained earnings. See Note 8 to our unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further information regarding income taxes.

Note 3 Impact of Implementation of the Blueprint for Growth Strategy

Restructuring Charge

Since the launch of our Blueprint for Growth Strategy, we have implemented Financial Flexibility Programs. 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 each program, 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) and in certain instances pension or postretirement curtailments. These charges are incurred as a result of eliminating, consolidating, standardizing, and/or automating our business functions. We have also incurred transition costs such as consulting fees, costs of temporary workers, relocation costs and stay bonuses to implement our Financial Flexibility Programs.

For the three month and six month periods ended June 30, 2007 and 2006, the restructuring charges were recorded in accordance with SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities, or SFAS No. 146. Under SFAS No. 146, the current period

charge represents the liabilities incurred during the quarter for each of these obligations. For the three month and six month periods ended June 30, 2006, the curtailment was recorded in accordance with SFAS No. 106, Employers Accounting for Postretirement Benefits Other Than Pensions, or SFAS No. 106.

THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

Three Months Ended June 30, 2007 vs. Three Months Ended June 30, 2006

During the three months ended June 30, 2007, we recorded a $4.0 million restructuring charge in connection with the Financial Flexibility Program announced in January 2007 (2007 Financial Flexibility Program) and $0.9 million restructuring charge in connection with the Financial Flexibility Program announced in February 2006 (2006 Financial Flexibility Program). The components of these charges included:

Severance and termination costs of $3.0 million associated with approximately 100 employees related to the 2007 Financial Flexibility Program. Of these 100 employees, 75 employees have exited the Company and 25 employees will exit the Company in future quarters;

Severance and termination costs of $0.1 million associated with approximately 5 employees, who all have exited the Company, related to the 2006 Financial Flexibility Program; and

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $1.0 million related to the 2007 Financial Flexibility Program and $0.8 million related to the 2006 Financial Flexibility Program.

During the three months ended June 30, 2007, we eliminated approximately 150 positions, which included approximately 75 open positions and the 75 employees referenced above who were terminated in conjunction with our 2007 Financial Flexibility Program. In addition, during the three months ended June 30, 2007, approximately 5 positions were eliminated in conjunction with our 2006 Financial Flexibility Program.

During the three months ended June 30, 2006, we recorded a $3.5 million restructuring charge in connection with the 2006 Financial Flexibility Program, a $0.2 million net restructuring charge in connection with the Financial Flexibility Program announced in February 2005 (2005 Financial Flexibility Program) and a $0.1 million restructuring gain in connection with the Financial Flexibility Program announced in February 2004 (2004 Financial Flexibility Program). The components of these charges and gains included:

Severance and termination costs of $2.6 million associated with approximately 100 employees, who all have exited the Company, related to the 2006 Financial Flexibility Program;

Severance and termination costs of $0.3 million associated with approximately 10 employees, who all have exited the Company, related to the 2005 Financial Flexibility Program;

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $0.9 million related to the 2006 Financial Flexibility Program; and

Curtailment gains of $0.1 million related to the U.S. postretirement benefit plan resulting from employee termination actions for the 2005 Financial Flexibility Program and $0.1 million related to the 2004 Financial Flexibility Program. In accordance with SFAS No. 106, we were required to recognize immediately a pro-rata portion of the unrecognized prior service cost as a result of the employee terminations.

During the three months ended June 30, 2006, approximately 100 employees were terminated in conjunction with our 2006 Financial Flexibility Program. In addition, during the three months ended June 30, 2006, approximately 10 employees were terminated in conjunction with our 2005 Financial Flexibility Program.

Six Months Ended June 30, 2007 vs. Six Months Ended June 30, 2006

During the six months ended June 30, 2007, we recorded an $18.3 million restructuring charge in connection with the 2007 Financial Flexibility Program and $1.4 million restructuring charge in connection with the 2006 Financial Flexibility Program. The components of these charges included:

Severance and termination costs of $17.3 million associated with approximately 200 employees, related to the 2007 Financial Flexibility Program. Of these 200 employees, 175 employees have exited the Company and 25 employees will exit the Company in future quarters.

Severance and termination costs of $0.6 million associated with approximately 15 employees, who all have exited the Company, related to the 2006 Financial Flexibility Program; and

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $1.0 million related to the 2007 Financial Flexibility Program and $0.8 million related to the 2006 Financial Flexibility Program.

During the six months ended June 30, 2007, we eliminated approximately 425 positions, which included approximately 225 open positions and the 200 employees referenced above who were terminated in conjunction with our 2007 Financial Flexibility Program. In addition, during the six months ended June 30, 2007, approximately 15 employees were eliminated in conjunction with our 2006 Financial Flexibility Program.

During the six months ended June 30, 2006, we recorded an $8.1 million restructuring charge in connection with the 2006 Financial Flexibility Program, a $2.2 million net restructuring charge in connection with the 2005 Financial Flexibility Program and a $0.3 million net restructuring curtailment gain in connection with the 2004 Financial Flexibility Program. The components of these charges and gains included:

Severance and termination costs of $7.2 million associated with approximately 100 employees, who have exited the Company, related to the 2006 Financial Flexibility Program;

Severance and termination costs of $2.0 million associated with approximately 25 employees, who have exited the Company, related to the 2005 Financial Flexibility Program;

Lease termination obligations, other costs to consolidate or close facilities and other exit costs of $0.9 million related to the 2006 Financial Flexibility Program and $0.3 million related to the 2005 Financial Flexibility Program; and

Curtailment gains of $0.1 million for the 2005 Financial Flexibility Program and $0.3 million for the 2004 Financial Flexibility Program related to the U.S. postretirement benefit plan resulting from employee termination actions, respectively. In accordance with SFAS No. 106, Employers Accounting for Postretirement Benefits Other Than Pensions, or SFAS No. 106, we were required to recognize immediately a pro-rata portion of the unrecognized prior service cost as a result of the employee terminations.

During the six months ended June 30, 2006, approximately 125 employees were terminated in conjunction with our 2006 Financial Flexibility Program. In addition, during the six months ended June 30, 2006, approximately 20 employees were terminated in conjunction with our 2005 Financial Flexibility Program.

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THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

The following table sets forth, in accordance with SFAS No. 146, the restructuring reserves and utilization related to our 2007 Financial Flexibility Program.

	Severance and Termination	Lease Termination Obligations and Other Exit Costs	Total
Restructuring Charges			
Charge Taken during First Quarter 2007	$ 14.3	$	$ 14.3
Payments during First Quarter 2007	(2.7)		(2.7)
Balance Remaining as of March 31, 2007	$ 11.6	$	$ 11.6
Charge Taken during Second Quarter 2007	$ 3.0	$ 1.0	$ 4.0
Payments during Second Quarter 2007	(5.7)	(0.8)	(6.5)
Balance Remaining as of June 30, 2007	$ 8.9	$ 0.2	$ 9.1

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THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

The following table sets forth, in accordance with SFAS No. 146, the restructuring reserves and utilization related to our 2006 Financial Flexibility Program.

	Severance and Termination	Lease Termination Obligations and Other Exit Costs	Total
Restructuring Charges			
Charge Taken during First Quarter 2006	$ 4.6	$	$ 4.6
Payments during First Quarter 2006	(0.8)		(0.8)
Balance Remaining as of March 31, 2006	$ 3.8	$	$ 3.8
Charge Taken during Second Quarter 2006	$ 2.6	$ 0.9	$ 3.5
Payments during Second Quarter 2006	(1.7)	(0.1)	(1.8)
Balance Remaining as of June 30, 2006	$ 4.7	$ 0.8	$ 5.5
Charge Taken during Third Quarter 2006	$ 4.5	$ 9.5	$ 14.0
Payments during Third Quarter 2006	(2.3)	(2.0)	(4.3)
Balance Remaining as of September 30, 2006	$ 6.9	$ 8.3	$ 15.2
Charge Taken during Fourth Quarter 2006	$ 1.3	$	$ 1.3
Payments during Fourth Quarter 2006	(2.9)	(3.0)	(5.9)
Balance Remaining as of December 31, 2006	$ 5.3	$ 5.3	$ 10.6
Charge Taken during First Quarter 2007	$ 0.5	$	$ 0.5
Payments during First Quarter 2007	(2.8)	(1.7)	(4.5)
Balance Remaining as of March 31, 2007	$ 3.0	$ 3.6	$ 6.6
Charge Taken during Second Quarter 2007	$ 0.1	$ 0.8	$ 0.9
Payments during Second Quarter 2007	(2.1)	(1.9)	(4.0)
Balance Remaining as of June 30, 2007	$ 1.0	$ 2.5	$ 3.5

Actions under the 2005 Financial Flexibility Program have been substantially completed.

Note 4 Notes Payable and Indebtedness

Our borrowings are summarized in the following table:

	June 30, 2007	December 31, 2006
Debt Maturing Within One Year:		
Other	$ 0.1	$ 0.1
Total Debt Maturing Within One Year	$ 0.1	$ 0.1
Debt Maturing After One Year:		
Long-Term Fixed-Rate Notes (Net of a $0.6 million discount as of June 30, 2007 and December 31, 2006)	$ 299.4	$ 299.4
Credit Facilities	176.4	159.5
Total Debt Maturing After One Year	$ 475.8	$ 458.9

Fixed-Rate Notes

In March 2006, we issued senior notes with a face value of $300 million that mature on March 15, 2011 (the 2011 notes), bearing interest at a fixed annual rate of 5.50%, payable semi-annually. The proceeds were used to repay our then existing $300 million senior notes, bearing interest at a fixed annual rate of 6.625% that matured on March 15, 2006. The 2011 notes of $299.4 million, net of $0.6 million remaining discount, are recorded as Long-Term Debt in our unaudited consolidated balance sheets at June 30, 2007 and December 31, 2006.

The 2011 notes were issued at a discount of $0.8 million and, in connection with the issuance, we incurred underwriting and other fees in the amount of approximately $2.2 million. These costs are being amortized over the life of the 2011 notes. The 2011 notes contain certain covenants that limit our ability to create liens, enter into sale and leaseback transactions and consolidate, merge or sell assets to another entity. The 2011 notes do not contain any financial covenants.

THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

On September 30, 2005 and February 10, 2006, we entered into interest rate derivative transactions with aggregate notional amounts of $200 million and $100 million, respectively. The objective of these hedges was to mitigate the variability of future cash flows from market changes in Treasury rates in the anticipation of the above referenced debt issuance. These transactions were accounted for as cash flow hedges and, as such, changes in fair value of the hedges that took place through the date of debt issuance were recorded in Accumulated Other Comprehensive Income. In connection with the issuance of the 2011 notes, these interest rate derivative transactions were terminated, resulting in proceeds of approximately $5.0 million at the date of termination. The proceeds are recorded in Accumulated Other Comprehensive Income, and are being amortized over the life of the 2011 notes.

Credit Facilities

At December 31, 2006, we had a $300 million bank revolving credit facility available at prevailing short-term interest rates, which we terminated on April 19, 2007 and then entered into a new $500 million, five-year bank revolving credit facility, which expires in April 2012. Borrowings under the new $500 million credit facility will be available at prevailing short-term interest rates. The new facility requires, and the terminated facility required, the maintenance of interest coverage and total debt to earnings before income taxes, depreciation and amortization (EBITDA) ratios (each defined in each credit agreement, respectively). We were in compliance with these requirements at June 30, 2007 and December 31, 2006.

On April 19, 2007, we borrowed $182.7 million under our new $500 million credit facility and utilized such proceeds to pay down the amounts outstanding under our then existing $300 million credit facility immediately prior to termination. The new $500 million credit facility will provide us the ability to access the short-term borrowings market from time-to-time to fund working capital needs, acquisitions and share repurchases.

At June 30, 2007, we had $176.4 million of borrowings outstanding under the new $500 million credit facility with a weighted average interest rate of 5.74%. At December 31, 2006, we had $159.5 million of borrowings outstanding under the $300 million credit facility with a weighted average interest rate of 5.84%. We borrowed under these facilities from time-to-time during the six months ended June 30, 2007 to fund our share repurchases, working capital needs and the acquisition of First Research. See Note 11 to our unaudited consolidated financial statements included in Item 1. of this Quarterly Report on Form 10-Q for further information regarding this acquisition. The $500 million credit facility also supports our commercial paper borrowings of up to $300 million (limited by borrowed amounts outstanding under the facility). We had not borrowed under our commercial paper program as of June 30, 2007 or December 31, 2006.

Other

At June 30, 2007 and December 31, 2006, certain of our international operations had non-committed lines of credit of $15.3 million and $14.9 million, respectively. There were no borrowings outstanding under these lines of credit at June 30, 2007 or December 31, 2006. These arrangements have no material commitment fees and no compensating balance requirements.

At June 30, 2007 and December 31, 2006, we were contingently liable under open standby letters of credit issued by our bank in favor of third parties totaling $5.6 million.

Interest paid totaled $2.1 million and $12.7 million during the three month and six month periods ended June 30, 2007, respectively. During the three months ended June 30, 2006, no interest payments were made. During the six months ended June 30, 2006, $10.1 million of interest payments were made.

Note 5 Reconciliation of Weighted Average Shares Outstanding

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2007	2006	2007	2006
	(Share data in millions)			
Weighted average number of shares outstanding - basic	58.6	64.3	59.0	65.3
Dilutive effect of our stock incentive plans	1.6	1.8	1.5	1.8
Weighted average number of shares outstanding - diluted	60.2	66.1	60.5	67.1

THE DUN & BRADSTREET CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

Stock-based awards to acquire 0.4 million and 0.5 million shares of common stock were outstanding at June 30, 2007 and 2006, respectively, but were not included in the quarter-to-date computation of diluted earnings per share because the assumed proceeds, as calculated under the treasury stock method, resulted in these awards being anti-dilutive. Stock-based awards to acquire 0.3 million and 0.8 million shares of common stock were outstanding at June 30, 2007 and 2006, respectively, but were not included in the year-to-date computation of diluted earnings per share because the assumed proceeds, as calculated under the treasury stock method, resulted in these awards being anti-dilutive. Our stock options generally expire ten years from the grant date.

Our share repurchases were as follows:

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2007		2006		2007		2006	
Program	Shares	$ Amount	Shares	$ Amount	Shares	$ Amount	Shares	$ Amount
				(Share data in millions)				
Share Repurchase Programs	0.5(a)	$ 47.1	1.6(b)	$ 119.3	1.3(a)	$ 115.8	2.9(b)	$ 211.2
Repurchases to mitigate the dilutive effect of the shares issued under our stock incentive plans and Employee Stock Purchase Plan	0.3(c)	27.8	2.1(d)	154.8	0.7(c)	64.7	2.5(d)	185.4
Total Repurchases	0.8	$ 74.9	3.7	$ 274.1	2.0	$ 180.5	5.4	$ 396.6

(a) In August 2006, our Board of Directors approved a $200 million, one-year share repurchase program which commenced in October 2006. This program was completed in the third quarter of 2007.

(b) In February 2005, our Board of Directors approved an additional $100 million to our then existing $400 million, two-year share repurchase program announced in February 2004. This program was completed in September 2006.

(c) In August 2006, our Board of Directors approved a four-year, five million share repurchase program to mitigate the dilutive effect of the shares issued under our stock incentive plans and Employee Stock Purchase Plan (the ESPP). This program expires in August 2010.

(d) In July 2003, our Board of Directors approved a three-year, six million share repurchase program to mitigate dilution under our stock incentive plans and ESPP. This program was completed in August 2006.

In May 2007, our Board of Directors authorized a new $200 million, one-year share repurchase program. The new $200 million program commenced in July 2007 upon the completion of the then existing $200 million program which had $9.2 million remaining as of June 30, 2007. We anticipate that the new $200 million program will be completed within twelve months of its initiation.

Note 6 Comprehensive Income

Total comprehensive income for the three month and six month periods ended June 30, 2007 and 2006, which includes net income and other gains and losses that affect shareholders equity, was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
Total	$ (0.3)	$ (0.3)	$ (0.5)	$ (0.5)
Depreciation and amortization:				
United States	$ 3.2	$ 2.0	$ 6.1	$ 4.4
Canada	0.2	0.3	0.4	0.5
Corporate adjustments and eliminations	0.6	0.6	1.1	0.9
Total	$ 4.0	$ 2.9	$ 7.6	$ 5.8

Information about our operations by major product category, by geographic segment, is as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Net sales cigarettes :				
United States	$ 864.8	$ 745.4	$ 1,654.2	$ 1,410.6
Canada	128.8	208.9	231.2	387.0
Total	$ 993.6	$ 954.3	$ 1,885.4	$ 1,797.6
Net sales food/non-food :				
United States	$ 366.4	$ 323.6	$ 691.3	$ 600.8
Canada	64.6	62.1	119.1	115.6
Corporate adjustments and eliminations	9.4	5.6	14.3	10.5
Total	$ 440.4	$ 391.3	$ 824.7	$ 726.9

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Identifiable assets by geographic area (in millions):

	June 30, 2007	December 31, 2006
Identifiable assets:		
United States	$ 528.9	$ 509.4
Canada	65.9	46.2
Total	$ 594.8	$ 555.6

The corporate adjustments and eliminations identified above include amounts not reflected in our United States and Canada operating segment information such as differences between allocated and incurred costs for interest, corporate expense, depreciation and amortization and net sales relating to corporate activities unallocated to the operating segments.

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ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion together with the consolidated financial statements, including the related notes, and the other financial information appearing elsewhere in this Quarterly Report on Form 10-Q. See Forward Looking Statements at the end of Management s Discussion and Analysis of Financial Condition and Results of Operations.

Our Business

Core-Mark is one of the leading wholesale distributors to the convenience store industry in North America in terms of annual sales, providing sales and marketing, distribution and logistics services to customer locations across the United States and Canada. We operate a network of 24 distribution centers in the United States and Canada, distributing a diverse line of national and private label convenience store products to approximately 21,000 customer locations. The products we distribute include cigarettes, tobacco, candy, snacks, fast food, groceries, fresh products, dairy, non-alcoholic beverages, general merchandise, and health and beauty care products. We service a variety of stores, including traditional convenience stores, grocery stores, drug stores, liquor stores and other stores that carry convenience products.

We derive our net sales predominantly from sales to convenience store customers. Our gross profit is derived primarily by applying a markup to the cost of the product at the time of the sale and from cost reductions derived from vendor credit term discounts received and other vendor incentive programs. Our operating expenses are comprised primarily of sales personnel costs; warehouse personnel costs related to receiving, stocking, and selecting product for delivery; delivery costs such as delivery personnel, truck leases and fuel; costs relating to the rental and maintenance of our facilities, and other general and administrative costs.

Recent Business Developments

Tax Refund Settlement Agreement

In April 2007, we entered into a settlement agreement with the State of Washington Department of Revenue related to a technical interpretation of the State of Washington s Other Tobacco Tax Law which specifies a refund of Other Tobacco Product (OTP) tax of approximately $13.3 million, representing 25% of the State of Washington OTP tax we paid for the periods of December 1991 through December 1996 and May 1998 through June 2005. This refund, which was received in July of 2007, was recorded in the second quarter of 2007 as a reduction to cost of goods sold.

Expansion to Eastern Canada

In April 2007, we announced our plan to open a new distribution facility near Toronto, Ontario on February 1, 2008. This new facility will expand our existing market geography in Canada. We signed a long-term supply agreement with Couche-Tard, a Canadian retailer that operates over 600 stores in the province of Ontario. We estimate the total cost of the facility to be approximately $9.5 million, including $1.5 million of start-up costs which is expected to be expensed in 2007.

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Results of Operations

Comparison of the three months ended June 30, 2007 and 2006

	2007 Increase (Decrease) (in millions)	Three months ended June 30, 2007			Three months ended June 30, 2006		
		Amounts (in millions)	**% of Net sales**	**% of Net sales, less excise taxes**	**Amounts (in millions)**	**% of Net sales**	**% of Net sales, less excise taxes**
Net sales	$ 88.4	$ 1,434.0	100.0%		$ 1,345.6	100.0%	
Net sales Cigarettes	39.3	993.6	69.3	62.2	954.3	70.9	63.9
Net sales Food/Non-food	49.1	440.4	30.7	37.8	391.3	29.1	36.1
Net sales, less excise taxes (1)	79.4	1,088.5	75.9	100.0	1,009.1	75.0	100.0
Gross profit	22.8	96.6	6.7	8.9	73.8	5.5	7.3
Warehousing and distribution expenses (2)	6.5	42.9	3.0	3.9	36.4	2.7	3.6
Selling, general and administrative expenses	5.0	29.5	2.1	2.7	24.5	1.8	2.4
Income from operations	11.2	23.7	1.7	2.2	12.5	0.9	1.2
Interest expense	(0.4)	0.6		0.1	1.0	0.1	0.1
Interest income		(0.3)			(0.3)		
Foreign currency transaction gains, net	0.2	(0.7)		(0.1)	(0.5)		
Income before income taxes	11.8	24.1	1.7	2.2	12.3	0.9	1.2
Net income	6.7	13.6	0.9	1.2	6.9	0.5	0.7

(1) Net sales, less excise taxes is a non-GAAP financial measure which we provide to separate the increase in sales due to actual sales growth and increases in excise taxes. (*See Summary of Sales and Profit by Product Line*). Increases in cigarette-related taxes and/or fees, excise taxes, drive prices higher on the cigarette products we sell which result in higher net sales without increasing gross profit dollars. Increases in excise taxes result in a decline in overall gross profit percentage since net sales increase and gross profit dollars remain the same.

(2) Warehousing and distribution expenses are not included as a component of our cost of goods sold.

Consolidated Net Sales. Net sales increased by $88.4 million, or 6.6%, to $1,434.0 million for the three months ended June 30, 2007 as compared to $1,345.6 million for the same period in 2006. The Pennsylvania division, which we acquired in June 2006, contributed $122.2 million of incremental sales compared with the second quarter of 2006. This was offset by lost sales of approximately $100.0 million due to the move by a large Canadian supplier, Imperial Tobacco, to direct-to-store delivery of its products in Canada. The remaining increase of $66.2 million was due to net sales increases to existing customers and sales to new customers. Included in net sales above are increases in excise taxes of $9.0 million, due primarily to cigarettes, for the three months ended June 30, 2007 compared to the same period in 2006.

Net Sales of Cigarettes. Net sales of cigarettes for the three months ended June 30, 2007 increased by $39.3 million, or 4.1%, to $993.6 million compared to $954.3 million for the same period in 2006. The increase in net cigarette sales was driven primarily by a 2.6% increase in cigarette carton sales combined with an increase in excise taxes. The increase in cigarette carton sales was due primarily to the addition of the Pennsylvania division, increases from existing and other new customers offset by decreases from customer losses, and the loss of Imperial Tobacco volume described above. Total net cigarette sales as a percentage of total net sales were 69.3% and 70.9% for the three months ended June 30, 2007 and 2006, respectively.

Net Sales of Food/Non-Food Products. Net sales of food and non-food products for the three months ended June 30, 2007 increased $49.1 million, or 12.5%, to $440.4 million compared to $391.3 million for the same period in 2006. The increase is due primarily to higher sales to existing and new customers, including the new Pennsylvania division, partially offset by decreased sales from customer losses. Total net sales of food and

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non-food products as a percentage of total net sales were 30.7% and 29.1% for the three months ended June 30, 2007 and 2006, respectively.

Gross Profit. Gross profit represents the portion of sales remaining after deducting the cost of goods sold during the period. Vendor incentives, cigarette holding profits and changes in LIFO reserves are classified as elements of cost of goods sold. Gross profit for the three months ended June 30, 2007 increased by $22.8 million, or 30.9%, to $96.6 million compared to $73.8 million for the same period in 2006. The increase in gross profit dollars in the second quarter of 2007 was due primarily to the State of Washington OTP tax refund of $13.3 million recorded as a reduction to cost of goods sold, an overall increase in sales volume, an increase in cigarette inventory holding profits of $1.1 million, and a higher percentage of sales from higher-margin food/non-food products compared to the same period in 2006. For the three months ended June 30, 2007, approximately 73.4% of gross profit was derived from food/non-food products compared to 69.5% for the same period in 2006.

The following table provides the components comprising the change in gross profit as a percentage of net sales for the three months ended June 30, 2007 and 2006.

	Three Months Ended June 30, 2007			Three Months Ended June 30, 2006		
	Amounts (in millions)	% of Net sales	% of Net sales, less excise taxes	Amounts (in millions)	% of Net sales	% of Net sales, less excise taxes
Net sales	$ 1,434.0	100.0%		$ 1,345.6	100.0%	
Net sales, less excise taxes (1)	1,088.5	75.9	100.0%	1,009.1	75.0	100.0%
State of Washington OTP tax refund	13.3	0.93	1.22			
LIFO expense	(2.9)	(0.2)	(0.27)	(1.5)	(0.11)	(0.15)
Cigarette inventory holding profits	1.1	0.08	0.10			
Remaining gross profit	85.1	5.93	7.82	75.3	5.60	7.46
Gross profit	**$ 96.6**	**6.74%**	**8.87%**	**$ 73.8**	**5.49%**	**7.31%**

(1) Net sales, less excise taxes is a non-GAAP financial measure which we provide to separate the increase in sales due to actual sales growth and increases in excise taxes. (*See Summary of Sales and Profit by Product Line*.) Increases in cigarette-related taxes and/or fees, excise taxes, drive prices higher on the cigarette products we sell which result in higher net sales generally without increasing gross profit dollars. Increases in excise taxes result in a decline in overall gross profit percentage since net sales increase and gross profit dollars remain the same.

Operating Expenses. Our operating expenses include costs related to warehousing, distribution, and selling, general and administrative activities. For the three months ended June 30, 2007, operating expenses increased $11.6 million, or 18.9%, to $72.9 million from $61.3 million for the same period in 2006. Overall, costs related to labor and benefits comprised approximately 65% and 63% of warehousing, distribution and selling, general and administrative expenses for the three months ended June 30, 2007 and 2006, respectively. A significant percentage of our labor costs is variable in nature and fluctuates relative to our sales volume.

Warehousing and Distribution Expenses. Warehousing and distribution expenses for the three months ended June 30, 2007 increased by $6.5 million, or 17.9%, to $42.9 million from $36.4 million for the same period in 2006. The increase in warehousing and distribution expenses was due primarily to the addition of the Pennsylvania division, an increase in sales volume and higher salaries and benefits. In addition to the impact attributable to an increase in sales volume for the quarter, salaries and benefits also increased due to tight labor markets in certain locations predominantly for drivers. As a percentage of net sales, warehousing and distribution expenses were 3.0% for the three months ended June 30, 2007 compared to 2.7% for the same period in 2006. The reduction in sales related to the loss of Imperial Tobacco volume resulted in an increase of approximately 20 basis points in warehousing and distribution expenses as a percentage of net sales.

Selling, General and Administrative (SG&A) Expenses. SG&A expenses increased $5.0 million, or 20.4%, to $29.5 million for the three months ended June 30, 2007 compared to $24.5 million for the same period in 2006. The increase in SG&A expenses was due primarily to the addition of the Pennsylvania division and $0.6 million in severance expense due to organizational changes in Canada. In the three months ended June 30, 2006, we benefited from a $2.0 million reduction in workers compensation costs resulting from a favorable settlement of amounts owed by us for claims inherited in connection with the Fleming bankruptcy and the reversal of vendor payables determined not due totaling $0.5 million. As a percentage of net sales, SG&A expenses were 2.1% for the three months ended June 30, 2007 compared to 1.8% for the same period in 2006. The increase in SG&A as a percentage of net sales compared with last year is due primarily to the reduction in sales related to the loss of Imperial Tobacco volume, and the items discussed above.

Interest Expense. Interest expense includes both debt interest and amortization of fees related to borrowings. For the three months ended June 30, 2007, interest expense decreased by $0.4 million, or 40%, to $0.6 million from $1.0 million for the same period in 2006. The decrease in interest expense is due primarily to lower average borrowings in the second quarter of 2007 compared with the second quarter of 2006, offset by a higher average interest rate. The average borrowings for the three months ended June 30, 2007 was $14.7 million compared to $44.5 million for the same period in 2006. During the second quarter of 2007, the weighted average interest rate on the revolving credit facility was 7.1% compared to 6.4% in the second quarter of 2006.

Foreign Currency Transaction Gains, net. We recognized foreign currency transaction gains of $0.7 million and $0.5 for the three months ended June 30, 2007 and 2006, respectively. The fluctuation was due to inter-company activity related to our Canadian operations and to changes in Canadian foreign exchange rates. For the three months ended June 30, 2007 and 2006, the average Canadian/United States exchange rates were $1.0981 and $1.1224, respectively.

Income Taxes. Our effective tax rate was 43.6% for the three months ended June 30, 2007 compared to 43.9% for the same period in 2006. Included in the provision for income taxes for the three months ended June 30, 2007 is $0.3 million of after tax interest primarily related to unrecognized tax benefits under FIN 48. (See Note 7, Income Taxes)

Comparison of the six months ended June 30, 2007 and 2006

	2007 Increase (Decrease) (in millions)	**Six months ended June 30, 2007**			**Six months ended June 30, 2006**		
		Amounts (in millions)	**% of Net sales**	**% of Net sales, less excise taxes**	**Amounts (in millions)**	**% of Net sales**	**% of Net sales, less excise taxes**
Net sales	$ 185.6	$ 2,710.1	100.0%		$ 2,524.5	100.0%	
Net sales Cigarettes	87.8	1,885.4	69.6	62.6	1,797.6	71.2	64.6
Net sales Food/Non-food	97.8	824.7	30.4	37.4	726.9	28.8	35.4
Net sales, less excise taxes (1)	153.7	2,061.4	76.1	100.0	1,907.7	75.6	100.0
Gross profit	33.8	172.1	6.4	8.3	138.3	5.5	7.2
Warehousing and distribution expenses (2)	13.5	83.0	3.1	4.0	69.5	2.8	3.6
Selling, general and administrative expenses	9.0	60.7	2.2	2.9	51.7	2.0	2.7
Income from operations	11.1	27.5	1.0	1.3	16.4	0.7	0.9
Interest expense	(0.5)	1.5	0.1	0.1	2.0	0.1	0.1
Interest income		(0.5)			(0.5)		
Foreign currency transaction gains, net	0.2	(0.6)			(0.4)		
Income before income taxes	11.8	27.1	1.0	1.3	15.3	0.6	0.8
Net income	7.1	15.7	0.6	0.8	8.6	0.3	0.5

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(1) Net sales, less excise taxes is a non-GAAP financial measure which we provide to separate the increase in sales due to actual sales growth and increases in excise taxes. (*See Summary of Sales and Profit by Product Line*.) Increases in cigarette-related taxes and/or fees, excise taxes, drive prices higher on the cigarette products we sell which result in higher net sales without increasing gross profit dollars. Increases in excise taxes result in a decline in overall gross profit percentage since net sales increase and gross profit dollars remain the same.

(2) Warehousing and distribution expenses are not included as a component of our cost of goods sold.

Consolidated Net Sales. Net sales increased by $185.6 million, or 7.4%, to $2,710.1 million for the six months ended June 30, 2007 from $2,524.5 million for the same period in 2006. The Pennsylvania division, acquired in June 2006, contributed $253.5 million of incremental sales compared with the six months ended June 30, 2006. This was offset by lost sales of $186.6 million due to the move by Imperial Tobacco to direct-to-store delivery of its products in Canada. The remaining increase of $118.7 million was due to net sales increases to existing customers and new customers. Included in net sales above are increases in excise taxes of $31.9 million, due primarily to cigarettes, for the six months ended June 30, 2007 compared to the same period in 2006.

Net Sales of Cigarettes. Net sales of cigarettes for the six months ended June 30, 2007 increased $87.8 million, or 4.9%, to $1,885.4 million compared to $1,797.6 million for the same period in 2006. The increase in net cigarette sales was driven primarily by a 3.3% increase in cigarette carton sales combined with an increase in excise taxes. The increase in cigarette carton sales was due primarily to the addition of the Pennsylvania division and increases from existing and other new customers, offset by decreases from customer losses and the loss of Imperial Tobacco volume described above. Total net cigarette sales as a percentage of total net sales were 69.6% and 71.2% for the six months ended June 30, 2007 and 2006, respectively.

Net Sales of Food/Non-Food Products. Net sales of food and non-food products for the six months ended June 30, 2007 increased $97.8 million, or 13.5%, to $824.7 million compared to $726.9 million for the same period in 2006. The increase is due primarily to higher sales to existing and new customers, including the new Pennsylvania division, partially offset by decreased sales from customer losses. Total net sales of food and non-food products as a percentage of total net sales were 30.4% and 28.8% for the six months ended June 30, 2007 and 2006, respectively.

Gross Profit. Gross profit represents the portion of sales remaining after deducting the cost of goods sold during the period. Vendor incentives, cigarette holding profits and changes in LIFO reserves are classified as elements of cost of goods sold. Gross profit for the six months ended June 30, 2007 increased by $33.8 million, or 24.4%, to $172.1 million compared to $138.3 million for the same period in 2006. The increase in gross profit dollars for the six months ended June 30, 2007 was due primarily to an overall increase in sales volume, the State of Washington OTP tax refund of $13.3 million recorded as a reduction to cost of goods sold, and an increase in cigarette inventory holding profits of $3.8 million. For the six months ended June 30, 2007, approximately 70.1% of gross profit was derived from food/non-food products compared to 68.7% for the same period in 2006.

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The following table provides the components comprising the change in gross profit as a percentage of net sales for the six months ended June 30, 2007 and 2006.

	Six Months Ended June 30, 2007			Six Months Ended June 30, 2006		
	Amounts (in millions)	% of Net sales	% of Net sales, less excise taxes	Amounts (in millions)	% of Net sales	% of Net sales, less excise taxes
Net sales	$ 2,710.1	100.0%		$ 2,524.5	100.0%	
Net sales, less excise taxes (1)	2,061.4	76.1	100.0%	1,907.7	75.6	100.0%
State of Washington OTP tax refund	13.3	0.49	0.65			
LIFO expense	(4.7)	(0.17)	(0.23)	(2.9)	(0.11)	(0.15)
Cigarette inventory holding profits	4.4	0.16	0.21	0.6	0.02	0.03
Remaining gross profit	159.1	5.87	7.72	140.6	5.57	7.37
Gross profit	**$ 172.1**	**6.35%**	**8.35%**	**$ 138.3**	**5.48%**	**7.25%**

(1) Net sales, less excise taxes is a non-GAAP financial measure which we provide to separate the increase in sales due to actual sales growth and increases in excise taxes. (*See Summary of Sales and Profit by Product Line*.) Increases in cigarette-related taxes and/or fees, excise taxes, drive prices higher on the cigarette products we sell which result in higher net sales generally without increasing gross profit dollars. Increases in excise taxes result in a decline in overall gross profit percentage since net sales increase and gross profit dollars remain the same.

Operating Expenses. Our operating expenses include costs related to warehousing, distribution, and selling, general and administrative activities. For the six months ended June 30, 2007, operating expenses increased $22.7 million, or 18.6%, to $144.6 million from $121.9 million for the same period in 2006. Overall, costs related to labor and benefits comprised approximately 64% of warehousing, distribution and selling, general and administrative expenses for the six months ended June 30, 2007 and 2006, respectively. A significant percentage of our labor costs is variable in nature and fluctuates relative to our sales volume.

Warehousing and Distribution Expenses. Warehousing and distribution expenses for the six months ended June 30, 2007 increased by $13.5 million, or 19.4%, to $83.0 million from $69.5 million for the same period in 2006. The increase in warehousing and distribution expenses was due primarily to the addition of the Pennsylvania division, an increase in sales volume and higher salaries and benefits. In addition to the impact attributable to an increase in sales volume for the period, salaries and benefits also increased due to tight labor markets in certain locations predominantly for drivers. As a percentage of net sales, warehousing and distribution expenses were 3.1% for the six months ended June 30, 2007 compared to 2.8% for the six months ended June 30, 2006. The reduction in sales related to the loss of Imperial Tobacco volume resulted in an increase of approximately 20 basis points in warehousing and distribution expenses as a percentage of net sales. The remaining increase as a percentage of net sales is due to the items discussed above.

Selling, General and Administrative (SG&A) Expenses. SG&A expenses increased $9.0 million, or 17.4%, to $60.7 million for the six months ended June 30, 2007 compared to $51.7 million for the same period in 2006. The increase in SG&A expenses was due primarily to the addition of the Pennsylvania division, an increase in professional fees largely related to the completion of our first year Sarbanes-Oxley compliance efforts, and severance expense due to organizational changes in Canada. In the six months ended June 30, 2006, we benefited from a $2.0 million reduction in workers compensation costs resulting from a favorable settlement of amounts owed by us for claims inherited in connection with the Fleming bankruptcy, the favorable settlement of vendor payables and previously written-off customer receivables totaling $1.6 million. As a percentage of net sales, SG&A expenses were 2.2% for the six months ended June 30, 2007 compared to 2.0% for the same period in 2006. The increase in SG&A as a percentage of net sales is due primarily to the reduction in sales related to the loss of Imperial Tobacco volume, and the items discussed above.

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Interest Expense. Interest expense includes both debt interest and amortization of fees related to borrowings. For the six months ended June 30, 2007, interest expense decreased by $0.5 million, or 25%, to $1.5 million from $2.0 million for the same period in 2006. The decrease in interest expense is due primarily to lower average borrowings during the six months ended June 30, 2007 compared with the same period in 2006, offset by a higher average interest rate. The average borrowings for the six months ended June 30, 2007 was $23.7 million compared to $42.4 million for the same period in 2006. During the six months ended June 30, 2007, the weighted average interest rate on the revolving credit facility was 6.8% compared to 6.2% for the same period in 2006.

Foreign Currency Transaction Gains, net. We recognized foreign currency transaction gains of $0.6 million and $0.4 for the six months ended June 30, 2007 and 2006, respectively. The fluctuation was due to inter-company activity related to our Canadian operations and to changes in Canadian foreign exchange rates. For the six months ended June 30, 2007 and 2006, the average Canadian/United States exchange rates were $1.1347 and $1.1384, respectively.

Income Taxes. Our effective tax rate was 42.1% for the six months ended June 30, 2007 compared to 43.8% for the same period in 2006. Included in the provision for income taxes for the six months ended June 30, 2007 is $1.0 million of after tax interest related to the underpayment of income taxes in 2004 and 2005, and to unrecognized tax benefits under FIN 48. The underpayment of income taxes in 2004 and 2005 is due primarily to the misapplication of a tax position we adopted upon emergence from bankruptcy in 2004. The provision for income taxes also includes a $1.1 million benefit, inclusive of $0.4 million of after tax interest, related primarily to corrections to our tax liability reserves associated with unitary taxes and other bankruptcy related costs. (See Note 7, Income Taxes)

Summary of Sales and Profit by Product Line. The following table summarizes our cigarette and other product sales and gross profit for the three and six months ended June 30, 2007 and 2006 as a percentage of our net sales and gross profit (in millions):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2007	2006	2007	2006
Cigarettes				
Net sales	$ 993.6	$ 954.3	$ 1,885.4	$ 1,797.6
Excise Taxes in sales	$ 316.9	$ 309.0	$ 595.8	$ 566.0
Net sales, less excise taxes (2)	$ 676.7	$ 645.3	$ 1,289.6	$ 1,231.6
Gross Profit (1)	$ 25.7	$ 22.5	$ 51.5	$ 43.3
% of Total Net Sales	69.3%	70.9%	69.6%	71.2%
% of Total Net Sales, less excise taxes (2)	62.2%	63.9%	62.6%	64.6%
% of Gross Profit	26.6%	30.5%	29.9%	31.3%
Food/Non-food Products				
Net sales	$ 440.4	$ 391.3	$ 824.7	$ 726.9
Excise Taxes in Sales	$ 28.6	$ 27.5	$ 52.9	$ 50.8
Net sales, less excise taxes (2)	$ 411.8	$ 363.8	$ 771.8	$ 676.1
Gross Profit (1)	$ 70.9	$ 51.3	$ 120.6	$ 95.0
% of Total Net Sales	30.7%	29.1%	30.4%	28.8%
% of Total Net Sales, less excise taxes (2)	37.8%	36.1%	37.4%	35.4%
% of Gross Profit	73.4%	69.5%	70.1%	68.7%
Total Net Sales	$ 1,434.0	$ 1,345.6	$ 2,710.1	$ 2,524.5
Total Excise Taxes in Sales	$ 345.5	$ 336.5	$ 648.7	$ 616.8
Total Net Sales, less excise taxes (2)	$ 1,088.5	$ 1,009.1	$ 2,061.4	$ 1,907.7
% of Total Net Sales, less excise taxes (2)	75.9%	75.0%	76.1%	75.6%
Gross Profit	$ 96.6	$ 73.8	$ 172.1	$ 138.3

(1) Includes (i) cigarette holding profits related to manufacturer price increases and increases in excise taxes and (ii) LIFO effects. Cigarette holding profits for the three months ended June 30, 2007 were $1.1 million. There were no cigarette holding profits for the three months ended June 30, 2006. Cigarette holding profits for the six months ended June 30, 2007 and 2006 were $4.4 million and $0.6 million, respectively.

(2) Net sales, less excise taxes is a non-GAAP financial measure which we provide to separate the increase in sales due to actual sales growth and increases in excise taxes.

Liquidity and Capital Resources

Our cash as of June 30, 2007 and 2006 was $13.9 million and $24.1 million, respectively. Our restricted cash as of June 30, 2007 and 2006 was $12.4 million and $15.0 million, respectively. Restricted cash primarily represents funds that have been set aside in trust as required by one of the Canadian provincial taxing authorities to secure amounts payable for cigarette and tobacco excise taxes.

Our liquidity requirements arise primarily from the funding of our working capital, capital expenditures and debt service requirements of our credit facilities. We have historically funded our liquidity requirements through our current operations and external borrowings. We believe that the combination of our cash, cash flows from operations and available borrowings will be sufficient to finance our working capital, capital spending and other cash needs for at least the next 12 months.

Cash flows from operating activities

Net cash provided by operating activities increased by $48.6 million to $44.4 million for the six months ended June 30, 2007 compared with $4.2 million of net cash used in operating activities for the same period in 2006. The increase in net cash provided by operations was due primarily to increases in net income and cigarette and tobacco taxes payable combined with higher accounts payable, and a reduction in accounts receivable. The increase in cigarette and tobacco taxes payable is due to the re-establishment of credit terms in several states with the largest impact coming from the State of California. Accounts payable increased due primarily to incremental purchases made towards the end of the quarter related to promotional vendor programs. The decrease in accounts receivable is due primarily to better credit and collection procedures in several divisions.

Cash flows from investing activities

Net cash used in investing activities decreased by $54.0 million to $9.2 million for the six months ended June 30, 2007 compared with $63.2 million for the same period in 2006. Capital expenditures increased by $3.4 million in the 2007 period due to expenditures in delivery and warehouse equipment. Cash flows in investing activities in the 2006 period included $55.8 million related to the Klein acquisition.

We estimate that fiscal 2007 capital expenditures will approximate $24 million, including approximately $8.0 million for the new distribution center in Toronto.

Cash flows from financing activities

Net cash used in financing activities decreased by $101.5 million to $39.7 million for the six months ended June 30, 2007 compared with $61.8 million of net cash provided by financing activities for the same period in 2006. The decrease is due primarily to repayments under our revolving credit facility.

2005 Revolving Credit Facility

In October 2005, we entered into a $250 million five-year revolving credit facility (the 2005 Credit Facility). All obligations under the 2005 Credit Facility are secured by a first priority interest in and liens upon substantially all of our present and future assets. The terms of the 2005 Credit Facility permit prepayment without penalty at any time (subject to customary breakage costs with respect to LIBOR or CDOR-based loans prepaid prior to the end of an interest period).

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At June 30, 2007 and December 31, 2006, net available capacity under the 2005 Credit Agreement was $159.6 million and $115.4 million, respectively, and we were in compliance with all of the covenants. At June 30, 2007 and December 31, 2006, the amount of borrowing under the revolving credit facility was $32.8 million and $78.0 million, respectively. At June 30, 2007 and December 31, 2006, the amount outstanding under letters of credit facilities was $27.9 million and $42.3 million, respectively.

Our weighted average rate is calculated based on our daily cost of borrowing which is computed on a blend of prime and LIBOR rates. The weighted average interest rate on our revolving credit facility for the three months ended June 30, 2007 and 2006 was 7.1% and 6.4%, respectively, and for the six months ended June 30, 2007 and 2006 was 6.8% and 6.2%, respectively. We paid total unused facility fees of $0.1 million for each of the three months ended June 30, 2007 and 2006, and $0.2 million for each of the six months ended June 30, 2007 and 2006.

In 2005, we paid approximately $2.1 million in financing costs in connection with the 2005 Credit Facility, which were deferred and are amortized over the life of the facility. These costs are included in other non-current assets on the consolidated balance sheets. Unamortized debt issuance costs were $1.4 million and $1.6 million at June 30, 2007 and December 31, 2006, respectively.

Critical Accounting Policies and Estimates

There have been no changes in this quarter to our critical accounting policies as discussed in our Annual Report on Form 10-K for the year ended December 31, 2006, as filed with the Securities and Exchange Commission (SEC) on March 15, 2007. As reported in our Form 10Q for the quarter ended March 31, 2007, filed with the SEC on May 10, 2007, we adopted FIN 48 as of January 1, 2007.

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Forward-Looking Trend and Other Information

Cigarette Industry Trends

Cigarette Consumption

Aggregate United States cigarette consumption has declined since 1980. However, over the last decade our cigarette sales have benefited from a shift in sales to the convenience store segment. As a result of this shift, our cigarette sales have not declined in proportion to the decline in overall consumption. We anticipate that eventually the shift in cigarette carton sales to the convenience store segment will stabilize and cigarette sales through convenience stores will start to decline more in line with the overall decline in cigarette consumption.

Excise Taxes

Cigarette and tobacco products are subject to substantial excise taxes in the United States and Canada. Significant increases in cigarette-related taxes and/or fees have been levied by the taxing authorities in the past and are likely to continue to be levied in the future. We increase cigarette prices as excise tax increases are assessed on cigarette products which we sell. As a result, increases in excise taxes do not decrease overall gross profit dollars, but will result in a decline in overall gross profit percentage since net sales will increase and gross profit dollars will remain the same.

Cigarette Inventory Holding Profits

Distributors such as Core-Mark, from time to time, may earn higher gross profits on cigarette inventory and excise tax stamp quantities on hand either at the time cigarette manufacturers increase their prices or when states, localities or provinces increase their excise taxes and allow us to recognize cigarette inventory holding profits. These profits are recorded as an offset to cost of goods sold as the inventory is sold. Over the past several years we have earned significant cigarette inventory holding profits. For example, for the six months ended June 30, 2007 and 2006, cigarette inventory holding profits were $4.4 million, or 2.6%, and $0.6 million, or 0.4%, of our gross profit for the period, respectively. It is difficult to predict whether cigarette inventory holding profits will occur in the future since they are dependent on the actions of cigarette manufacturers and taxing authorities.

Food and Non-Food Product Trends

We focus our marketing efforts primarily on growing our food/non-food product sales. These product sales typically earn higher profit margins than cigarette sales and our goal is to continue to increase food/non-food product sales in the future to offset the potential decline in cigarette revenues and gross profits.

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FORWARD LOOKING STATEMENTS

Except for historical information, the statements made in this Quarterly Report on Form 10-Q are forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on certain assumptions or estimates, discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain.

Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, actual results and performance could differ materially from those set forth in the forward-looking statements. Forward-looking statements in some cases can be identified by the use of words such as may, will, should, potential, intend, expect, seek, anticipate, estimate, believe, could, predict, continue, plan, propose or other similar words or expressions. These forward-looking statements are based on the current plans and expectations of our management and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those discussed in such forward looking statements.

Factors that might cause or contribute to such differences include, but are not limited to our dependence on the convenience store industry for our revenues; competition; price increases; our dependence on relatively few suppliers; the low-margin nature of cigarette and consumable goods distribution; certain distribution centers dependence on a few relatively large customers; competition in the labor market and collective bargaining agreements; product liability claims and manufacturer recalls of products; our dependence on our senior management and key personnel; currency exchange rate fluctuations; our ability to borrow additional capital; governmental regulations and changes thereto; earthquake and natural disaster damage; failure or disruptions to our information systems; our material weakness in internal controls over financial reporting; a general decline in cigarette sales volume; competition from sales of deep-discount brands and illicit and other low priced sales of cigarettes. Refer to Part II, Item 1A, Risk Factors of this Form 10-Q. Except as provided by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our market risk disclosures set forth in Item 7A of our Annual Report on Form 10-K, for the year ended December 31, 2006, as filed with SEC on March 15, 2007 did not change materially during the six months ended June 30, 2007.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We carried out, under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on their evaluation, our chief executive officer and our chief financial officer concluded that, as of June 30, 2007, our disclosure controls and procedures were not effective because of the material weakness identified as of such date discussed below. Notwithstanding the existence of the material weakness described below, management believes that the financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the periods presented.

Material Weaknesses in Internal Control Over Financial Reporting

Material Weakness Existing as of June 30, 2007

Management has concluded that the following material weakness in our internal control over financial reporting remained as of June 30, 2007:

> We did not maintain effective controls over the financial reporting process due to an insufficient complement of personnel with an appropriate level of accounting knowledge, experience and training in the application of generally accepted accounting principles commensurate with our financial reporting requirements and the complexity of our operations and transactions.

Status of Material Weakness Remediation

We believe we have made substantial progress in the remediation of the material weakness described above through the design and implementation of an enhanced financial organizational structure and other steps which are discussed in our Annual Report on Form 10-K for the year ended December 31, 2006. However, the identified material weakness in our internal control over financial reporting will not be considered remediated until the organizational changes and procedures are in operation for a sufficient period of time for our management to conclude that the control environment is operating effectively.

Based on this evaluation, our management has concluded that our internal control over financial reporting was ineffective as of June 30, 2007.

Changes in Internal Control Over Financial Reporting

Except as reported above under *Material Weaknesses in Internal Control over Financial Reporting*, there have been no changes in our internal control over financial reporting during the six months ended June 30, 2007 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material changes to our Legal Proceedings as discussed in our Annual Report on Form 10-K for the year ended December 31, 2006, as filed with the SEC on March 15, 2007.

ITEM 1A. RISK FACTORS

Our Risk Factors are disclosed in our Annual Report on Form 10-K for the year ended December 31, 2006, as filed with the SEC on March 15, 2007. Certain Risk Factors were updated and deleted in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2007, as filed with the SEC on May 10, 2007. Those filings incorporate and describe our Risk Factors to date.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF OUR SECURITY HOLDERS

We held our 2007 annual meeting of stockholders on May 15, 2007. The following proposals were voted on by our stockholders and the results of each proposal are as follows:

Proposal I:

The following individuals were elected by holders of our common stock as our directors to serve for a one-year term until the 2008 annual meeting of stockholders or until their successors are duly elected and qualified:

	Votes For	Votes Withheld	Abstain	Broker Non-Votes
Robert A. Allen	4,981,676	2,410,548		
Stuart W. Booth	6,392,410	999,814		
Gary F. Colter	6,311,313	1,080,911		
L. William Krause	6,302,319	1,089,905		
Harvey L. Tepner	6,429,717	962,507		
Randolph I. Thornton	6,311,364	1,080,860		
J. Michael Walsh	6,435,556	956,668		

Proposal II:

The 2007 Long-Term Incentive Plan has been duly approved, to become effective on July 1, 2007. The following constitutes the number of shares voted for the approval of the Plan:

	Votes For	Votes Against	Abstain	Broker Non-Votes
2007 Long-Term Incentive Plan	3,492,101	2,901,668	10,088	

Proposal III:

Deloitte & Touche LLP has been duly ratified as the Company s independent Registered Public Accounting Firm for the fiscal year ending December 31, 2007. The following constitutes the number of shares voted for the ratification of the selection of Deloitte & Touche LLP:

	Votes For	Votes Against	Abstain	Broker Non-Votes
Deloitte & Touche LLP	6,486,856	905,317	51	

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ITEM 6. EXHIBITS

Exhibit No.	Description
2.1	Third Amended and Revised Joint Plan of Reorganization of Fleming Companies, Inc. and its Subsidiaries Under Chapter 11 of the Bankruptcy Code, dated May 25, 2004. (incorporated by reference to Exhibit 2.1 of the registrant s Registration Statement on Form 10 filed on September 6, 2005).
3.1	Certificate of Incorporation of Core-Mark Holding Company, Inc. (incorporated by reference to Exhibit 3.1 of the registrant s Registration Statement on Form 10 filed on September 6, 2005).
3.2	Amended and Restated Bylaws of Core-Mark Holding Company, Inc. (incorporated by reference to Exhibit 3.2 of the registrant s Registration Statement on Form 10 filed on September 6, 2005).
10.17	Core-Mark Holding Company, Inc. 2007 Long-Term Incentive Plan (incorporated by reference to Annex A of the Company s Definitive Proxy Statement on Schedule 14A filed with the SEC on April 23, 2007).
10.18	Statement of Policy Regarding 2007 Long-Term Incentive Plan (incorporated by reference to Exhibit 99.1 of the Company s Current Report filed on Form 8-K on May 9, 2007).
10.19	Management Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.2 of the Company s Current Report filed on Form 8-K on July 6, 2007).
10.20	Management Option Award Agreement (incorporated by reference to Exhibit 10.3 of the Company s Current Report filed on Form 8-K on July 6, 2007).
10.21	Management Performance Share Award Agreement (incorporated by reference to Exhibit 10.4 of the Company s Current Report filed on Form 8-K on July 6, 2007).
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.

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SIGNATURES

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

	CORE-MARK HOLDING COMPANY, INC.	
Date: August 8, 2007	By:	/s/ J. MICHAEL WALSH
	Name:	**J. Michael Walsh**
	Title:	**President and Chief Executive Officer**
	CORE-MARK HOLDING COMPANY, INC.	
Date: August 8, 2007	By:	/s/ STACY LORETZ-CONGDON
	Name:	**Stacy Loretz-Congdon**
	Title:	**Chief Financial Officer**

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