EATON VANCE SENIOR FLOATING RATE TRUST
Form N-CSRS
June 25, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES
Investment Company Act File Number: 811-21411
Eaton Vance Senior Floating-Rate Trust
(Exact Name of Registrant as Specified in Charter)
Two International Place, Boston, Massachusetts 02110
(Address of Principal Executive Offices)
Maureen A. Gemma
Two International Place, Boston, Massachusetts 02110
(Name and Address of Agent for Services)
(617) 482-8260
(Registrant s Telephone Number)
October 31
Date of Fiscal Year End
April 30, 2010
Date of Reporting Period

Item 1. Reports to Stockholders

Semi annual Report April 30,2010 EATON VANCE SENIOR FLOATING-RATE TRUST

**IMPORTANT NOTICES REGARDING PRIVACY,
DELIVERY OF SHAREHOLDER DOCUMENTS,
PORTFOLIO HOLDINGS AND PROXY VOTING**

Privacy. The Eaton Vance organization is committed to ensuring your financial privacy. Each of the financial institutions identified below has in effect the following policy (Privacy Policy) with respect to nonpublic personal information about its customers:

Only such information received from you, through application forms or otherwise, and information about your Eaton Vance fund transactions will be collected. This may include information such as name, address, social security number, tax status, account balances and transactions.

None of such information about you (or former customers) will be disclosed to anyone, except as permitted by law (which includes disclosure to employees necessary to service your account). In the normal course of servicing a customer s account, Eaton Vance may share information with unaffiliated third parties that perform various required services such as transfer agents, custodians and broker/dealers.

Policies and procedures (including physical, electronic and procedural safeguards) are in place that are designed to protect the confidentiality of such information.

We reserve the right to change our Privacy Policy at any time upon proper notification to you. Customers may want to review our Privacy Policy periodically for changes by accessing the link on our homepage: www.eatonvance.com.

Our pledge of privacy applies to the following entities within the Eaton Vance organization: the Eaton Vance Family of Funds, Eaton Vance Management, Eaton Vance Investment Counsel, Boston Management and Research, and Eaton Vance Distributors, Inc.

In addition, our Privacy Policy applies only to those Eaton Vance customers who are individuals and who have a direct relationship with us. If a customer s account (i.e., fund shares) is held in the name of a third-party financial adviser/broker-dealer, it is likely that only such adviser s privacy policies apply to the customer. This notice supersedes all previously issued privacy disclosures.

For more information about Eaton Vance s Privacy Policy, please call 1-800-262-1122.

Delivery of Shareholder Documents. The Securities and Exchange Commission (the SEC) permits funds to deliver only one copy of shareholder documents, including prospectuses, proxy statements and shareholder reports, to fund investors with multiple accounts at the same residential or post office box address. This practice is often called householding and it helps eliminate duplicate mailings to shareholders.

Eaton Vance, or your financial adviser, may household the mailing of your documents indefinitely unless you instruct Eaton Vance, or your financial adviser, otherwise.

If you would prefer that your Eaton Vance documents not be householded, please contact Eaton Vance at 1-800-262-1122, or contact your financial adviser.

Your instructions that householding not apply to delivery of your Eaton Vance documents will be effective within 30 days of receipt by Eaton Vance or your financial adviser.

Portfolio Holdings. Each Eaton Vance Fund and its underlying Portfolio(s) (if applicable) will file a schedule of portfolio holdings on Form N-Q with the SEC for the first and third quarters of each fiscal year. The Form N-Q will be available on the Eaton Vance website at www.eatonvance.com, by calling Eaton Vance at 1-800-262-1122 or in the EDGAR database on the SEC s website at www.sec.gov. Form N-Q may also be reviewed and copied at the SEC s public reference room in Washington, D.C. (call 1-800-732-0330 for information on the operation of the public reference room).

Proxy Voting. From time to time, funds are required to vote proxies related to the securities held by the funds. The Eaton Vance Funds or their underlying Portfolios (if applicable) vote proxies according to a set of policies and procedures approved by the Funds and Portfolios Boards. You may obtain a description of these policies and procedures and information on how the Funds or Portfolios voted proxies relating to portfolio securities during the most recent 12 month period ended June 30, without charge, upon request, by calling 1-800-262-1122. This description is also available on the SEC s website at www.sec.gov.

Eaton Vance Senior Floating-Rate Trust as of April 30, 2010

I N V E S T M E N T U P D A T E

Economic and Market Conditions

Scott H. Page, CFA
Co-Portfolio Manager
Peter M. Campo, CFA
Co-Portfolio Manager

During the six months ending April 30, 2010, the U.S. economy continued to strengthen, building on the recovery that began in 2009. The economy grew at an annualized rate of 5.7% in the fourth quarter of 2009 and an estimated 3.2% in the first quarter of 2010, according to the U.S. Department of Commerce. Growth was driven by government stimulus, increased business activity and a recovery in consumer spending. During the period, the Federal Reserve (the Fed) left short-term interest rates near zero but began unwinding various emergency programs that were designed to stabilize the financial system during the crisis. Meanwhile, corporate profits rebounded as business activity improved and productivity rose. We also saw the mounting effects of the government s ongoing stimulus plan, which significantly increased the federal deficit and U.S. Treasury borrowing. Long- term interest rates were essentially unchanged during the period, while riskier assets continued to perform well as credit yield spreads tightened.

The floating-rate loan market, as measured by the S&P/LSTA Leveraged Loan Index (the Index), returned 9.57% during the six-month period ending April 30, 2010.[1] Performance was driven by a combination of technical and fundamental improvements, which strengthened both the supply/demand balance and the market outlook. From a technical standpoint, robust high-yield bond issuance and improving mergers and acquisitions and IPO markets had the effect of reducing loan supply. High-yield bond issuance alone was responsible for $13 billion of loan repayments in the first quarter of 2010, according to Standard & Poor s Leveraged Commentary & Data. On the demand side, we saw steady inflows into the asset class, as investors sought more-favorable yields and protection from the anticipated rise in short-term interest rates. From a fundamental standpoint, earnings across the bank loan universe generally improved and default rates continued to decline.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or market price (as applicable) with all distributions reinvested. The Trust s performance at market price will differ from its results at NAV. Although market price performance generally reflects investment results over time, during shorter periods, returns at market price can also be affected by factors such as changing perceptions about the Trust, market conditions, fluctuations in supply and demand for the Trust s shares, or changes in Trust distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Trust s current performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to www.eatonvance.com.

Trust shares are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Shares are subject to investment risks, including possible loss of principal invested.

Management Discussion

Craig P. Russ
Co-Portfolio Manager

The Trust is a closed-end fund and trades on the New York Stock Exchange (NYSE) under the symbol EFR. The Trust s investment objective is to provide a high level of current income. As a secondary objective, it may also seek preservation of capital to the extent consistent with its primary goal of high current income. Under normal market conditions, the Trust invests at least 80% of its total assets in senior, secured floating-rate loans (senior loans). In managing the Trust, the investment adviser seeks to invest in a portfolio of senior loans that it believes will be less volatile over time than the general loan market. The Trust may also invest in second lien loans and high-yield bonds, and, as discussed below, employs leverage to acquire additional income-producing securities, which may increase risk.

Total Return Performance 10/31/09 4/30/10

NYSE Symbol		**EFR**
At Net Asset Value (NAV)[2]		14.18%
At Market Price[2]		34.40
S&P/LSTA Leveraged Loan Index[1]		9.57
Premium/(Discount) to NAV (4/30/10)		11.52%
Total Distributions per common share		$0.594
Distribution Rate[3]	*At NAV*	6.79%
	At Market Price	6.09%

See page 3 for more performance information.

[1] It is not possible to invest directly in an Index. The Index s total return reflects changes in value of the loans constituting the Index and accrual of interest and does not reflect the commissions or expenses that would have been incurred if an investor individually purchased or sold the loans represented in the Index. Unlike the Trust, the Index s return does not reflect the effect of leverage.

[2] Six-month returns are cumulative. Performance results reflect the effects of leverage.

[3] The Distribution Rate is based on the Trust s last regular distribution per share (annualized) divided by the Trust s NAV or market price at the end of the period.

The Trust s distributions may be comprised of ordinary income, net realized capital gains and return of capital. Absent an expense waiver by the investment adviser, the returns would be lower.

1

Eaton Vance Senior Floating-Rate Trust as of April 30, 2010

INVESTMENT UPDATE

As of April 30, 2010, the Trust s investments included senior loans to 370 borrowers spanning 38 industries, with an average loan representing 0.24% of total investments, and no industry constituting more than 10.3% of total investments. Health care, business equipment and services, and cable and satellite television were among the top industry weightings.

Management s use of leverage was a factor in the Trust s outperformance of the Index, as its loans acquired with borrowings were bolstered by the continued rally in the credit markets. However, the Trust s slight underweight to the CCC ratings category in favor of higher quality issues was a headwind during the period, as lower-quality issues outperformed. The CCC rated loan category, which saw the largest declines in 2008 (down 45.8%), returned 88.6% in calendar 2009, and 20.4% during the six months ending April 30, 2010. Even defaulted loans outperformed the Index as a whole, posting a 21.6% return during the six-month period. However, we believe that the Trust s longstanding underweight to riskier loan issuers has benefited its relative performance over the longer-term with less volatility.

In terms of industry sectors, relative overweights to the business equipment and services, cable and satellite television and health care industries benefited relative performance. Underweight positions in the electronics, financial intermediaries and utilities industries detracted from performance relative to the Index.

While significant economic and business risks continue to exist throughout the world, we believe the loan market should remain relatively stable in the near term. The Trust primarily invests in floating-rate securities, which means that if the Fed should increase rates out of concern about inflation, the Trust s yield can be expected to rise. The reset of interest payable on floating-rate bank loans also helps to mitigate the effect of rising interest rates on bank loan funds, while fixed-income fund values generally fall in a rising interest rate environment.

As of April 30, 2010, the Trust employed leverage of 35.8% of total assets 16.7% auction preferred shares (APS)[1] and 19.1% borrowings. Use of leverage creates an opportunity for income, but at the same time creates special risks (including the likelihood of greater volatility of net asset value and market price of common shares).

[1] APS percentage represents the liquidation value of the Trust s APS outstanding at 4/30/10 as a percentage of the Trust s net assets applicable to common shares plus APS and borrowings outstanding. In the event of a rise in long-term interest rates, the value of the Trust s

investment
portfolio could
decline, which
would reduce
the asset
coverage for its
APS and
borrowings.

The views expressed throughout this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. These views are subject to change at any time based upon market or other conditions, and the investment adviser disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a fund are based on many factors, may not be relied on as an indication of trading intent on behalf of any Eaton Vance fund. Portfolio information provided in the report may not be representative of the Trust s current or future investments and may change due to active management.

Eaton Vance Senior Floating-Rate Trust as of April 30, 2010
F U N D P E R F O R M A N C E

Trust Performance[1]

NYSE Symbol	EFR
Average Annual Total Returns (by market price, NYSE)	
Six Months	34.40%
One Year	87.79
Five Years	6.00
Life of Trust (11/28/03)	5.99
Average Annual Total Returns (at net asset value)	
Six Months	14.18%
One Year	59.76
Five Years	4.10
Life of Trust (11/28/03)	4.20

1 Six-month returns are cumulative. Other returns are presented on an average annual basis. Performance results reflect the effects of leverage. Absent an expense waiver by the investment adviser, the returns would be lower.

Past performance is no guarantee of future results. Returns are historical and are calculated by determining the percentage change in net asset value or market price (as applicable) with all distributions reinvested. The Trust s performance at market price will differ from its results at NAV. Although market price performance generally reflects investment results over time, during shorter periods, returns at market price can also be affected by factors such as changing perceptions about the Trust, market conditions, fluctuations in supply and demand for the Trust s shares, or changes in Trust distributions. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Trust s current performance may be lower or higher than the quoted return. For performance as of the most recent month end, please refer to www.eatonvance.com.

<u>Portfolio Composition</u>

Top 10 Holdings[2]

By total investments

Community Health Systems, Inc.	1.3%

Rite Aid Corp.	1.2
Charter Communications Operating, Inc.	1.2
Georgia-Pacific Corp.	1.2
Aramark Corp.	1.1
SunGard Data Systems, Inc.	1.1
HCA, Inc.	1.1
Intelsat Corp.	0.9
Health Management Associates, Inc.	0.9
Calpine Corp.	0.8

[2] Top 10 Holdings represented 10.8% of the Trust s total investments as of 4/30/10.

Top Five Industries[3]

By total investments

Health Care	10.6%
Business Equipment and Services	7.9
Cable and Satellite Television	7.6
Leisure Goods/Activities/Movies	5.3
Chemicals and Plastics	4.3

[3] Industries are shown as a percentage of the Trust s total investments as of 4/30/10.

Credit Quality Ratings for Total Loan Investments[4]

By total loan investments

Baa	1.8%
Ba	41.8
B	37.0
Ca	0.5
Caa	5.5
Defaulted	1.7
Non-Rated[5]	11.7

[4] Credit Quality ratings are those provided by Moody s Investor Services, Inc., a

nationally recognized bond rating service. Reflects the Trust s total loan investments as of 4/30/10. Credit ratings are based largely on the rating agency s investment analysis at the time of rating and the rating assigned to any particular security is not necessarily a reflection of the issuer s current financial condition. The rating assigned to a security by a rating agency does not necessarily reflect its assessment of the volatility of a security s market value or of the liquidity of an investment in the security. If securities are rated differently by the rating agencies, the higher rating is applied.

[5] Certain loans in which the Trust invests are not rated by a rating agency. In management s opinion, such securities are

comparable to securities rated by a rating agency in the categories listed above.

Eaton Vance Senior Floating-Rate Trust as of April 30, 2010

PORTFOLIO OF INVESTMENTS (Unaudited)

Senior Floating-Rate Interests — 138.7%[1]

Principal Amount* (000's omitted)	Borrower/Tranche Description	Value
	Aerospace and Defense — 2.9%	
	ACTS Aero Technical Support & Service, Inc.	
47	Term Loan, 11.25%, Maturing March 12, 2013	$ 47,456
118	Term Loan - Second Lien, 10.75%, Maturing March 12, 2015[2]	118,894
	Booz Allen Hamilton, Inc.	
499	Term Loan, 6.00%, Maturing July 31, 2015	500,870
	DAE Aviation Holdings, Inc.	
405	Term Loan, 4.09%, Maturing July 31, 2014	388,485
416	Term Loan, 4.09%, Maturing July 31, 2014	399,136
	Delos Aircraft, Inc.	
625	Term Loan, 7.00%, Maturing March 15, 2016	633,906
	Evergreen International Aviation	
1,299	Term Loan, 10.50%, Maturing October 31, 2011[2]	1,221,359
	Hawker Beechcraft Acquisition	
4,309	Term Loan, 2.28%, Maturing March 26, 2014	3,710,453
256	Term Loan, 2.29%, Maturing March 26, 2014	220,685
	Hexcel Corp.	
632	Term Loan, 6.50%, Maturing May 21, 2014	636,749
	IAP Worldwide Services, Inc.	
828	Term Loan, 9.25%, Maturing December 30, 2012[2]	790,524
	International Lease Finance Co.	
850	Term Loan, 6.75%, Maturing March 15, 2015	867,637
	Spirit AeroSystems, Inc.	

	1,573	Term Loan, 2.05%, Maturing December 31, 2011	1,558,030
TransDigm, Inc.			
	1,625	Term Loan, 2.28%, Maturing June 23, 2013	1,604,010
Vought Aircraft Industries, Inc.			
	899	Term Loan, 7.50%, Maturing December 17, 2011	902,274
	213	Term Loan, 7.50%, Maturing December 22, 2011	213,218
Wesco Aircraft Hardware Corp.			
	1,093	Term Loan, 2.53%, Maturing September 29, 2013	1,075,912
			$ 14,889,598

Air Transport 0.6%

Airport Development and Investment, Ltd.			
GBP	783	Term Loan - Second Lien, 4.85%, Maturing April 7, 2011	$ 1,166,059
Delta Air Lines, Inc.			
	742	Term Loan, 2.30%, Maturing April 30, 2012	727,036
	1,167	Term Loan - Second Lien, 3.55%, Maturing April 30, 2014	1,094,938
			$ 2,988,033

Automotive 5.5%

Accuride Corp.			
	1,958	Term Loan, 9.75%, Maturing June 30, 2013	$ 1,968,573
Adesa, Inc.			
	2,071	Term Loan, 3.03%, Maturing October 18, 2013	2,035,683
Allison Transmission, Inc.			
	1,883	Term Loan, 3.01%, Maturing September 30, 2014	1,804,497
Dayco Products, LLC			
	414	Term Loan, 10.50%, Maturing November 13, 2014	414,299
	61		56,402

	Term Loan, 12.50%, Maturing November 13, 2014(2)	
Federal-Mogul Corp.		
2,470	Term Loan, 2.19%, Maturing December 27, 2014	2,264,058
3,104	Term Loan, 2.20%, Maturing December 27, 2015	2,845,124
Ford Motor Co.		
4,192	Term Loan, 3.28%, Maturing December 15, 2013	4,055,203
Goodyear Tire & Rubber Co.		
5,400	Term Loan - Second Lien, 2.24%, Maturing April 30, 2014	5,173,200
HHI Holdings, LLC		
1,000	Term Loan, 10.50%, Maturing March 30, 2015	1,016,563
Keystone Automotive Operations, Inc.		
1,317	Term Loan, 3.78%, Maturing January 12, 2012	1,152,062
LKQ Corp.		
885	Term Loan, 2.50%, Maturing October 12, 2014	878,933
TriMas Corp.		
426	Term Loan, 6.00%, Maturing August 2, 2011	419,768
2,762	Term Loan, 6.00%, Maturing December 15, 2015	2,720,329
United Components, Inc.		
1,031	Term Loan, 2.25%, Maturing June 30, 2010	1,008,256
		$ 27,812,950

Beverage and Tobacco 0.2%

Southern Wine & Spirits of America, Inc.		
992	Term Loan, 5.50%, Maturing May 31, 2012	$ 990,927
		$ 990,927

Building and Development 2.6%

Beacon Sales Acquisition, Inc.			
1,110	Term Loan, 2.28%, Maturing September 30, 2013	$	1,093,532
Brickman Group Holdings, Inc.			
1,180	Term Loan, 2.29%, Maturing January 23, 2014		1,156,027
Epco/Fantome, LLC			
1,281	Term Loan, 2.89%, Maturing November 23, 2010		1,229,760

See notes to financial statements

Eaton Vance Senior Floating-Rate Trust as of April 30, 2010

PORTFOLIO OF INVESTMENTS (Unaudited) CONT D

Principal Amount* (000 s omitted)	Borrower/Tranche Description	Value
Building and Development (continued)		
Forestar USA Real Estate Group, Inc.		
244	Revolving Loan, 0.53%, Maturing December 1, 2010(3)	$ 233,389
2,240	Term Loan, 5.11%, Maturing December 1, 2010	2,206,517
Metroflag BP, LLC		
500	Term Loan - Second Lien, 0.00%, Maturing October 31, 2009(4)(5)	0
Mueller Water Products, Inc.		
944	Term Loan, 5.33%, Maturing May 24, 2014	948,098
NCI Building Systems, Inc.		
282	Term Loan, 8.00%, Maturing June 18, 2010	278,694
November 2005 Land Investors		
305	Term Loan, 5.75%, Maturing May 9, 2011	83,069
Panolam Industries Holdings, Inc.		
1,858	Term Loan, 8.25%, Maturing December 31, 2013	1,737,660
Re/Max International, Inc.		
1,900	Term Loan, 5.50%, Maturing April 16, 2016	1,904,750
Realogy Corp.		
672	Term Loan, 3.29%, Maturing October 10, 2013	610,565
318	Term Loan, 3.38%, Maturing October 10, 2013	289,073
South Edge, LLC		
1,588	Term Loan, 0.00%, Maturing October 31, 2009(4)	722,313
WCI Communities, Inc.		
623	Term Loan, 10.07%, Maturing September 3, 2014	622,134

			$	**13,115,581**

Business Equipment and Services 12.0%

Activant Solutions, Inc.				
	1,098	Term Loan, 2.31%, Maturing May 1, 2013	$	1,052,329
Advantage Sales & Marketing				
	1,200	Term Loan, Maturing May 5, 2016(6)		1,193,999
	1,000	Term Loan - Second Lien, Maturing May 5, 2017(6)		990,000
	1,629	Term Loan, 2.26%, Maturing March 29, 2013		1,628,601
Affinion Group, Inc.				
	3,725	Term Loan, 5.00%, Maturing October 8, 2016		3,706,375
Allied Barton Security Service				
	983	Term Loan, 6.75%, Maturing February 21, 2015		991,883
Dealer Computer Services, Inc.				
	1,850	Term Loan, Maturing April 16, 2017(6)		1,850,000
Education Management, LLC				
	4,605	Term Loan, 2.06%, Maturing June 1, 2013		4,514,881
First American Corp.				
	925	Term Loan, 4.75%, Maturing April 9, 2016		931,649
Info USA, Inc.				
	249	Term Loan, 2.05%, Maturing February 14, 2012		248,375

Net earnings	$ 33.5	$32.5
Adjustments to reconcile Net earnings to Net cash flows provided by operating activities:		
Depreciation and amortization	12.4	12.0
Amortization of acquired	8.1	5.8

intangibles		
Amortization of other assets	6.5	7.5
Stock-based compensation expense	9.0	8.4
Deferred income taxes	(8.8)	(5.2)
Excess tax benefits from stock-based compensation awards	(1.4)	(5.2)
Other	(1.1)	0.8
Changes in operating assets and liabilities:		
Current assets and liabilities:		
Decrease in Accounts receivable, net	36.7	65.1
(Increase) decrease in Other current assets	(5.9)	23.3
Decrease in Accounts payable	(3.5)	(7.1)
Decrease in Accrued expenses and other current liabilities	(96.0)	(118.3)
Increase in Deferred revenues	2.2	3.0
Non-current assets and liabilities:		
Increase in Other non-current assets	(14.6)	(12.8)
Increase (decrease) in Other non-current liabilities	(1.7)	7.3
	(24.6)	17.1

Net cash flows (used in) provided by operating activities		
Cash Flows From Investing Activities		
Capital expenditures	(14.9)	(6.0)
Software purchases and capitalized internal use software	(2.9)	(1.4)
Equity method investment	(0.3)	(1.8)
Net cash flows used in investing activities	(18.1)	(9.2)
Cash Flows From Financing Activities		
Proceeds from Long-term debt	65.0	—
Repayments on Long-term debt	(20.0)	—
Excess tax benefits from stock-based compensation awards	1.4	5.2
Dividends paid	(32.0)	(25.2)
Purchases of Treasury stock	(3.0)	(15.1)
Proceeds from exercise of stock options	3.1	15.4
Payment of contingent consideration liabilities	(0.8)	—
	—	(1.9)

Costs related to amendment of revolving credit facility			
Net cash flows provided by (used in) financing activities	13.7		(21.6)
Effect of exchange rate changes on Cash and cash equivalents	(8.8	)	(2.6)
Net change in Cash and cash equivalents	(37.8	)	(16.3)
Cash and cash equivalents, beginning of period	324.1		347.6
Cash and cash equivalents, end of period	$	286.3	$331.3
Supplemental disclosure of cash flow information:			
Cash payments made for interest	$	8.5	$7.9
Cash payments made for income taxes, net of refunds	$	30.0	$6.1
Non-cash investing and financing activities:			
Dividends payable	$	3.5	$7.2
Property, plant and equipment	$	—	$0.3

Amounts may not sum due to rounding.

See Notes to Condensed Consolidated Financial Statements.

Table of Contents

Broadridge Financial Solutions, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)
NOTE 1. BASIS OF PRESENTATION
A. Description of Business. Broadridge Financial Solutions, Inc. ("Broadridge" or the "Company"), a Delaware corporation, is a leading global provider of investor communications and technology-driven solutions to banks, broker-dealers, mutual funds and corporate issuers. Our services include investor communications, securities processing, and data and analytics solutions. The Company classifies its operations into the following two reportable segments:

- Investor Communication Solutions—Broadridge offers Bank/Broker-Dealer Investor Communication Solutions, Corporate Issuer Solutions, Advisor Solutions and Mutual Fund and Retirement Solutions in this segment. A large portion of Broadridge's Investor Communication Solutions business involves the processing and distribution of proxy materials to investors in equity securities and mutual funds, as well as the facilitation of related vote processing. ProxyEdge®, Broadridge's innovative electronic proxy delivery and voting solution for institutional investors and financial advisors, helps ensure the participation of the largest stockholders of many companies. Broadridge also provides the distribution of regulatory reports and corporate action/reorganization event information, as well as tax reporting solutions that help its clients meet their regulatory compliance needs.

Broadridge's advisor solutions enable financial and wealth advisors, and insurance agents to better support their customers through the creation of sales and educational content, including seminars and a library of financial planning topics as well as customer communications solutions such as customizable advisor websites, search engine marketing and electronic print newsletters. Broadridge's advisor solutions also help advisors optimize their practice management through customer data aggregation, reporting and cloud-based marketing tools.

Broadridge provides financial information distribution and transaction reporting services to both financial institutions and securities issuers. These services include the processing and distribution of account statements and trade confirmations, traditional and personalized document fulfillment and content management services, marketing communications, and imaging, archival and workflow solutions that enable and enhance Broadridge's clients' communications with investors. All of these communications are delivered through paper or electronic channels. In addition, Broadridge provides corporate issuers with registered proxy services as well as registrar, stock transfer and record-keeping services to corporate issuers.

- Global Technology and Operations—Broadridge offers a suite of advanced computerized real-time transaction processing services that automate the securities transaction lifecycle, from desktop productivity tools, data aggregation, performance reporting, and portfolio management to order capture and execution, trade confirmation, settlement, and accounting. Broadridge's services help financial institutions and investment managers efficiently and cost-effectively consolidate their books and records, gather and service assets under management, focus on their core businesses, and manage risk. Broadridge's multi-currency solutions support real-time global trading of equity, fixed income, mutual fund, foreign exchange and exchange traded derivative securities in established and emerging markets. In addition, Broadridge's Managed Services solution allows broker-dealers to outsource certain administrative functions relating to clearing and settlement and asset servicing, while maintaining their ability to finance and capitalize their businesses.

B. Consolidation and Basis of Presentation. The Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America ("U.S."). These financial statements present the condensed consolidated position of the Company. These financial statements include the entities in which the Company directly or indirectly has a controlling financial interest and various entities in which the Company has investments recorded under both the cost and equity methods of accounting. Intercompany balances and transactions have been eliminated. Amounts presented may not sum due to rounding. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire year or any subsequent interim period. These Condensed Consolidated Financial Statements should be read in conjunction with the Company's Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2015 (the "2015 Annual Report") filed on August 7, 2015 with the Securities and Exchange Commission (the "SEC"). These Condensed Consolidated Financial Statements include all normal and recurring adjustments necessary for a fair presentation in accordance with GAAP of the Company's financial position at September 30, 2015 and June 30, 2015, the results of its operations for the three months ended September 30, 2015 and 2014, and its cash flows for the three months ended September 30, 2015 and 2014.

7

Table of Contents

Effective in the first quarter of fiscal year 2016, we have revised our presentation in the Condensed Consolidated Statements of Earnings to separately present Operating expenses, Operating income, and Non-operating expenses, net. Previously, we reported Other expenses, net, as part of Total expenses and did not separately present Operating income in our Condensed Consolidated Statements of Earnings. All prior period information has been conformed to the current period presentation. See Note 4, "Non-Operating Expenses, Net," for details of the Company's Non-operating expenses, net.

C. Use of Estimates. The preparation of these financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying notes thereto. Actual results may differ from those estimates.

D. Cash and Cash Equivalents. Investment securities with an original maturity of 90 days or less are considered cash equivalents. The fair value of the Company’s Cash and cash equivalents approximates carrying value due to their short term nature.

E. Financial Instruments. Substantially all of the financial instruments of the Company other than Long-term debt are carried at fair values, or at carrying amounts that approximate fair values because of the short maturity of the instruments. The carrying value of the Company’s long-term fixed-rate senior notes represents the face value of the long-term fixed-rate senior notes net of the unamortized discount. The fair value of the Company’s long-term fixed-rate senior notes is based on quoted market prices. See Note 8, “Borrowings,” for a further discussion of the Company’s long-term fixed-rate senior notes.

F. Subsequent Events. In preparing the accompanying Condensed Consolidated Financial Statements, in accordance with Accounting Standards Codification Topic (“ASC”) No. 855, “Subsequent Events,” the Company has reviewed events that have occurred after September 30, 2015, through the date of issuance of the Condensed Consolidated Financial Statements. During this period, the Company did not have any subsequent events for disclosure.

NOTE 2. NEW ACCOUNTING PRONOUNCEMENTS

In September 2015, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2015-16, “Simplifying the Accounting for Measurement-Period Adjustments” (“ASU No. 2015-16”) to require that an acquirer in a business combination recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined, including the cumulative effects of any income adjustments calculated as if the accounting had been completed at the acquisition date. The Company has elected to early adopt ASU No. 2015-16 effective as of the beginning of the first quarter of fiscal year 2016 on a prospective basis for any new measurement period adjustments that occur during or subsequent to our first quarter of adoption. The adoption of ASU No. 2015-16 did not have a material impact on the Company's consolidated results of operations, cash flows or financial condition.

In April 2015, the FASB issued ASU No. 2015-3, “Simplifying the Presentation of Debt Issuance Costs” (“ASU No. 2015-3”) to require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU No. 2015-3 is effective for the Company in the first quarter of fiscal year 2017. The pending adoption of ASU No. 2015-3 is not expected to be material to the Company's Consolidated Financial Statements.

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers” (“ASU No. 2014-9”), to supersede nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU No. 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU No. 2014-09 defines a five step process to achieve this core principle and, in doing so, it is possible more judgment and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. In August 2015, the FASB issued ASU 2015-14, “Revenue from Contracts with Customers - Deferral of the Effective Date,” which defers the effective date of ASU No. 2014-09 by one year, with an option that would permit companies to adopt the standard as early as the original effective date. As a result, ASU No. 2014- 09 will be effective for the Company as of the first quarter of fiscal year 2019 using either of two methods: (i) retrospective to each prior reporting period presented with the option to elect certain practical expedients as defined within ASU No. 2014-09; or (ii) retrospective with the cumulative effect of initially applying ASU No. 2014-09 recognized at the date of initial application and providing certain additional disclosures as defined per ASU No. 2014-09. The Company is currently evaluating the impact of the pending adoption of ASU No. 2014-09 on its Consolidated Financial Statements.

8

Table of Contents

NOTE 3. EARNINGS PER SHARE

Basic earnings per share ("EPS") is calculated by dividing the Company's Net earnings by the basic Weighted-average shares outstanding for the periods presented.

Diluted EPS reflects the potential dilution that could occur if outstanding stock options at the presented date are exercised and shares of restricted stock units have vested.

The computation of diluted EPS did not include 0.9 million and 1.6 million options to purchase Broadridge common stock for the three months ended September 30, 2015, and 2014, respectively, as the effect of their inclusion would have been anti-dilutive.

The following table sets forth the denominators of the basic and diluted EPS computations (in millions):

	Three Months Ended September 30,	
	2015	2014
Weighted-average shares outstanding:		
Basic	118.3	119.8
Common stock equivalents	3.4	4.1
Diluted	121.7	123.9

NOTE 4. NON-OPERATING EXPENSES, NET

Non-operating expenses, net consisted of the following:

	Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Interest expense on borrowings	$6.8	$6.2
Other (income)/expense, net	(0.9)	(0.6)
Losses from equity method investments	1.6	1.5
Non-operating expenses, net	$7.4	$7.1

NOTE 5. FAIR VALUE OF FINANCIAL INSTRUMENTS

Accounting guidance on fair value measurements for certain financial assets and liabilities requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1	Inputs that are based upon unadjusted quoted prices for identical instruments traded in active markets.
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
Level 3	Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In valuing assets and liabilities, the Company is required to maximize the use of quoted market prices and minimize the use of unobservable inputs. The Company calculates the fair value of its Level 1 and Level 2 instruments based on the exchange traded price of similar or identical instruments where available or based on other observable instruments. These calculations take into consideration the credit risk of both the Company and its counterparties. The Company has not changed its valuation techniques in measuring the fair value of any financial assets and liabilities during the period.

The Company holds certain available-for-sale securities in a non-public entity for which the lowest level of significant inputs is unobservable. On a recurring basis, the Company uses pricing models and similar techniques for which the

Table of Contents

determination of fair value requires significant judgment by management. Accordingly, the Company classifies the available-for-sale securities as Level 3 in the table below.

The fair value of the contingent consideration obligations are based on a probability weighted approach derived from the estimates of earn-out criteria and the probability assessment with respect to the likelihood of achieving those criteria. The measurement is based on significant inputs that are not observable in the market and therefore, the Company classifies this liability as Level 3 in the table below.

The following tables set forth the Company's financial assets and liabilities at September 30, 2015 and June 30, 2015, respectively, that are measured at fair value on a recurring basis during the period, segregated by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
	($ in millions)			
Assets:				
Cash and cash equivalents:				
Money market funds (1)	$38.5	$—	$—	$38.5
Other current assets:				
Available-for-sale securities	0.1	—	—	0.1
Other non-current assets:				
Available-for-sale securities	30.4	—	1.1	31.5
Total assets as of September 30, 2015	$69.0	$—	$1.1	$70.1
Liabilities				
Contingent consideration obligations:	—	—	14.9	14.9
Total liabilities as of September 30, 2015	$—	$—	$14.9	$14.9

	Level 1	Level 2	Level 3	Total
	($ in millions)			
Assets:				
Cash and cash equivalents:				
Money market funds (1)	$65.5	$—	$—	$65.5
Other current assets:				
Available-for-sale securities	0.1	—	—	0.1
Other non-current assets:				
Available-for-sale securities	24.5	—	1.1	25.6
Total assets as of June 30, 2015	$90.1	$—	$1.1	$91.2
Liabilities				
Contingent consideration obligations:	—	—	15.7	15.7
Total liabilities as of June 30, 2015	$—	$—	$15.7	$15.7

---

(1) Money market funds include money market deposit account balances of $12.6 million and $34.0 million as of September 30, 2015 and June 30, 2015, respectively.

The following table sets forth an analysis of changes during the three months ended September 30, 2015 and 2014, in Level 3 financial assets of the Company:

	September 30, 2015	September 30, 2014
	($ in millions)	
Beginning balance	$1.1	$1.1
Net realized/unrealized gains (losses)	—	—
Purchases	—	—
Transfers in (out) of Level 3	—	—
Ending balance	$1.1	$1.1

The Company did not incur any Level 3 fair value asset impairments during the three months ended September 30, 2015 and 2014.

The following table sets forth an analysis of changes during the three months ended September 30, 2015 and 2014, in Level 3 financial liabilities of the Company:

	September 30, 2015	September 30, 2014
	($ in millions)	
Beginning balance	$15.7	$1.3
Additional contingent consideration incurred	—	—
Increase in contingent consideration liability	—	—
Payments	(0.8)	—
Ending balance	$14.9	$1.3

Changes in economic conditions or model based valuation techniques may require the transfer of financial instruments between levels. The Company's policy is to record transfers between levels if any, as of the beginning of the fiscal year.

NOTE 6. OTHER NON-CURRENT ASSETS

Other non-current assets consisted of the following:

	September 30, 2015	June 30, 2015
	($ in millions)	
Deferred client conversion and start-up costs	$136.9	$137.1
Deferred data center costs	43.5	43.5
Long-term investments	37.9	33.3
Long-term broker fees	5.1	5.4
Other	22.2	23.9
Total	$245.6	$243.2

NOTE 7. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

	September 30, 2015	June 30, 2015
	($ in millions)	
Employee compensation and benefits	$95.9	$163.2
Accrued broker fees	35.6	63.4
Accrued taxes	28.7	28.5
Accrued dividend payable	34.9	31.4
Other	28.7	33.9
Total	$223.8	$320.4

Table of Contents

NOTE 8. BORROWINGS

Outstanding borrowings and available capacity under the Company’s borrowing arrangements were as follows:

	Expiration Date	September 30, 2015	June 30, 2015	Unused Available Capacity
		($ in millions)		
Long-term debt				
Fiscal 2015 Revolving Credit Facility	August 2019	$210.0	$165.0	$540.0
Fiscal 2007 Senior Notes	June 2017	124.8	124.8	—
Fiscal 2014 Senior Notes	September 2020	399.6	399.6	—
Total debt		$734.4	$689.4	$540.0

Fiscal 2015 Revolving Credit Facility: On August 14, 2014, the Company entered into an amended and restated $750.0 million five-year revolving credit facility (the “Fiscal 2015 Revolving Credit Facility”), which replaced the $500.0 million five-year revolving credit facility entered into in September 2011 (the "Fiscal 2012 Revolving Credit Facility"). The Fiscal 2015 Revolving Credit Facility is comprised of a $670.0 million U.S. dollar tranche and an $80.0 million multicurrency tranche. At September 30, 2015, the Company had $210.0 million in outstanding borrowings and had unused available capacity of $540.0 million under the Fiscal 2015 Revolving Credit Facility. The weighted-average interest rate on the Fiscal 2015 Revolving Credit Facility was 1.16% for the three months ended September 30, 2015. The fair value of the variable-rate Fiscal 2015 Revolving Credit Facility borrowings at September 30, 2015 approximates carrying value.

Borrowings under the Fiscal 2015 Revolving Credit Facility initially bear interest at LIBOR plus 100 basis points. In addition, the Fiscal 2015 Revolving Credit Facility has an annual facility fee equal to 12.5 basis points on the entire facility, which totaled $0.2 million and $0.1 million for the three months ended September 30, 2015 and 2014, respectively. The Company incurred $1.9 million in debt issuance costs to establish the Fiscal 2015 Revolving Credit Facility. As of September 30, 2015, $1.8 million of debt issuance costs remain to be amortized (including $0.4 million of issuance costs from the Fiscal 2012 Revolving Credit Facility). Such costs are capitalized in Other non-current assets in the Condensed Consolidated Balance Sheets and are being amortized to Non-operating expenses, net on a straight-line basis, which approximates the effective interest method, over the term of this facility.

The Company may voluntarily prepay, in whole or in part and without premium or penalty, borrowings under the Fiscal 2015 Revolving Credit Facility at any time. The Fiscal 2015 Revolving Credit Facility is subject to covenants, including financial covenants consisting of a leverage ratio and an interest coverage ratio. At September 30, 2015, the Company is in compliance with the financial covenants of the Fiscal 2015 Revolving Credit Facility.

Fiscal 2007 Senior Notes: In May 2007, the Company completed an offering of $250.0 million in aggregate principal amount of senior notes (the “Fiscal 2007 Senior Notes”). The Fiscal 2007 Senior Notes will mature on June 1, 2017 and bear interest at a rate of 6.125% per annum. Interest on the Fiscal 2007 Senior Notes is payable semi-annually in arrears on June 1st and December 1st each year. The Fiscal 2007 Senior Notes were issued at a price of 99.1% (effective yield to maturity of 6.251%). The indenture governing the Fiscal 2007 Senior Notes contains certain covenants including covenants restricting the Company’s ability to create or incur liens securing indebtedness for borrowed money and to enter into certain sale-leaseback transactions. At September 30, 2015, the Company is in compliance with the covenants of the indenture governing the Fiscal 2007 Senior Notes. The indenture also contains covenants regarding the purchase of the Fiscal 2007 Senior Notes upon a change of control triggering event. The Company may redeem the Fiscal 2007 Senior Notes in whole or in part at any time before their maturity. The Company incurred $1.9 million in debt issuance costs to establish the Fiscal 2007 Senior Notes. These costs have been capitalized and are being amortized to Non-operating expenses, net on a straight-line basis, which approximates the effective interest method, over the ten-year term. As of September 30, 2015, $0.2 million of debt issuance costs remain to be amortized. During the fiscal year ended June 30, 2009, the Company purchased $125.0 million principal amount of the Fiscal 2007 Senior Notes (including $1.0 million unamortized bond discount) pursuant to a cash tender offer for such notes. The fair value of the fixed-rate Fiscal 2007 Senior Notes at September 30, 2015 and June 30, 2015 was $134.3 million and $135.8 million, respectively, based on quoted market prices and has been classified as a Level 1 financial liability (as defined in Note 5, "Fair Value of Financial Instruments").

Fiscal 2014 Senior Notes: In August 2013, the Company completed an offering of $400.0 million in aggregate principal amount of senior notes (the "Fiscal 2014 Senior Notes"). The Fiscal 2014 Senior Notes will mature on September 1, 2020 and bear interest at a rate of 3.95% per annum. Interest on the Fiscal 2014 Senior Notes is payable semi-annually in arrears on March 1st and September 1st each year. The Fiscal 2014 Senior Notes were issued at a price of 99.871% (effective yield to

Table of Contents

maturity of 3.971%). The indenture governing the Fiscal 2014 Senior Notes contains certain covenants including covenants restricting the Company's ability to create or incur liens securing indebtedness for borrowed money and to enter into certain sale-leaseback transactions. At September 30, 2015, the Company is in compliance with the covenants of the indenture governing the Fiscal 2014 Senior Notes. The indenture also contains covenants regarding the purchase of the Fiscal 2014 Senior Notes upon a change of control triggering event. The Company may redeem the Fiscal 2014 Senior Notes in whole or in part at any time before their maturity. The Company incurred $4.3 million in debt issuance costs to establish the Fiscal 2014 Senior Notes. These costs have been capitalized and are being amortized to Non-operating expenses, net on a straight-line basis, which approximates the effective interest method, over the seven-year term. As of September 30, 2015, $2.9 million of debt issuance costs remain to be amortized. The fair value of the fixed-rate Fiscal 2014 Senior Notes at September 30, 2015 and June 30, 2015 was $419.4 million and $417.8 million based on quoted market prices and has been classified as a Level 1 financial liability (as defined in Note 5, "Fair Value of Financial Instruments").

The Fiscal 2015 Revolving Credit Facility, Fiscal 2007 Senior Notes, and Fiscal 2014 Senior Notes are senior unsecured obligations of the Company and are ranked equally in right of payment.

In addition, certain of the Company's subsidiaries established unsecured, uncommitted lines of credit with banks. As of September 30, 2015 and June 30, 2015, there were no outstanding borrowings under these lines of credit.

Table of Contents

NOTE 9. STOCK-BASED COMPENSATION

The activity related to the Company’s incentive equity awards for the three months ended September 30, 2015 consisted of the following:

	Stock Options		Time-based Restricted Stock Units		Performance-based Restricted Stock Units	
	Number of Options	Weighted-Average Exercise Price	Number of Shares	Weighted-Average Grant Date Fair Value	Number of Shares	Weighted-Average Grant Date Fair Value
Balances at July 1, 2015	7,673,947	$29.00	1,526,460	$34.51	547,865	$33.94
Granted	—	—	18,972	54.39	—	—
Exercise of stock options (a)	(150,210)	20.60	—	—	—	—
Vesting of restricted stock units	—	—	—	—	—	—
Expired/forfeited	(52,167)	30.53	(47,143)	34.91	(74,220)	22.75
Balances at September 30, 2015 (b), (c)	7,471,570	$29.16	1,498,289	$34.75	473,645	$35.69

(a) Stock options exercised during the period of July 1, 2015 through September 30, 2015 had an aggregate intrinsic value of $5.1 million.

(b) As of September 30, 2015, the Company's outstanding vested and currently exercisable stock options using the September 30, 2015 closing stock price of $55.35 (approximately 4.3 million shares) had an aggregate intrinsic value of $138.8 million with a weighted-average exercise price of $23.22 and a weighted-average remaining contractual life of 4.8 years. The total of all stock options outstanding as of September 30, 2015 have a weighted-average remaining contractual life of 6.2 years.

(c) As of September 30, 2015, time-based restricted stock units and performance-based restricted stock units expected to vest using the September 30, 2015 share price of $55.35 (approximately 1.4 million and 0.5 million shares, respectively) had an aggregate intrinsic value of $79.4 million and $26.1 million, respectively.

The Company has stock-based compensation plans under which the Company annually grants stock option and restricted stock unit awards. Stock options are granted to employees at exercise prices equal to the fair market value of the Company's common stock on the dates of grant, with the measurement of stock-based compensation expense recognized in Net earnings based on the fair value of the award on the date of grant. Stock-based compensation expense of $9.0 million and $8.4 million, as well as related tax benefits of $3.4 million and $3.2 million, were recognized for the three months ended September 30, 2015 and 2014, respectively.

As of September 30, 2015, the total remaining unrecognized compensation cost related to non-vested stock options and restricted stock unit awards amounted to $12.9 million and $26.4 million, respectively, which will be amortized over the weighted-average remaining requisite service periods of 2.8 years and 1.3 years, respectively.

For stock options issued, the fair value of each stock option was estimated on the date of grant using a binomial option pricing model. The binomial model considers a range of assumptions related to volatility, risk-free interest rate and employee exercise behavior. Expected volatilities utilized in the binomial model are based on a combination of implied market volatilities, historical volatility of the Company’s stock price and other factors. Similarly, the dividend yield is based on historical experience and expected future changes. The risk-free rate is derived from the U.S. Treasury yield curve in effect at the time of grant. The binomial model also incorporates exercise and forfeiture assumptions based on an analysis of historical data. The expected life of the stock option grants is derived from the output of the binomial model and represents the period of time that options granted are expected to be outstanding.

NOTE 10. INCOME TAXES

The provision for income taxes and effective tax rates for the three months ended September 30, 2015 were $18.1 million and 35.1%, compared to $17.5 million and 35.0% for the three months ended September 30, 2014. The increase in the effective tax rate for the three months ended September 30, 2015 compared to the comparable prior year period is primarily attributable to the decrease in the percentage of lower taxed non-U.S. earnings as a percentage of total earnings before income taxes primarily as a result of weaker foreign currencies versus the U.S. dollar.

Table of Contents

NOTE 11. CONTRACTUAL COMMITMENTS, CONTINGENCIES AND OFF-BALANCE SHEET ARRANGEMENTS

In the normal course of business, the Company is subject to various claims and litigation. While the outcome of any claim or litigation is inherently unpredictable, the Company believes that the ultimate resolution of these matters will not, individually or in the aggregate, result in a material impact on its financial condition, results of operations or cash flows.

In March 2010, the Company and International Business Machines Corporation (“IBM”) entered into an Information Technology Services Agreement (the “IT Services Agreement”), under which IBM provides certain aspects of the Company’s information technology infrastructure. Under the IT Services Agreement, IBM provides a broad range of technology services to the Company including supporting its mainframe, midrange, open systems, network and data center operations, as well as providing disaster recovery services. The Company has the option of incorporating additional services into the agreement over time. The migration of data center processing to IBM was completed in August 2012. The IT Services Agreement would have expired on June 30, 2022. In March 2015, the Company signed a two-year extension to the IT Services Agreement which expires on June 30, 2024. The Company has the right to renew the term of the IT Services Agreement for up to one additional 12-month term. Commitments remaining under this agreement at September 30, 2015 are $514.0 million through fiscal year 2024, the final year of the contract.

In March 2014, the Company and IBM United Kingdom Limited (“IBM UK”) entered into an Information Technology Services Agreement (the “EU IT Services Agreement”), under which IBM UK provides data center services supporting the Company's technology outsourcing services for certain clients in Europe and Asia. The EU IT Services Agreement expires in October 2023. The Company has the right to renew the initial term of the EU IT Services Agreement for up to one additional 12-month term or one additional 24-month term. Commitments remaining under this agreement at September 30, 2015 are $39.6 million through fiscal year 2024, the final year of the contract.

In July 2014, the Company entered into an agreement providing for a capital commitment of $7.5 million to be made by the Company into an equity method investment. During fiscal year 2015, the Company contributed $7.5 million to this investment. In June 2015, the Company entered into an agreement to provide an additional capital commitment of $1.8 million to this investment through December 31, 2015. The Company contributed $0.3 million to this investment during the three months ended September 30, 2015, and has a remaining commitment of $1.5 million through December 31, 2015.

It is not the Company’s business practice to enter into off-balance sheet arrangements. However, the Company is exposed to market risk from changes in foreign currency exchange rates that could impact its financial position, results of operations, and cash flows. The Company manages its exposure to these market risks through its regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. The Company may use derivative financial instruments as risk management tools and not for trading purposes. The Company was not a party to any derivative financial instruments at September 30, 2015 or at June 30, 2015.

In the normal course of business, the Company also enters into contracts in which it makes representations and warranties that relate to the performance of the Company’s products and services. The Company does not expect any material losses related to such representations and warranties, or collateral arrangements.

Our business process outsourcing and mutual fund processing services are performed by Broadridge Business Process Outsourcing, LLC (“BBPO”), a wholly-owned indirect subsidiary, which is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). Although BBPO’s FINRA membership agreement allows it to engage in clearing and the retailing of corporate securities in addition to mutual fund retailing on a wire order basis, BBPO does not clear customer transactions or carry customer accounts. As a registered broker-dealer and member of FINRA, BBPO is subject to the Uniform Net Capital Rule 15c3-1 of the Securities Exchange Act of 1934, as amended (“Rule 15c3-1”), which requires BBPO to maintain a minimum net capital amount that is not material to the Company's financial position. At September 30, 2015, BBPO was in compliance with this capital requirement.

BBPO, as a “Managing Clearing Member” of the Options Clearing Corporation (the "OCC"), is also subject to OCC Rule 309(b) with respect to the business process outsourcing services that it provides to other OCC “Managed Clearing

Member" broker-dealers. OCC Rule 309(b) requires that BBPO maintain a minimum net capital amount that is not material to the Company's financial position. At September 30, 2015, BBPO was in compliance with this capital requirement.

In addition, MG Trust Company, a wholly-owned indirect subsidiary, is a Colorado State non-depository trust company and National Securities Clearing Corporation trust member, whose primary business is to provide cash agent, custodial and directed or non-discretionary trust services to institutional customers. As a result, MG Trust Company is subject to various

15

Table of Contents

regulatory capital requirements administered by the Colorado Division of Banking and other state regulators where it does business, as well as the National Securities Clearing Corporation. Specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance sheet items, when applicable, must be met, which are not material to the Company's financial position. At September 30, 2015, MG Trust Company was in compliance with its capital requirements.

NOTE 12. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS) BY COMPONENT

The following tables summarize the changes in the accumulated balances for each component of accumulated other comprehensive income/(loss) for the three months ended September 30, 2015, and 2014, respectively:

	Foreign Currency Translation	Available-for-Sale Securities	Pension and Post-Retirement Liabilities	Total
	($ in millions)			
Balances at July 1, 2015	$(16.6)	$2.0	$(6.3)	$(20.9)
Other comprehensive income/(loss) before reclassifications	(11.5)	(0.6)	—	(12.1)
Amounts reclassified from accumulated other comprehensive income/(loss)	—	—	0.1	0.1
Balances at September 30, 2015	$(28.0)	$1.4	$(6.3)	$(32.9)

	Foreign Currency Translation	Available-for-Sale Securities	Pension and Post-Retirement Liabilities	Total
	($ in millions)			
Balances at July 1, 2014	$13.6	$1.9	$(5.2)	$10.3
Other comprehensive loss before reclassifications	(4.5)	(0.1)	—	(4.6)
Balances at September 30, 2014	$9.1	$1.8	$(5.2)	$5.7

The following table summarizes the reclassifications out of accumulated other comprehensive income/(loss):

	Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Pension and Post-retirement liabilities:		
Amortization of loss reclassified into Selling, general and administrative expenses	$0.1	$0.1
Tax income	(0.1)	(0.1)
Amortization of loss, net of tax	$0.1	$—

NOTE 13. INTERIM FINANCIAL DATA BY SEGMENT

The Company classifies its operations into the following two reportable segments: Investor Communication Solutions and Global Technology and Operations.

The primary components of “Other” are the elimination of intersegment revenues and profits as well as certain unallocated expenses. Foreign currency exchange is a reconciling item between the actual foreign currency exchange rates and the constant foreign currency exchange rates used for internal management reporting.

Certain corporate expenses, as well as certain centrally managed expenses, are allocated based upon budgeted amounts in a reasonable manner. Because the Company compensates the management of its various businesses on, among other factors, segment profit, the Company may elect to record certain segment-related expense items in Other rather than reflect such items in segment profit.

Table of Contents

Segment results:

	Revenues Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Investor Communication Solutions	$429.7	$394.4
Global Technology and Operations	176.8	162.6
Foreign currency exchange	(11.7)	(1.2)
Total	$594.7	$555.8

	Earnings (Loss) before Income Taxes Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Investor Communication Solutions	$33.9	$37.7
Global Technology and Operations	30.3	25.9
Other	(13.9)	(17.8)
Foreign currency exchange	1.3	4.2
Total	$51.7	$50.0

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

The following discussion should be read in conjunction with our Condensed Consolidated Financial Statements and accompanying Notes thereto included elsewhere herein.

Forward-Looking Statements

This Quarterly Report on Form 10-Q may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature and which may be identified by the use of words such as "expects," "assumes," "projects," "anticipates," "estimates," "we believe," "could be" and other words similar meaning, are forward-looking statements. In particular, information appearing under "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" includes forward-looking statements. These statements are based on management's expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include:

- the success of Broadridge Financial Solutions, Inc. ("Broadridge" or the "Company") in retaining and selling additional services to its existing clients and in obtaining new clients;
- Broadridge's reliance on a relatively small number of clients, the continued financial health of those clients, and the continued use by such clients of Broadridge's services with favorable pricing terms;
- changes in laws and regulations affecting Broadridge's clients or the services provided by Broadridge;
- declines in participation and activity in the securities markets;
- any material breach of Broadridge security affecting its clients' customer information;
- the failure of our outsourced data center services provider to provide the anticipated levels of service;
- a disaster or other significant slowdown or failure of Broadridge's systems or error in the performance of Broadridge's services;
- overall market and economic conditions and their impact on the securities markets;

Table of Contents

- Broadridge's failure to keep pace with changes in technology and demands of its clients;
- the ability to attract and retain key personnel;
- the impact of new acquisitions and divestitures; and
- competitive conditions.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. We can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. You should carefully read the factors described in the "Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 (the "2015 Annual Report") for a description of certain risks that could, among other things, cause our actual results to differ from these forward-looking statements.

All forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are expressly qualified in their entirety by the cautionary statements included in this Quarterly Report on Form 10-Q and the 2015 Annual Report. We disclaim any obligation to update or revise forward-looking statements that may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, other than as required by law.

Table of Contents

Overview

Broadridge is a leading global provider of investor communications and technology-driven solutions to banks, broker-dealers, mutual funds and corporate issuers. Our services include investor communications, securities processing, and data and analytics solutions. In short, we provide the infrastructure that helps the financial services industry operate. With over 50 years of experience, we provide financial services firms with advanced, dependable, scalable and cost-effective integrated systems. Our systems help reduce the need for clients to make significant capital investments in operations infrastructure, thereby allowing them to increase their focus on core business activities. Our operations are classified into two business segments: Investor Communication Solutions and Global Technology and Operations.

Investor Communication Solutions

Our Bank/Broker-Dealer Investor Communication Solutions, Corporate Issuer Solutions, Advisor Solutions and Mutual Fund and Retirement Solutions are provided by the Investor Communication Solutions segment. A large portion of our Investor Communication Solutions involves the processing and distribution of proxy materials to investors in equity securities and mutual funds, as well as the facilitation of related vote processing. ProxyEdge, our innovative electronic proxy delivery and voting solution for institutional investors and financial advisors, helps ensure the participation of the largest stockholders of many companies. We also provide the distribution of regulatory reports and corporate action/reorganization event information, as well as tax reporting solutions that help our clients meet their regulatory compliance needs.

Our advisor solutions enable financial and wealth advisors, and insurance agents to better support their customers through the creation of sales and educational content, including seminars and a library of financial planning topics as well as customer communications solutions such as customizable advisor websites, search engine marketing and electronic print newsletters. Our advisor solutions also help advisors optimize their practice management through customer data aggregation, reporting and cloud-based marketing tools.

In addition, we provide financial information distribution and transaction reporting services to both financial institutions and securities issuers. These services include the processing and distribution of account statements and trade confirmations, traditional and personalized document fulfillment and content management services, marketing communications, and imaging, archival and workflow solutions that enable and enhance our clients' communications with investors. All of these communications are delivered through paper or electronic channels. In addition, we provide corporate issuers with registered proxy services as well as registrar, stock transfer and record-keeping services to corporate issuers.

Global Technology and Operations

Our Global Technology and Operations business offers a suite of advanced computerized real-time transaction processing services that automate the securities transaction lifecycle, from desktop productivity tools, data aggregation, performance reporting, and portfolio management to order capture and execution, trade confirmation, settlement, and accounting. Our services help financial institutions and investment managers efficiently and cost-effectively consolidate their books and records, gather and service assets under management, focus on their core businesses, and manage risk. Our multi-currency solutions support real-time global trading of equity, fixed income, mutual fund, foreign exchange and exchange traded derivative securities in established and emerging markets. In addition, our Managed Services solution allows broker-dealers to outsource certain administrative functions relating to clearing and settlement and asset servicing, while maintaining their ability to finance and capitalize their businesses.

Consolidation and Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America ("U.S."). These Condensed Consolidated Financial Statements present the condensed consolidated position of the Company. These financial statements include the entities in which the Company directly or indirectly has a controlling financial interest and various entities in which the Company has investments recorded under both the cost and equity methods of accounting. All material intercompany balances and transactions have been eliminated. Amounts presented may not sum due to rounding. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire year or any subsequent interim period. These Condensed Consolidated Financial Statements should be read in conjunction with the Company's Consolidated Financial Statements for the fiscal year ended June 30, 2015 in the 2015 Annual Report on Form 10-K filed with the SEC on August 7, 2015.

Effective in the first quarter of fiscal year 2016, we have revised our presentation in the Condensed Consolidated Statements of Earnings to separately present Operating expenses, Operating income, and Non-operating expenses, net. Previously, we reported Other expenses, net, as part of Total expenses and did not separately present Operating income in our

19

Table of Contents

Condensed Consolidated Statements of Earnings. All prior-period information has been conformed to the current period presentation.

Critical Accounting Policies

In presenting the Condensed Consolidated Financial Statements, management makes estimates and assumptions that affect the amounts reported and related disclosures. Management continually evaluates the accounting policies and estimates used to prepare the Condensed Consolidated Financial Statements. The estimates, by their nature, are based on judgment, available information, and historical experience and are believed to be reasonable. However, actual amounts and results could differ from these estimates made by management. In management's opinion, the Condensed Consolidated Financial Statements contain all normal recurring adjustments necessary for a fair presentation of results reported. The results of operations reported for the periods presented are not necessarily indicative of the results of operations for subsequent periods. Certain accounting policies that require significant management estimates and are deemed critical to our results of operations or financial position are discussed in the "Critical Accounting Policies" section of Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2015 Annual Report on Form 10-K.

Results of Operations

The following discussions of Analysis of Condensed Consolidated Statements of Earnings and Analysis of Reportable Segments refer to the three months ended September 30, 2015 compared to the three months ended September 30, 2014. The Analysis of Condensed Consolidated Statements of Earnings should be read in conjunction with the Analysis of Reportable Segments, which provides a more detailed discussion concerning certain components of the Condensed Consolidated Statements of Earnings.

The following references are utilized in the discussions of Analysis of Condensed Consolidated Statements of Earnings and Analysis of Reportable Segments:

"Acquisition Amortization and Other Costs" represents amortization charges associated with acquired intangible assets as well as other transaction costs associated with the Company's acquisition activities.

"Net New Business" refers to recurring revenue from closed sales less recurring revenue from client losses.

The following definitions describe the Company's Revenues:

Fee revenues in the Investor Communication Solutions segment are derived from both recurring and event-driven activity. In addition, the level of recurring and event-driven activity we process directly impacts distribution revenues. While event-driven activity is highly repeatable, it may not recur on an annual basis. The types of services we provide that comprise event-driven activity are:

- Mutual Fund Proxy: The proxy and related services we provide to mutual funds when certain events occur requiring a shareholder vote including changes in directors, sub-advisors, fee structures, investment restrictions, and mergers of funds.
- Mutual Fund Communications: Mutual fund communications services consist primarily of the distribution on behalf of mutual funds of supplemental information required to be provided to the annual mutual fund prospectus as a result of certain triggering events such as a change in portfolio managers. In addition, mutual fund communications consist of notices and marketing materials such as newsletters.
- Proxy Contests and Specials, Corporate Actions, and Other: The proxy services we provide in connection with shareholder meetings driven by special events such as proxy contests, mergers and acquisitions, and tender/exchange offers.

Event-driven fee revenues are based on the number of special events and corporate transactions we process. Event-driven activity is impacted by financial market conditions and changes in regulatory compliance requirements, resulting in fluctuations in the timing and levels of event-driven fee revenues. As such, the timing and level of event-driven activity and its potential impact on revenues and earnings is difficult to forecast.

Generally, mutual fund proxy activity has been subject to a greater level of volatility than the other components of event-driven activity. For the three months ended September 30, 2015, mutual fund proxy fee revenues were flat compared to the

Table of Contents

three months ended September 30, 2014. During fiscal year 2015, mutual fund proxy fee revenues were 2% lower than the prior fiscal year while during fiscal years 2014 and 2013, mutual fund proxy revenues were 31% and 54% higher, respectively, than the prior fiscal year. Although it is difficult to forecast the levels of event-driven activity, we expect that the portion of fee revenues derived from mutual fund proxy activity may continue to experience volatility in the future.

Distribution revenues primarily include revenues related to the physical mailing of proxy materials, interim communications, transaction reporting, and fulfillment services as well as Matrix Financial Solutions, Inc. ("Matrix") administrative services.

Distribution cost of revenues consists primarily of postage-related expenses incurred in connection with our Investor Communication Solutions segment as well as Matrix shareholder services fees. These costs are reflected in Cost of Revenues.

Closed sales represent the expected recurring annual revenue for new client contracts that were signed by Broadridge during the periods referenced. These types of sales were previously described by the Company as recurring revenue closed sales. Closed sales are a key indicator of Broadridge's expected future revenue growth. The amount of the closed sale is an estimate of annual revenues based on client volumes or activity, excluding pass-through revenues such as distribution revenues. The inherent variability of transaction volumes and activity levels can result in some variability of amounts reported as closed sales. Larger closed sales can take up to 12 to 24 months or longer to convert to revenues, particularly for the services provided by our Global Technology and Operations segment.

The Company tracks actual revenues achieved during the first year that the client contract is fully implemented and compares this to the amount that was included in the Company’s previously reported closed sales amount. The Company adjusts the current year closed sales amount for any difference between the prior year’s reported closed sales amount and the actual revenues achieved in the first year of the applicable contract. Closed sales were adjusted by $(1.9) million and $(1.4) million for the three months ended September 30, 2015 and 2014, respectively.

Table of Contents

Analysis of Condensed Consolidated Statements of Earnings

Three Months Ended September 30, 2015 versus Three Months Ended September 30, 2014

The table below presents Condensed Consolidated Statements of Earnings data for the three months ended September 30, 2015 and 2014, and the dollar and percentage changes between periods:

	Three Months Ended September 30,		Change	
	2015	2014	$	%
	($ in millions, except per share amounts)			
Revenues	$594.7	$555.8	$38.9	7
Cost of revenues	438.6	406.5	32.1	8
Selling, general and administrative expenses	97.1	92.2	4.9	5
Total operating expenses	535.7	498.7	37.0	7
Operating income	59.1	57.1	2.0	4
Margin	9.9 %	10.3 %		(0.4) pts
Non-operating expenses, net	7.4	7.1	0.3	4
Earnings before income taxes	51.7	50.0	1.7	3
Provision for income taxes	18.1	17.5	0.6	3
Effective tax rate	35.1 %	35.0 %		0.1 pts
Net earnings	$33.5	$32.5	$1.0	3
Basic earnings per share	$0.28	$0.27	$0.01	4
Diluted earnings per share	$0.28	$0.26	$0.02	8

Three Months Ended September 30, 2015 versus Three Months Ended September 30, 2014

Revenues. Revenues for the three months ended September 30, 2015 were $594.7 million, an increase of $38.9 million, or 7%, compared to $555.8 million for the three months ended September 30, 2014. The $38.9 million increase was driven by higher recurring fee revenues of $34.5 million, or 10%, higher event-driven fee revenues of $3.1 million, or 9%, and higher distribution revenues of $11.9 million, or 7%. The positive contribution from recurring fee revenues reflected gains from Net New Business (4pts), contributions from acquisitions (4pts), and internal growth (2pts). Fluctuations in foreign currency exchange rates negatively impacted revenues by $10.5 million.

Closed sales for the three months ended September 30, 2015 were $17.2 million, a decrease of $15.1 million, or 47%, compared to $32.3 million for the three months ended September 30, 2014. The decrease is the result of two large sales that were signed during the three month period ended September 30, 2014 which elevated the prior period total.

Total Operating Expenses. Total operating expenses for the three months ended September 30, 2015 were $535.7 million, an increase of $37.0 million, or 7%, compared to $498.7 million for the three months ended September 30, 2014. Cost of revenues increased by $32.1 million, or 8%, and Selling, general and administrative expenses increased by $4.9 million, or 5%.

Cost of revenues for the three months ended September 30, 2015 were $438.6 million, an increase of $32.1 million, or 8%, compared to $406.5 million for the three months ended September 30, 2014. The increase primarily reflects higher costs related to acquisitions of $12.6 million, higher distribution cost of revenues of $10.6 million driven mostly by the increase in distribution revenues, and higher operating expenses driven mostly by the increase in recurring and event-driven fee revenues. Fluctuations in foreign currency exchange rates decreased cost of fee revenues by $7.6 million.

Selling, general and administrative expenses for the three months ended September 30, 2015 were $97.1 million, an increase of $4.9 million, or 5%, compared to $92.2 million for the three months ended September 30, 2014. The increase was primarily related to higher costs related to acquisitions of $4.6 million, and higher selling and marketing expenses of $1.4 million as the Company continued to focus on increasing its sales capabilities, partially offset by lower professional services fees of $1.8 million.

Table of Contents

Operating income. Operating income for the three months ended September 30, 2015 was $59.1 million, an increase of $2.0 million, or 4%, compared to $57.1 million for the three months ended September 30, 2014. The increase is due to higher revenues, partially offset by higher operating expenses including $2.3 million of increased amortization of acquired intangibles. Operating income margins decreased to 9.9% for the three months ended September 30, 2015, compared to 10.3% for the three months ended September 30, 2014 due to increased amortization of acquired intangibles.

Non-operating expenses, net. Non-operating expenses, net for the three months ended September 30, 2015 were $7.4 million, an increase of $0.3 million, or 4%, compared to $7.1 million for the three months ended September 30, 2014, due to an increase in interest expense from higher borrowings related to our revolving credit facility.

Earnings before Income Taxes. Earnings before income taxes for the three months ended September 30, 2015 were $51.7 million, an increase of $1.7 million, or 3%, compared to $50.0 million for the three months ended September 30, 2014. The increase is due to higher revenues, partially offset by higher operating expenses.

Provision for Income Taxes. The Provision for income taxes and effective tax rates for the three months ended September 30, 2015 were $18.1 million and 35.1%, compared to $17.5 million and 35.0% for the three months ended September 30, 2014. The increase in the effective tax rate for the three months ended September 30, 2015 compared to the three month period ended September 30, 2014 is primarily attributable to the decrease in the percentage of lower taxed non-U.S. earnings as a percentage of total earnings before income taxes primarily as a result of weaker foreign currencies versus the U.S. dollar.

Net Earnings and Basic and Diluted Earnings per Share. Net earnings for the three months ended September 30, 2015 were $33.5 million, an increase of $1.0 million, or 3%, compared to $32.5 million for the three months ended September 30, 2014. The increase in Net earnings primarily reflects higher revenues as discussed above.

Basic and Diluted earnings per share for the three months ended September 30, 2015 were $0.28 and $0.28, an increase of $0.01 and $0.02, or 4% and 8%, respectively, compared to $0.27 and $0.26 for the three months ended September 30, 2014, respectively.

Analysis of Reportable Segments

The Company classifies its operations into the following two reportable segments: Investor Communication Solutions and Global Technology and Operations.

The primary components of “Other” are the elimination of intersegment revenues and profits and certain unallocated expenses. Foreign currency exchange is a reconciling item between the actual foreign currency exchange rates and the fiscal year 2015 budgeted foreign currency exchange rates reflected in the segments.

Certain corporate expenses, as well as certain centrally managed expenses, are allocated based upon budgeted amounts in a reasonable manner. Because the Company compensates the management of its various businesses on, among other factors, segment profit, the Company may elect to record certain segment-related expense items in Other rather than reflect such items in segment profit.

Table of Contents

Revenues

	Three Months Ended September 30,		Change	
	2015	2014	$	%
	($ in millions)			
Investor Communication Solutions	$429.7	$394.4	$35.3	9
Global Technology and Operations	176.8	162.6	14.2	9
Foreign currency exchange	(11.7)	(1.2)	(10.5)	*
Total	$594.7	$555.8	$38.9	7

* Not Meaningful

Earnings Before Income Taxes

	Three Months Ended September 30,		Change	
	2015	2014	$	%
	($ in millions)			
Investor Communication Solutions	$33.9	$37.7	$(3.8)	(10)
Global Technology and Operations	30.3	25.9	4.4	17
Other	(13.9)	(17.8)	3.9	22
Foreign currency exchange	1.3	4.2	(2.9)	(69)
Total	$51.7	$50.0	$1.7	3

Investor Communication Solutions

Revenues

	Three Months Ended September 30,		Change	
	2015	2014	$	%
	($ in millions)			
Recurring fee revenues	$215.9	$195.6	$20.3	10
Event-driven fee revenues	38.0	34.9	3.1	9
Distribution revenues	175.8	163.9	11.9	7
Total	$429.7	$394.4	$35.3	9

Revenues. Investor Communication Solutions segment's Revenues for the three months ended September 30, 2015 were $429.7 million, an increase of $35.3 million, or 9%, compared to $394.4 million for the three months ended September 30, 2014. The increase was attributable to higher recurring fee revenues which contributed $20.3 million, higher event-driven fee revenues which contributed $3.1 million and an increase in distribution revenues of $11.9 million.

Higher recurring fee revenues of 10% were driven by: (i) contributions from our recent acquisitions (7pts); and (ii) Net New Business from increases in revenues from closed sales (4pts); which were offset by (iii) a decrease in internal growth as a result of lower fund fulfillment revenues (-1pt). Position growth compared to the same period in the prior year, which is a component of internal growth, was 6% for mutual fund interims and 2% for annual equity proxy communications. Although these indicators were positive, the first three months' results are not necessarily indicative of our full-year results due to the seasonality of our business. Higher event-driven fee revenues were the result of increased equity proxy specials and corporate actions communications activity.

Table of Contents

Earnings before Income Taxes. Earnings before income taxes for the three months ended September 30, 2015 were $33.9 million, a decrease of $3.8 million, or 10%, compared to $37.7 million, for the three months ended September 30, 2014. Pre-tax margins decreased by 1.7 percentage points to 7.9% mainly due to incremental operating costs related to acquisitions, and higher operating expenses.

Global Technology and Operations

Revenues. Global Technology and Operations segment's Revenues for the three months ended September 30, 2015 were $176.8 million, an increase of $14.2 million, or 9%, compared to $162.6 million for the three months ended September 30, 2014. The 9% increase was attributable to: (i) higher Net New Business from closed sales (4pts); (ii) higher internal growth from higher trade and non-trade activity levels (4pts); and (iii) revenue from a recent acquisition (1pt).

Earnings before Income Taxes. Earnings before income taxes for the three months ended September 30, 2015 were $30.3 million, an increase of $4.4 million, or 17%, compared to $25.9 million for the three months ended September 30, 2014. Pre-tax margins increased by 1.3 percentage points to 17.2% primarily as a result of contributions from higher revenues, partially offset by incremental operating costs related to a recent acquisition.

Other

Loss before Income Taxes. Loss before income taxes was $13.9 million for the three months ended September 30, 2015, a decrease of $3.9 million, compared to $17.8 million for the three months ended September 30, 2014. The decreased loss was mainly due to a decrease in compensation expense, partially offset by an increase in interest expense.

Explanation and Reconciliation of the Company's Use of Non-GAAP Financial Measures

The Company's results in this Quarterly Report on Form 10-Q are presented in accordance with U.S. GAAP except where otherwise noted. In certain circumstances, results have been presented that are not generally accepted accounting principles measures ("Non-GAAP"). These Non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company's reported results.

With regard to statements in this Quarterly Report on Form 10-Q that include certain Non-GAAP financial measures, the adjusted operating income and adjusted earnings measures are adjusted to exclude the impact of certain costs, expenses, gains and losses and other specified items that management believes are not indicative of our ongoing performance.

We provide free cash flow information because we believe this helps investors understand the amount of cash available for dividends, share repurchases, acquisitions and other discretionary investments. Free cash flows is a Non-GAAP measure and is defined by the Company as net cash flows provided by operating activities less capital expenditures, software purchases and capitalized internal use software.

The Company believes Non-GAAP financial information helps investors understand the effect of these items on our reported results and provides a better representation of our operating performance. These Non-GAAP measures are indicators that management uses to provide additional meaningful comparisons between our current results and prior reported results, and as a basis for planning and forecasting for future periods.

Set forth below is a reconciliation of such Non-GAAP measures to the most directly comparable GAAP measures:

Table of Contents

	Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Adjusted Operating income (Non-GAAP)	$68.4	$63.5
Adjustment:		
Acquisition Amortization and Other Costs	(9.4)	(6.4)
Operating income (GAAP)	$59.1	$57.1

	Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Adjusted Net earnings (Non-GAAP)	$39.6	$36.7
Adjustment:		
Acquisition Amortization and Other Costs	(9.4)	(6.4)
Tax impact of adjustment	3.3	2.2
Net earnings (GAAP)	$33.5	$32.5

	Three Months Ended September 30,	
	2015	2014
Adjusted Diluted earnings per share (Non-GAAP)	$0.33	$0.30
Adjustment:		
Acquisition Amortization and Other Costs	(0.08)	(0.05)
Tax impact of adjustment	0.03	0.02
Diluted earnings per share (GAAP)	$0.28	$0.26

	Three Months Ended September 30,	
	2015	2014
	($ in millions)	
Free cash flows (Non-GAAP)	$(42.4)	$9.7
Capital expenditures, software purchases and capitalized internal use software	17.8	7.4
Net cash flows (used in) provided by operating activities (GAAP)	$(24.6)	$17.1

Financial Condition, Liquidity and Capital Resources

At September 30, 2015, cash and cash equivalents were $286.3 million and Total stockholders' equity was $924.2 million. At September 30, 2015, working capital was $382.5 million, compared to $352.5 million at June 30, 2015. At the current time, and in future periods, we expect cash generated by our operations, together with existing cash, cash equivalents, short-term investments and borrowings, to be sufficient to cover cash needs for working capital, capital expenditures, strategic acquisitions, dividends and common stock repurchases.

As of September 30, 2015, $199.4 million of the $286.3 million of cash and cash equivalents were held by our foreign subsidiaries, and $42.4 million of cash and cash equivalents were held by regulated entities. We expect existing domestic cash, cash equivalents, short-term investments, borrowings available under credit facilities and cash flows from operations to

Table of Contents

continue to be sufficient to fund our domestic operating activities and cash commitments for investing and financing activities, such as regular quarterly dividends, debt repayment schedules, and material capital expenditures, for at least the next 12 months and thereafter for the foreseeable future. In addition, we expect existing foreign cash, cash equivalents, short-term investments, and cash flows from operations to continue to be sufficient to fund our foreign operating activities and cash commitments for investing activities, such as material capital expenditures, for at least the next 12 months and thereafter for the foreseeable future. If these funds are needed for our operations in the U.S., we would be required to accrue and pay U.S. taxes to repatriate these funds. However, our current plans do not demonstrate a need to repatriate them to fund our U.S. operations, as we consider these funds to be permanently reinvested outside the U.S.

The Company has a $750.0 million five-year revolving credit facility (the "Fiscal 2015 Revolving Credit Facility"), which is comprised of a $670.0 million U.S. dollar tranche and an $80.0 million multicurrency tranche. Borrowings under the Fiscal 2015 Revolving Credit Facility bear interest at LIBOR plus 100 basis points. In addition, the Fiscal 2015 Revolving Credit Facility has an annual facility fee equal to 12.5 basis points on the entire facility, which totaled $0.2 million and $0.1 million for the three months ended September 30, 2015 and 2014, respectively. As of September 30, 2015, the Company had $210.0 million outstanding borrowings and had unused available capacity of $540.0 million under the Fiscal 2015 Revolving Credit Facility. The facility is scheduled to expire in August 2019.

At September 30, 2015, the carrying value of the Company's outstanding Long-term debt was $734.4 million, consisting of: (i) borrowings on the Fiscal 2015 Revolving Credit Facility of $210.0 million, (ii) senior notes of $124.8 million ($125.0 million principal amount less $0.2 million bond discount) due June 2017, and (iii) senior notes of $399.6 million ($400.0 million principal amount less $0.4 million bond discount) due September 2020. The Fiscal 2015 Revolving Credit Facility and the senior notes are senior unsecured obligations of the Company and are ranked equally in right of payment. Interest on the senior notes due 2017 is payable semiannually on June 1st and December 1st each year based on a fixed per annum rate equal to 6.125%. Interest on the senior notes due 2020 is payable semiannually on March 1st and September 1st each year based on a fixed per annum rate equal to 3.95%.

Our liquidity position may be negatively affected by changes in general economic conditions, regulatory requirements and access to the capital markets, which may be limited if we were to fail to renew any of the credit facilities on their renewal dates or if we were to fail to meet certain ratios.

Cash Flows

Net cash flows used in operating activities were $24.6 million for the three months ended September 30, 2015 compared to $17.1 million in net cash flows provided by operating activities during the three months ended September 30, 2014. The increase in cash used in operating activities of $41.7 million is primarily due to a relative increase in working capital. This was primarily due to: (i) the timing of accounts receivable collections and vendor payments and (ii) the receipt by a Canadian subsidiary of a $26.1 million tax refund in the three months ended September 30, 2014 that resulted from the prior settlement and execution of the Advanced Pricing Agreement with the Internal Revenue Service and the Canadian Revenue Authority.

Free cash flows used in operating activities were $42.4 million for the three months ended September 30, 2015 compared to $9.7 million in free cash flows provided by operating activities during the three months ended September 30, 2014. The increased use of cash of $52.1 million was driven by an increase in net cash flows used in operating activities of $41.7 million for the three months ended September 30, 2015 compared to the three months ended September 30, 2014, coupled with increased capital expenditures, software purchases and capitalized internal use software of $10.4 million for the three months ended September 30, 2015 compared to the three months ended September 30, 2014.

Net cash flows used in investing activities for the three months ended September 30, 2015 were $18.1 million, an increase of $8.9 million compared to $9.2 million in net cash flows used in investing activities for the three months ended September 30, 2014. The increase primarily reflects higher capital expenditures and software purchases of $10.4 million during the three months ended September 30, 2015 compared to the three months ended September 30, 2014.

Net cash flows provided by financing activities for the three months ended September 30, 2015 were $13.7 million, an increase of $35.3 million compared to $21.6 million in net cash flows used in financing activities for the three months ended September 30, 2014. The increase in cash provided in the three months ended September 30, 2015 is primarily due to an increase in net proceeds from borrowings on the revolving credit facility of $45.0 million and a decrease in the repurchases of common stock of $12.1 million, partially offset by a $6.8 million increase in dividend payments in the current year period compared to the prior year, a decrease of $12.3 million in proceeds from the exercise of stock options, and a decrease of $3.8 million in excess tax benefits from stock-based compensation awards in the current year period compared to the prior year.

Seasonality

Processing and distributing proxy materials and annual reports to investors in equity securities and mutual funds comprises a large portion of our Investor Communication Solutions business. We process and distribute the greatest number of proxy materials and annual reports during our fourth fiscal quarter (the second quarter of the calendar year). The recurring periodic activity of this business is linked to significant regulatory filing deadlines imposed on public reporting companies and mutual funds. Historically this has caused our revenues, operating income, net earnings, and cash flows from operating activities to be higher in our fourth fiscal quarter than in any other fiscal quarter. The seasonality of our revenues makes it difficult to estimate future operating results based on the results of any specific fiscal quarter and could affect an investor’s ability to compare our financial condition, results of operations, and cash flows on a fiscal quarter-by-quarter basis.

Income Taxes

Our effective tax rate for the three months ended September 30, 2015 was 35.1%, compared to 35.0% for the three months ended September 30, 2014. The increase in the effective tax rate for the three months ended September 30, 2015 compared to the comparable prior year period is primarily attributable to the decrease in the percentage of lower taxed non-U.S. earnings as a percentage of total earnings before income taxes primarily as a result of weaker foreign currencies versus the U.S. dollar.

Contractual Obligations

In March 2010, the Company and International Business Machines Corporation (“IBM”) entered into an Information Technology Services Agreement (the “IT Services Agreement”), under which IBM provides certain aspects of the Company’s information technology infrastructure. Under the IT Services Agreement, IBM provides a broad range of technology services to the Company including supporting its mainframe, midrange, open systems, network and data center operations, as well as providing disaster recovery services. The Company has the option of incorporating additional services into the agreement over time. The migration of data center processing to IBM was completed in August 2012. The IT Services Agreement would have expired on June 30, 2022. In March 2015, the Company signed a two-year extension to the IT Services Agreement which expires on June 30, 2024. The Company has the right to renew the term of the IT Services Agreement for up to one additional 12-month term. Commitments remaining under this agreement at September 30, 2015 are $514.0 million through fiscal year 2024, the final year of the contract.

In March 2014, the Company and IBM United Kingdom Limited (“IBM UK”) entered into an Information Technology Services Agreement (the “EU IT Services Agreement”), under which IBM UK provides data center services supporting the Company's business process outsourcing services for certain clients in Europe and Asia. The EU IT Services Agreement expires in October 2023. The Company has the right to renew the initial term of the EU IT Services Agreement for up to one additional 12-month term or one additional 24-month term. Commitments remaining under this agreement at September 30, 2015 are $39.6 million through fiscal year 2024, the final year of the contract.

In July 2014, the Company entered into an agreement providing for a capital commitment of $7.5 million to be made by the Company into an equity method investment. During fiscal year 2015, the Company contributed $7.5 million to this investment. In June 2015, the Company entered into an agreement to provide an additional capital commitment of $1.8 million to this investment through December 31, 2015. The Company contributed $0.3 million to this investment during the three months ended September 30, 2015, and has a remaining commitment of $1.5 million through December 31, 2015.

Other Commercial Agreements

At September 30, 2015, the Company had $210.0 million of outstanding borrowings and unused available capacity of $540.0 million under the Fiscal 2015 Revolving Credit Facility.

Certain of the Company’s subsidiaries established unsecured, uncommitted lines of credit with banks. There were no outstanding borrowings under these lines of credit at September 30, 2015.

Table of Contents

Off-balance Sheet Arrangements

It is not the Company's business practice to enter into off-balance sheet arrangements. However, the Company is exposed to market risk from changes in foreign currency exchange rates that could impact its financial position, results of operations and cash flows. The Company manages its exposure to these market risks through its regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. The Company may use derivative financial instruments as risk management tools and not for trading purposes. The Company was not a party to any derivative financial instruments at September 30, 2015 or at June 30, 2015. In the normal course of business, the Company also enters into contracts in which it makes representations and warranties that relate to the performance of the Company's products and services. The Company does not expect any material losses related to such representations and warranties or collateral arrangements.

Recently-issued Accounting Pronouncements

Please refer to Note 2, "New Accounting Pronouncements" to our Financial Statements under Item 1. of Part I of this Quarterly Report on Form 10-Q, for a discussion on the impact of new accounting pronouncements.

Table of Contents

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes related to market risk from the disclosures in the Company's Annual Report on Form 10-K for the year ended June 30, 2015.

Item 4. CONTROLS AND PROCEDURES

Management’s Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our President and Chief Executive Officer, and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2015. The President and Chief Executive Officer, and the Chief Financial Officer, concluded that our disclosure controls and procedures as of September 30, 2015 were effective to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is (i) recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and (ii) accumulated and communicated to our management, including our President and Chief Executive Officer, and our Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the three months ended September 30, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Table of Contents

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

In the normal course of business, the Company is subject to claims and litigation. While the outcome of any claim or litigation is inherently unpredictable, the Company believes that the ultimate resolution of these matters will not, individually or in the aggregate, result in a material impact on its financial condition, results of operations, or cash flows.

Item 1A. RISK FACTORS

In addition to the information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the "Risk Factors" disclosed under Item 1A. to Part I in our Annual Report on Form 10-K for the fiscal year ended June 30, 2015, filed on August 7, 2015. You should be aware that these risk factors and other information may not describe every risk facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results. There have been no material changes to the risk factors we have disclosed in the "Risk Factors" section of our 2015 Annual Report on Form 10-K.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table contains information about our purchases of our equity securities for each of the three months during our first fiscal quarter ended September 30, 2015:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans
July 1, 2015 - July 31, 2015	—	$—	—	4,736,884
August 1, 2015 - August 31, 2015	46,750	55.59	46,750	9,990,134
September 1, 2015 - September 30, 2015	8,430	51.01	8,430	9,981,704
Total	55,180	$54.89	55,180	

____

On August 6, 2015, Company's Board of Directors authorized the repurchase of up to an additional 5.3 million shares of Broadridge common stock. The share repurchases will be made in the open market or privately negotiated transactions in compliance with applicable legal requirements and other factors.

At September 30, 2015, the Company had 9,981,704 shares available for repurchase under its share repurchase program.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

None.

Table of Contents

Item 6. EXHIBITS
The following exhibits are being filed as part of this Quarterly Report on Form 10-Q:

31.1	Certification of the President and Chief Executive Officer of Broadridge Financial Solutions, Inc., pursuant to Rule 13a-14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer of Broadridge Financial Solutions, Inc., pursuant to Rule 13a-14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the President and Chief Executive Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements from the Broadridge Financial Solutions, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, formatted in eXtensible Business Reporting Language (XBRL): (i) condensed consolidated statements of earnings for the three months ended September 30, 2015 and 2014, (ii) condensed consolidated statements of comprehensive income for the three months ended September 30, 2015 and 2014, (iii) condensed consolidated balance sheets as of September 30, 2015 and June 30, 2015, (iv) condensed consolidated statements of cash flows for the three months ended September 30, 2015 and 2014, and (v) the notes to the condensed consolidated financial statements.

32

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned hereunto duly authorized.

	BROADRIDGE FINANCIAL SOLUTIONS, INC.
Date: November 5, 2015	By: /s/ James M. Young
	James M. Young