

NEUSTAR INC
Form 10-Q
July 30, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2013

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 001-32548

NeuStar, Inc.
(Exact name of registrant as specified in its charter)

Delaware	52-2141938
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
21575 Ridgetop Circle	
Sterling, Virginia 20166	
(Address of principal executive offices) (zip code)	
(571) 434-5400	
(Registrant's telephone number, including area code)	

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

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

There were 64,360,392 shares of Class A common stock, \$0.001 par value, and 3,082 shares of Class B common stock, \$0.001 par value, outstanding at July 24, 2013.

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EX – 31.1
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EX – 101 LABELS LINKBASE DOCUMENT

EX – 101 PRESENTATION LINKBASE DOCUMENT

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

NEUSTAR, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share data)

	December 31, 2012	June 30, 2013 (unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$340,255	\$380,153
Restricted cash	2,543	2,300
Short-term investments	3,666	1,462
Accounts receivable, net of allowance for doubtful accounts of \$2,161 and \$2,639, respectively	131,805	141,579
Unbilled receivables	6,372	8,276
Notes receivable	2,740	2,291
Prepaid expenses and other current assets	17,707	21,395
Deferred costs	7,379	6,783
Income taxes receivable	6,596	—
Deferred tax assets	6,693	8,431
Total current assets	525,756	572,670
Property and equipment, net	118,513	112,113
Goodwill	572,178	576,038
Intangible assets, net	288,487	269,877
Notes receivable, long-term	1,008	—
Deferred costs, long-term	702	633
Other assets, long-term	20,080	26,428
Total assets	\$1,526,724	\$1,557,759
See accompanying notes.		

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NEUSTAR, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	December 31, 2012	June 30, 2013 (unaudited)
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$9,269	\$3,014
Accrued expenses	85,424	72,968
Income taxes payable	—	3,775
Deferred revenue	49,070	48,004
Notes payable	8,125	7,972
Capital lease obligations	1,686	602
Other liabilities	3,856	7,509
Total current liabilities	157,430	143,844
Deferred revenue, long-term	9,922	10,184
Notes payable, long-term	576,688	612,278
Capital lease obligations, long-term	817	409
Deferred tax liabilities, long-term	114,130	110,848
Other liabilities, long-term	21,129	22,247
Total liabilities	880,116	899,810
Commitments and contingencies	—	—
Stockholders' equity:		
Preferred stock, \$0.001 par value; 100,000,000 shares authorized; no shares issued and outstanding as of December 31, 2012 and June 30, 2013	—	—
Class A common stock, par value \$0.001; 200,000,000 shares authorized; 85,958,791 and 86,752,794 shares issued; and 66,171,702 and 64,796,822 outstanding at December 31, 2012 and June 30, 2013, respectively	86	87
Class B common stock, par value \$0.001; 100,000,000 shares authorized; 3,082 and 3,082 shares issued and outstanding at December 31, 2012 and June 30, 2013, respectively	—	—
Additional paid-in capital	532,743	567,667
Treasury stock, 19,787,089 and 21,955,972 shares at December 31, 2012 and June 30, 2013, respectively, at cost	(604,042) (704,402)
Accumulated other comprehensive loss	(767) (1,153)
Retained earnings	718,588	795,750
Total stockholders' equity	646,608	657,949
Total liabilities and stockholders' equity	\$1,526,724	\$1,557,759
See accompanying notes.		

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NEUSTAR, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

Three Months Ended
June 30,

Six Months Ended
June 30,