PEABODY AMERICA INC
Form S-3ASR
October 19, 2012
Table of Contents

As filed with the Securities and Exchange Commission on October 19, 2012

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Peabody Energy Corporation

(Exact name of Registrant as specified in its charter)

Delaware	**1221**	**13-4004153**
(State or Other jurisdiction of Incorporation or Organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

701 Market Street

St. Louis, Missouri 63101-1826

(314) 342-3400

(Address, Including Zip Code, and Telephone Number,

Including Area Code, of Registrant s Principal Executive Offices)

SEE TABLE OF ADDITIONAL REGISTRANTS

Alexander C. Schoch, Esq.

Peabody Energy Corporation

701 Market Street

St. Louis, Missouri 63101-1826

(314) 342-3400

(Name, Address, Including Zip Code, and Telephone Number,

Including Area Code, of Agent for Service)

With a Copy to:

Risë B. Norman, Esq.

Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, New York 10017

Kenneth L. Wagner, Esq.

Peabody Energy Corporation

701 Market Street

St. Louis, Missouri 63101-1826

Approximate date of commencement of proposed sale of the Securities to the public: From time to time after the registration statement becomes effective.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: ¨

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the Securities Act) other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: þ

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. þ

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ¨

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

Large accelerated filer þ	Accelerated filer ¨	Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)(2)	Proposed Maximum Aggregate Offering Price per Security(1)(2)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(3)
Debt Securities of Peabody Energy Corporation				
Guarantees of Debt Securities by Subsidiary Guarantors				
Preferred Stock, par value $0.01 per share				
Common Stock, par value $0.01 per share				
Warrants				
Units(4)				

(1) Not applicable pursuant to Form S-3 General Instruction II(E). An indeterminate aggregate initial offering price or number of the securities of each identified class (the Securities) is being registered as may from time to time be issued at indeterminate prices.

(2) Includes such indeterminate amounts of Securities as may be issued upon exercise, conversion or exchange of any Securities that provide for that issuance. Also includes such indeterminate amounts of Securities as may be issued in units. Separate consideration may or may not be received for any of these Securities.

(3) Pursuant to Rules 456(b) and 457(r), the Registrants elect to defer payment of all of the registration fees, except for $132,077.50, which is the remainder of (i) an initial registration fee of $353,100 paid to the Securities and Exchange Commission (SEC) with respect to $3,000,000,000 aggregate initial offering price of securities of the Registrants previously registered yet unissued under the Registration Statement on Form S-3 (No. 333-124749) of the Registrants filed on May 9, 2005, minus (ii) a subsequent registration fee of $174,677.50 due to the SEC and offset against the $353,100, with respect to $900,000,000 aggregate initial offering price of securities of the Registrants issued on October 12, 2006 and $732,500,000 aggregate initial offering price of securities of the Registrants issued on December 20, 2006, each under the Registration Statement on Form S-3 (No. 333-136108) of the Registrants filed on July 28, 2006 minus (iii) a subsequent registration fee of $46,345.00 due to the SEC and offset against the $353,100, with respect to $650,000,000 aggregate initial offering price of securities of the Registrants issued on August 25, 2010 under the Registration Statement on Form S-3 (No. 333- 161179) of the Registrants filed on August 7, 2009. Pursuant to Rule 415(a)(b), the Registrants are carrying forward filing fees of $132,077.50, which have been paid in advance for any future offering of $1,152,508,726 aggregate initial offering price of Securities registered under this Registration Statement. The prior registration statements will be deemed terminated as of the date of effectiveness of this Registration Statement. Any additional registration fees will be paid subsequently in advance or on a pay-as-you-go basis.

(4) Each Unit consists of any combination of two or more of the securities being registered hereby.

Table of Contents

TABLE OF CO-REGISTRANTS

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
American Land Development, LLC	Delaware	20-3405570	701 Market Street Suite 975 St. Louis, MO 63101 (314) 342-3400
American Land Holdings of Colorado, LLC	Delaware	26-3730572	701 Market Street Suite 809 St. Louis, MO 63101 (314) 342-3400
American Land Holdings of Illinois, LLC	Delaware	30-0440127	701 Market Street Suite 974 St. Louis, MO 63101 (314) 342-3400
American Land Holdings of Indiana, LLC	Delaware	20-2514299	701 Market Street Suite 737 St. Louis, MO 63101 (314) 342-3400
American Land Holdings of Kentucky, LLC	Delaware	20-0766113	701 Market Street Suite 719 St. Louis, MO 63101 (314) 342-3400
American Land Holdings of West Virginia, LLC	Delaware	20-5744666	701 Market Street Suite 754 St. Louis, MO 63101 (314) 342-3400

Arid Operations, Inc.	Delaware	84-1199578	14062 Denver West Parkway Suite 110 Golden, CO 80401-3301 (760) 337-5552
Big Ridge, Inc.	Illinois	37-1126950	420 Long Lane Road Equality, IL 62946 (618) 273-4314
Big Sky Coal Company	Delaware	81-0476071	P.O. Box 97 Colstrip, MT 59323 (406) 748-5750
Black Hills Mining Company, LLC	Illinois	32-0049741	701 Market Street Suite 779 St. Louis, MO 63101 (314) 342-3400
BTU Western Resources, Inc.	Delaware	20-1019486	701 Market Street Suite 735 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Caballo Grande, LLC	Delaware	27-1773243	701 Market Street Suite 710 St. Louis, MO 63101 (314) 342-3400
Caseyville Dock Company, LLC	Delaware	20-8080107	701 Market Street Suite 764 St. Louis, MO 63101 (314) 342-3400
Central States Coal Reserves of Illinois, LLC	Delaware	43-1869432	701 Market Street Suite 973 St. Louis, MO 63101 (314) 342-3400
Central States Coal Reserves of Indiana, LLC	Delaware	20-3960696	701 Market Street Suite 983 St. Louis, MO 63101 (314) 342-3400
Century Mineral Resources, Inc.	Illinois	36-3925555	701 Market Street Suite 798 St. Louis, MO 63101 (314) 342-3400
Coal Reserve Holding Limited Liability Company No. 1	Delaware	43-1922737	701 Market Street Suite 960 St. Louis, MO 63101 (314) 342-3400
COALSALES II, LLC	Delaware	43-1610419	701 Market Street Suite 830

			St. Louis, MO 63101 (314) 342-3400
Colorado Yampa Coal Company	Delaware	95-3761211	701 Market Street Suite 732 St. Louis, MO 63101 (314) 342-3400
Conservancy Resources, LLC	Delaware	20-5744701	701 Market Street Suite 755 St. Louis, MO 63101 (314) 342-3400
Cottonwood Land Company	Delaware	43-1721982	701 Market Street Suite 972 St. Louis, MO 63101 (314) 342-3400
Cyprus Creek Land Company	Delaware	73-1625890	701 Market Street Suite 772 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Cyprus Creek Land Resources, LLC	Delaware	75-3058264	701 Market Street Suite 775 St. Louis, MO 63101 (314) 342-3400
Dyson Creek Coal Company, LLC	Delaware	43-1898526	701 Market Street Suite 952 St. Louis, MO 63101 (314) 342-3400
Dyson Creek Mining Company, LLC	Delaware	20-8080062	701 Market Street Suite 762 St. Louis, MO 63101 (314) 342-3400
El Segundo Coal Company, LLC	Delaware	20-8162824	701 Market Street Suite 768 St. Louis, MO 63101 (314) 342-3400
Elkland Holdings, LLC	Delaware	26-3724511	701 Market Street Suite 819 St. Louis, MO 63101 (314) 342-3400
Falcon Coal Company, LLC	Indiana	35-2006760	7100 Eagle Crest Blvd. Suite 500 Evansville, IN 47715 (812) 434-8500
Gallo Finance Company	Delaware	43-1823616	701 Market Street Suite 713

			St. Louis, MO 63101 (314) 342-3400
Gold Fields Chile, LLC	Delaware	13-3004607	14062 Denver West Parkway Suite 110 Golden, CO 63102 (303) 271-3600
Gold Fields Mining, LLC	Delaware	36-2079582	14062 Denver West Parkway Suite 110 Golden, CO 63102 (303) 271-3600
Gold Fields Ortiz, LLC	Delaware	22-2204381	14062 Denver West Parkway Suite 110 Denver, CO 80401 (303) 271-3600
Hayden Gulch Terminal, LLC	Delaware	86-0719481	701 Market Street Suite 714 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Highwall Mining Services Company	Delaware	20-0010659	701 Market Street Suite 805 St. Louis, MO 63101 (314) 342-3400
Hillside Recreational Lands, LLC	Delaware	32-0214135	701 Market Street Suite 797 St. Louis, MO 63101 (314) 342-3400
HMC Mining, LLC	Delaware	43-1875853	701 Market Street Suite 911 St. Louis, MO 63101 (314) 342-3400
Illinois Land Holdings, LLC	Illinois	26-1865197	701 Market Street Suite 799 St. Louis, MO 63101 (314) 342-3400
Independence Material Handling, LLC	Delaware	43-1750064	701 Market Street Suite 840 St. Louis, MO 63101 (314) 342-3400
James River Coal Terminal, LLC	Delaware	55-0643770	701 Market Street Suite 724 St. Louis, MO 63101 (314) 342-3400
Juniper Coal Company	Delaware	43-1744675	701 Market Street Suite 716

			St. Louis, MO 63101-1826 (314) 342-3400
Kayenta Mobile Home Park, Inc.	Delaware	86-0773596	P.O. Box 605 Kayenta, AZ 86033 (928) 677-3201
Kentucky Syngas, LLC	Delaware	26-1156957	701 Market Street Suite 709 St. Louis, MO 63101 (314) 342-3400
Lively Grove Energy, LLC	Delaware	20-5752800	701 Market Street Suite 786 St. Louis, MO 63101 (314) 342-3400
Lively Grove Energy Partners, LLC	Delaware	26-0180403	701 Market Street Suite 794 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Marigold Electricity, LLC	Delaware	26-0180352	701 Market Street Suite 793 St. Louis, MO 63101 (314) 342-3400
Midco Supply and Equipment Corporation	Illinois	43-6042249	P.O. Box 14542 St. Louis, MO 63178 (314) 342-3400
Midwest Coal Acquisition Corp.	Delaware	20-0217640	701 Market Street Suite 722 St. Louis, MO 63101 (314) 342-3400
Midwest Coal Reserves of Illinois, LLC	Delaware	20-3960648	701 Market Street Suite 964 St. Louis, MO 63101 (314) 342-3400
Midwest Coal Reserves of Indiana, LLC	Delaware	20-3405958	701 Market Street Suite 963 St. Louis, MO 63101 (314) 342-3400
Moffat County Mining, LLC	Delaware	74-1869420	701 Market Street Suite 733 St. Louis, MO 63101 (314) 342-3400
Mustang Energy Company, LLC	Delaware	43-1898532	701 Market Street Suite 953 St. Louis, MO 63101

			(314) 342-3400
New Mexico Coal Resources, LLC	Delaware	20-3405643	701 Market Street Suite 804 St. Louis, MO 63101 (314) 342-3400
Pacific Export Resources, LLC	Delaware	27-5135144	701 Market Street Suite 701 St. Louis, MO 63101-1826 (314) 342-3400
Peabody America, Inc.	Delaware	93-1116066	701 Market Street Suite 720 St. Louis, MO 63101-1826 (314) 342-3400
Peabody Archveyor, L.L.C.	Delaware	43-1898535	701 Market Street Suite 751 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody Arclar Mining, LLC	Indiana	31-1566354	420 Long Lane Road Equality, IL 62934 (618) 273-4314
Peabody Bear Run Mining, LLC	Delaware	26-3582291	701 Market Street Suite 802 St. Louis, MO 63101 (314) 342-3400
Peabody Bear Run Services, LLC	Delaware	26-3725923	701 Market Street Suite 820 St. Louis, MO 63101 (314) 342-3400
Peabody Caballo Mining, LLC	Delaware	83-0309633	701 Market Street Suite 711 St. Louis, MO 63101 (314) 342-3400
Peabody Cardinal Gasification, LLC	Delaware	20-5047955	701 Market Street Suite 931 St. Louis, MO 63101 (314) 342-3400
Peabody COALSALES, LLC	Delaware	20-1759740	701 Market Street Suite 831 St. Louis, MO 63101 (314) 342-3400
Peabody COALTRADE International (CTI), LLC	Delaware	20-1435716	701 Market Street Suite 836 St. Louis, MO 63101

			(314) 342-3400
Peabody COALTRADE, LLC	Delaware	43-1666743	701 Market Street Suite 835 St. Louis, MO 63101 (314) 342-3400
Peabody Colorado Operations, LLC	Delaware	20-2561644	701 Market Street Suite 832 St. Louis, MO 63101 (314) 342-3400
Peabody Colorado Services, LLC	Delaware	26-3723774	701 Market Street Suite 813 St. Louis, MO 63101 (314) 342-3400
Peabody Coulterville Mining, LLC	Delaware	20-0217834	701 Market Street Suite 723 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody Development Company, LLC	Delaware	43-1265557	701 Market Street Suite 970 St. Louis, MO 63101 (314) 342-3400
Peabody Electricity, LLC	Delaware	20-3405744	701 Market Street Suite 784 Louis, MO 63101 (314) 342-3400
Peabody Employment Services, LLC	Delaware	26-3730348	701 Market Street Suite 808 St. Louis, MO 63101 (314) 342-3400
Peabody Energy Generation Holding Company	Delaware	73-1625891	701 Market Street Suite 930 St. Louis, MO 63101 (314) 342-3400
Peabody Energy Investments, Inc.	Delaware	68-0541702	701 Market Street Suite 717 St. Louis, MO 63101 (314) 342-3400
Peabody Energy Solutions, Inc.	Delaware	43-1753832	701 Market Street Suite 845 St. Louis, MO 63101 (314) 342-3400
Peabody Gateway North Mining, LLC	Delaware	27-2294407	701 Market Street Suite 827

			St. Louis, MO 63101 (314) 342-3400
Peabody Gateway Services, LLC	Delaware	26-3724075	701 Market Street Suite 817 St. Louis, MO 63101 (314) 342-3400
Peabody Holding Company, LLC	Delaware	74-2666822	701 Market Street Suite 741 St. Louis, MO 63101 (314) 342-3400
Peabody Illinois Services, LLC	Delaware	26-3722638	701 Market Street Suite 811 St. Louis, MO 63101 (314) 342-3400
Peabody Indiana Services, LLC	Delaware	26-3724339	701 Market Street Suite 818 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody International Investments, Inc.	Delaware	26-361182	701 Market Street Suite 703 St. Louis, MO 63101 (314) 342-3400
Peabody International Services, Inc.	Delaware	20-8340434	701 Market Street Suite 783 St. Louis, MO 63101 (314) 342-3400
Peabody Investments Corp.	Delaware	20-0480084	701 Market Street Suite 707 St. Louis, MO 63101 (314) 342-3400
Peabody Magnolia Grove Holdings, LLC	Delaware	61-1683376	701 Market Street Suite 706 St. Louis, MO 63101 (314) 342-3400
Peabody Midwest Management Services, LLC	Delaware	26-3726045	701 Market Street Suite 816 St. Louis, MO 63101 (314) 342-3400
Peabody Midwest Mining, LLC	Indiana	35-1799736	7100 Eagle Crest Blvd Evansville, IN 47715 (812) 424-9000
Peabody Midwest Operations, LLC	Delaware	20-3405619	701 Market Street Suite 744 St. Louis, MO 63101

			(314) 342-3400
Peabody Midwest Services, LLC	Delaware	26-3722194	701 Market Street Suite 810 St. Louis, MO 63101 (314) 342-3400
Peabody Natural Gas, LLC	Delaware	43-1890836	701 Market Street Suite 740 St. Louis, MO 63101 (314) 342-3400
Peabody Natural Resources Company	Delaware	51-0332232	701 Market Street Suite 718 St. Louis, MO 63101 (314) 342-3400
Peabody New Mexico Services, LLC	Delaware	20-8162939	701 Market Street, Suite 769 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody Operations Holding, LLC	Delaware	26-3723890	701 Market Street Suite 815 St. Louis, MO 63101 (314) 342-3400
Peabody Powder River Mining, LLC	Delaware	43-0996010	701 Market Street Suite 702 St. Louis, MO 63101 (314) 342-3400
Peabody Powder River Operations, LLC	Delaware	20-3405797	701 Market Street Suite 700 St. Louis, MO 63101 (314) 342-3400
Peabody Powder River Services, LLC	Delaware	26-3725850	701 Market Street Suite 826 St. Louis, MO 63101 (314) 342-3400
Peabody PowerTree Investments, LLC	Delaware	20-0116980	701 Market Street Suite 954 St. Louis, MO 63101 (314) 342-3400
Peabody Recreational Lands, L.L.C.	Delaware	43-1898382	701 Market Street Suite 920 St. Louis, MO 63101 (314) 342-3400
Peabody Rocky Mountain Management Services, LLC	Delaware	26-3725390	701 Market Street Suite 823

			St. Louis, MO 63101 (314) 342-3400
Peabody Rocky Mountain Services, LLC	Delaware	20-8162706	701 Market Street Suite 767 St. Louis, MO 63101 (314) 342-3400
Peabody Sage Creek Mining, LLC	Delaware	26-3730653	701 Market Street Suite 803 St. Louis, MO 63101 (314) 342-3400
Peabody School Creek Mining, LLC	Delaware	20-2902073	701 Market Street Suite 738 St. Louis, MO 63101 (314) 342-3400
Peabody Services Holdings, LLC	Delaware	26-3726126	701 Market Street Suite 814 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody Southwest, LLC	Delaware	20-5744732	701 Market Street Suite 756 St. Louis, MO 63101 (314) 342-3400
Peabody Southwestern Coal Company	Delaware	43-1898372	701 Market Street Suite 739 St. Louis, MO 63101-1826 (314) 342-3400
Peabody Terminal Holding Company, Inc.	Delaware	26-1087861	701 Market Street Suite 796 St. Louis, MO 63101 (314) 342-3400
Peabody Terminals, LLC	Delaware	31-1035824	701 Market Street Suite 712 St. Louis, MO 63101 (314) 342-3400
Peabody Trout Creek Reservoir LLC	Delaware	30-0746873	701 Market Street Suite 725 St. Louis, MO 63101 (314) 342-3400
Peabody Twentymile Mining, LLC	Delaware	26-3725223	701 Market Street Suite 822 St. Louis, MO 63101-1826 (314) 342-3400
Peabody Venezuela Coal Corp.	Delaware	43-1609813	701 Market Street Suite 715

			St. Louis, MO 63101-1826 (314) 342-3400
Peabody Venture Fund, LLC	Delaware	20-3405779	701 Market Street Suite 758 St. Louis, MO 63101 (314) 342-3400
Peabody-Waterside Development, L.L.C.	Delaware	75-3098342	701 Market Street Suite 921 St. Louis, MO 63101 (314) 342-3400
Peabody Western Coal Company	Delaware	86-0766626	P.O. Box 605 Kayenta, AZ 86033 (928) 677-3201
Peabody Wild Boar Mining, LLC	Delaware	26-3730759	701 Market Street Suite 825 St. Louis, MO 63101 (314) 342-3400
Peabody Wild Boar Services, LLC	Delaware	26-3725591	701 Market Street Suite 824 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Peabody Williams Fork Mining, LLC	Delaware	20-8162742	701 Market Street Suite 766 St. Louis, MO 63101 (314) 342-3400
Peabody Wyoming Gas, LLC	Delaware	20-5744610	701 Market Street Suite 757 St. Louis, MO 63101 (314) 342-3400
Peabody Wyoming Services, LLC	Delaware	26-3723011	701 Market Street Suite 812 St. Louis, MO 63101 (314) 342-3400
PEC Equipment Company, LLC	Delaware	20-0217950	701 Market Street Suite 726 St. Louis, MO 63101 (314) 342-3400
Point Pleasant Dock Company, LLC	Delaware	20-0117005	701 Market Street Suite 708 St. Louis, MO 63101 (314) 342-3400
Pond River Land Company	Delaware	73-1625893	701 Market Street Suite 771 St. Louis, MO 63101 (314) 342-3400
Porcupine Production, LLC	Delaware	43-1898379	701 Market Street Suite 752

			St. Louis, MO 63101 (314) 342-3400
Porcupine Transportation, LLC	Delaware	43-1898380	701 Market Street Suite 753 St. Louis, MO 63101 (314) 342-3400
Riverview Terminal Company	Delaware	13-2899722	14062 Denver West Parkway Suite 110 Golden, CO 80401-3301 (606) 739-5752
Sage Creek Holdings, LLC	Delaware	26-3286872	701 Market Street Suite 801 St. Louis, MO 63101 (314) 342-3400
School Creek Coal Resources, LLC	Delaware	20-3585831	701 Market Street Suite 742 St. Louis, MO 63101 (314) 342-3400

Table of Contents

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	IRS Employer Identification Number	Address, Including Zip Code, and Telephone Number, Including Area Code, of Co-Registrant s Principal Executive Offices
Seneca Coal Company, LLC	Delaware	84-1273892	Drawer D P.O. Box 670 Hayden, CO 81639 (970) 276-3707
Shoshone Coal Corporation	Delaware	25-1336898	701 Market Street Suite 734 St. Louis, MO 63101 (314) 342-3400
Star Lake Energy Company, L.L.C.	Delaware	43-1898533	701 Market Street Suite 951 St. Louis, MO 63101 (314) 342-3400
Sugar Camp Properties, LLC	Indiana	35-2130006	7100 Eagle Crest Blvd. Evansville, IN 47715 (812) 424-9000
Thoroughbred Generating Company, LLC	Delaware	43-1898534	701 Market Street Suite 780 St. Louis, MO 63101 (314) 342-3400
Thoroughbred Mining Company, L.L.C.	Delaware	73-1625889	701 Market Street Suite 721 St. Louis, MO 63101 (314) 342-3400
Twentymile Coal, LLC	Delaware	95-3811846	701 Market Street Suite 731 St. Louis, MO 63101

			(314) 342-3400
West Roundup Resources, LLC	Delaware	20-2561489	701 Market Street Suite 736 St. Louis, MO 63101 (314) 342-3400

Table of Contents

PROSPECTUS

Peabody Energy Corporation

Debt Securities

Common Stock

Preferred Stock

Warrants

Units

Subsidiary Guarantors

Guaranteed Debt Securities

Peabody Energy Corporation may offer and sell from time to time, in one or more series, any one of the following securities:

- unsecured debt securities consisting of notes, debentures or other evidences of indebtedness which may be senior debt securities, senior subordinated debt securities or subordinated debt securities,
- common stock,
- preferred stock,
- warrants, and
- units,

or any combination of these securities. Peabody Energy Corporation s debt securities may be guaranteed by substantially all of its domestic subsidiaries.

The common stock of Peabody Energy Corporation is traded on the New York Stock Exchange under the symbol BTU. We will provide more specific information about the terms of an offering of any securities in supplements to this prospectus.

We may offer these securities directly to investors, through agents, underwriters or dealers on a continuous or delayed basis. Each prospectus supplement will provide the terms of the plan of distribution relating to each series of securities.

You should read this prospectus and the applicable prospectus supplement, as well as the risks contained or described in the documents incorporated by reference in this prospectus or any accompanying prospectus

supplement, before you invest.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 19, 2012

Table of Contents

Table of Contents

	Page
ABOUT THIS PROSPECTUS	ii
RISK FACTORS	ii
CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS	ii
SUMMARY	1
RATIO OF EARNINGS TO FIXED CHARGES	4
USE OF PROCEEDS	4
DIVIDEND POLICY	4
DESCRIPTION OF DEBT SECURITIES	4
DESCRIPTION OF CAPITAL STOCK	10
DESCRIPTION OF WARRANTS	13
DESCRIPTION OF UNITS	14
PLAN OF DISTRIBUTION	14
LEGAL MATTERS	15
EXPERTS	15
WHERE YOU CAN FIND MORE INFORMATION	15
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	16

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus describes the general terms of the securities to be offered hereby. A prospectus supplement that will describe the specific amounts, prices and other terms of the securities being offered will be provided to you in connection with each sale of securities offered pursuant to this prospectus. The prospectus supplement or any free writing prospectus prepared by or on behalf of us may also add, update or change information contained in this prospectus. To understand the terms of securities offered pursuant to this prospectus, you should carefully read this document with the applicable prospectus supplement or any free writing prospectus prepared by or on behalf of us. Together, these documents will give the specific terms of the offered securities. You should also read the documents we have incorporated by reference in this prospectus described below under Incorporation of Certain Documents By Reference.

You should rely only on the information incorporated by reference or provided in this prospectus, any prospectus supplement or any free writing prospectus prepared by or on behalf of us. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any free writing prospectus is accurate as of any date other than the date on the front of those documents.

RISK FACTORS

Investing in the securities involves risk. Please see the Risk Factors section in our most recent Annual Report on Form 10-K, along with the disclosure related to the risk factors contained in our subsequent Quarterly Reports on Form 10-Q, which are incorporated by reference in this prospectus, as updated by our future filings with the SEC. Before making an investment decision, you should carefully consider these risks as well as other information contained or incorporated by reference in this prospectus. The prospectus supplement applicable to each type or series of securities we offer may contain a discussion of additional risks applicable to an investment in us and the particular type of securities we are offering under that prospectus supplement.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Some of the information included in this prospectus and the documents we have incorporated by reference include statements of our expectations, intentions, plans and beliefs that constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, and are intended to come within the safe harbor protection provided by those sections. These statements relate to future events or our future financial performance. We use words such as anticipate, believe, expect, may, intend, plan, project, will or other similar words to identify forward-looking statements.

Without limiting the foregoing, all statements relating to our future outlook, anticipated capital expenditures, future cash flows and borrowings, and sources of funding are forward-looking statements. These forward-looking statements are based on numerous assumptions that we believe are reasonable, but are subject to a wide range of uncertainties and business risks and actual results may differ materially from those discussed in these statements.

Among the factors that could cause actual results to differ materially are:

- global supply and demand for coal, including the seaborne thermal and metallurgical coal markets;
- price volatility, particularly in higher-margin products and in our trading and brokerage businesses;
- impact of alternative energy sources, including natural gas and renewables;
- global steel demand and the downstream impact on metallurgical coal prices;

impact of weather and natural disasters on demand, production and transportation;

reductions and/or deferrals of purchases by major customers and our ability to renew sales contracts;

credit and performance risks associated with customers, suppliers, contract miners, co-shippers, and trading, banks and other financial counterparties;

Table of Contents

geologic, equipment, permitting and operational risks related to mining;

transportation availability, performance and costs;

availability, timing of delivery and costs of key supplies, capital equipment or commodities such as diesel fuel, steel, explosives and tires;

integration of Macarthur Coal Limited (PEA-PCI) operations;

successful implementation of business strategies;

negotiation of labor contracts, employee relations and workforce availability;

changes in postretirement benefit and pension obligations and their related funding requirements;

replacement and development of coal reserves;

availability, access to and the related cost of capital and financial markets;

effects of changes in interest rates and currency exchange rates (primarily the Australian dollar);

effects of acquisitions or divestitures;

economic strength and political stability of countries in which we have operations or serve customers;

legislation, regulations and court decisions or other government actions, including but not limited to, new environmental and mine safety requirements and changes in income tax regulations, sales-related royalties or other regulatory taxes;

litigation, including claims not yet asserted;

terrorist attacks or threats;

impacts of pandemic illnesses; and

other factors, including those discussed in Risk Factors.

When considering these forward-looking statements, you should keep in mind the cautionary statements in this document and the documents incorporated by reference. These forward-looking statements speak only as of the date on which such statements were made, and we undertake no obligation to update these statements except as required by federal securities laws.

Table of Contents

SUMMARY

This summary highlights selected information from this prospectus and does not contain all of the information that may be important to you. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide you with a prospectus supplement that will describe the specific amounts, prices and other terms of the securities being offered. The prospectus supplement may also add, update or change information contained in this prospectus. To understand the terms of our securities, you should carefully read this document with the applicable prospectus supplement and any free writing prospectus prepared by or on behalf of us. Together, these documents will give the specific terms of the securities we are offering. You should also read the documents we have incorporated by reference in this prospectus described below under Incorporation of Certain Documents by Reference. When used in this prospectus, the terms we, our, and us, except as otherwise indicated or as the context otherwise indicates, refer to Peabody Energy Corporation and/or its applicable subsidiary or subsidiaries.

The Securities We May Offer

We may offer and sell from time to time:

- common stock;
- debt securities;
- preferred stock;
- warrants; and
- units.

In addition, we may offer and sell from time to time debt securities that may be guaranteed by substantially all of our domestic subsidiaries.

Common Stock

We may issue shares of our common stock, par value $0.01 per share. Holders of common stock are entitled to receive ratably dividends if, as and when dividends are declared from time to time by our board of directors out of funds legally available for that purpose, after payment of dividends required to be paid on outstanding preferred stock or series common stock. Holders of common stock are entitled to one vote per share. Holders of common stock do not have cumulative voting rights in the election of directors.

Debt Securities

We may offer debt securities, which may be either senior, senior subordinated or subordinated, may be guaranteed by substantially all of our domestic subsidiaries, and may be convertible into shares of our common stock. We may issue debt securities either separately, or together with, upon conversion of or in exchange for other securities. The debt securities that we issue will be issued under one of two indentures among us, U.S. Bank National Association, as trustee and, if guaranteed, the subsidiary guarantors thereto. We have summarized general features of the debt securities that we may issue under Description of Debt Securities. We encourage you to read the indentures, which are included as exhibits to the registration statement of which this prospectus forms a part.

Preferred Stock

We may issue shares of our preferred stock, par value $0.01 per share, in one or more series. Our board of directors will determine the dividend, voting, conversion and other rights of the series of preferred stock being offered.

1

Table of Contents

Warrants

We may issue warrants for the purchase of preferred stock or common stock or debt securities of our company. We may issue warrants independently or together with other securities. Warrants sold with other securities as a unit may be attached to or separate from the other securities. We will issue warrants under one or more warrant agreements between us and a warrant agent that we will name in the applicable prospectus supplement.

Units

We may also issue units comprised of one or more of the other securities described in this prospectus in any combination. Each unit may also include debt obligations of third parties, such as U.S. Treasury securities. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security.

Peabody Energy Corporation

We are the world s largest private sector coal company. We own interests in 30 coal mining operations, as of June 30, 2012, including a majority interest in 29 coal mining operations located in the U.S. and Australia and a 50% equity interest in the Middlemount Mine in Australia. We also own a noncontrolling interest in a mining operation in Venezuela. In addition to our mining operations, we market, broker and trade coal through trading and business offices in China, Australia, the United Kingdom, Germany, Singapore, Indonesia, Mongolia and the U.S.

In 2011, we produced and sold 227.5 million and 250.6 million tons of coal, respectively. During this period, 82% of our total sales (by volume) were to U.S. electricity generators, 15% were to customers outside the U.S. and 3% were to the U.S. industrial sector. Approximately 91% of our prior year worldwide sales (by volume) were under long-term contracts (those with terms in excess of one year).

We conduct business through four principal operating segments: Western U.S. Mining, Midwestern U.S. Mining, Australian Mining and Trading and Brokerage. Our Western U.S. Mining segment consists of our Powder River Basin, Southwest and Colorado operations, while our Midwestern U.S. Mining segment consists of our operations in Illinois and Indiana.

The principal business of the Western and Midwestern U.S. Mining segments is the mining, preparation and sale of thermal coal. In the U.S., we typically supply thermal coal to domestic electric generators and industrial customers for power generation under long-term contracts, with a portion sold into the seaborne export markets.

The business of our Australian Mining segment is the mining of various qualities of low-sulfur, high Btu coal (metallurgical coal), as well as thermal coal. Our Australian Mining operations are primarily export focused with customers spread across several countries, while a portion of our coal is sold to Australian steel producers and power generators. Revenues from individual countries generally vary year by year based on demand for electricity and steel, global economic strength and several other factors, including those specific to each country. Industry commercial practice, and our practice, is to negotiate pricing for metallurgical and seaborne thermal coal contracts on a quarterly and annual basis, respectively. On October 26, 2011, we acquired PEA-PCI, making us the third-largest holder of Australian coal reserves. From the date of acquisition, PEA-PCI s results from operations have been included in our results and reflected in our Australian Mining segment, except for the activity associated with certain equity affiliates, which is reflected in our Corporate and Other segment.

The principal business of our Trading and Brokerage segment is the marketing and brokering of coal for other producers, both as principal and agent, and the trading of coal, freight and freight-related contracts. The segment also provides transportation-related services in support of our coal trading strategy and conducts hedging activities in support of sales from our mining operations.

Our fifth segment, Corporate and Other, includes mining and export/transportation joint ventures and activities associated with certain energy-related commercial matters, Btu Conversion and the optimization of our coal reserve and real estate holdings.

Table of Contents

To maximize our coal assets and land holdings for long-term growth, we are contributing to the development of coal-fueled generation, pursuing Btu conversion projects that would convert coal to natural gas or transportation fuels and advancing clean coal technologies, including carbon capture and storage.

Our principal executive offices are located at 701 Market Street, St. Louis, Missouri 63101-1826, and our telephone number is (314) 342-3400. Our Internet website address is *www.peabodyenergy.com*. Information on our website is not a part of, or incorporated by reference in, this prospectus.

Table of Contents

RATIO OF EARNINGS TO FIXED CHARGES

The ratio of earnings to fixed charges presented below should be read together with the financial statements and the notes accompanying them and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 incorporated by reference into this prospectus. For purposes of the computation of the ratio of earnings to fixed charges, earnings consist of income from continuing operations before income taxes plus fixed charges. Fixed charges consist of interest expense on all indebtedness plus the interest component of lease rental expense. A ratio of combined fixed charges and preferred stock dividends to earnings will be included as necessary in the applicable prospectus supplement if we issue and sell preferred stock thereunder.

	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009	Year Ended December 31, 2010	Year Ended December 31, 2011	Six Months Ended June 30, 2012
Ratio of Earnings to Fixed Charges	2.36x	4.99x	3.63x	5.32x	5.72x	2.82

USE OF PROCEEDS

Unless otherwise indicated in the prospectus supplement, we will use all or a portion of the net proceeds from the sale of our securities offered by this prospectus and the prospectus supplement for general corporate purposes. General corporate purposes may include repayment of debt, capital expenditures, possible acquisitions and any other purposes that may be stated in any prospectus supplement. The net proceeds may be invested temporarily or applied to repay short-term or revolving debt until they are used for their stated purpose.

DIVIDEND POLICY

We have declared and paid quarterly dividends since our initial public offering in 2001. Most recently, our board of directors declared a dividend of $0.085 per share of common stock on October 18, 2012, to be paid on November 23, 2012, to stockholders of record on November 1, 2012. The declaration and payment of dividends and the amount of dividends will depend on our results of operations, financial condition, cash requirements, future prospects, any limitations imposed by our debt instruments and other factors deemed relevant by our board of directors.

DESCRIPTION OF DEBT SECURITIES

The following description of the terms of the debt securities summarizes certain general terms that will apply to the debt securities offered by us. The description is not complete, and we refer you to the indentures, which are included as exhibits to the registration statement of which this prospectus is a part. In addition, the terms described below may be amended, supplemented or otherwise modified pursuant to one or more supplemental indentures. Any such amendments, supplements or modifications will be set forth in the applicable prospectus supplement. Capitalized items have the meanings assigned to them in the indentures. The referenced sections of the indentures and the definitions of capitalized terms are incorporated by reference in the following summary.

The debt securities that we may issue will be senior, senior subordinated or subordinated debt, may be guaranteed by substantially all of our domestic subsidiaries, and may be convertible into shares of our common stock.

The senior, senior subordinated or subordinated debt securities that we may issue will be issued under separate indentures among us, U.S. Bank National Association, as trustee and, if guaranteed, the subsidiary guarantors thereto. Senior debt securities will be issued under a Senior Indenture, senior subordinated debt securities and subordinated debt securities will be issued under a Subordinated Indenture. Collectively, we refer to the Senior Indenture and the Subordinated Indenture as the Indentures. For purposes of the summary set forth below, obligor refers to Peabody Energy Corporation. This summary of the Indentures is qualified by reference to the Indentures. You should refer to the Indentures in addition to reading this summary. The summary is not complete and is subject to the specific terms of the Indentures.

Table of Contents

General

Under the Indentures, we will be able to issue from time to time, in one or more series, an unlimited amount of debt securities. Each time that we issue a new series of debt securities, the supplement to the prospectus relating to that new series will specify the terms of those debt securities, including:

- designation, amount and denominations;
- percentage of principal amount at which the debt securities will be issued;
- maturity date;
- interest rate and payment dates;
- terms and conditions of exchanging or converting debt securities for other securities;
- the currency or currencies in which the debt securities may be issued;
- redemption terms;
- whether the debt securities will be guaranteed by our subsidiaries;
- whether the debt securities and/or any guarantees will be senior, senior subordinated or subordinated; and
- any other specific terms of the debt securities, including any deleted, modified or additional events of default or remedies or additional covenants provided with respect to the debt securities, and any terms that may be required by or advisable under applicable laws or regulations.

Unless otherwise specified in any prospectus supplement, the debt securities will be issuable in registered form without coupons and in denominations of $1,000 and any integral multiple thereof. No service charge will be made for any transfer or exchange of any debt securities, but the issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Debt securities may bear interest at a fixed rate or a floating rate. Debt securities bearing no interest or interest at a rate that at the time of issuance is below the prevailing market rate may be sold at a discount below their stated principal amount. Special U.S. federal income tax considerations applicable to discounted debt securities or to some debt securities issued at par that are treated as having been issued at a discount for U.S. federal income tax purposes will be described in the applicable prospectus supplement.

In determining whether the holders of the requisite aggregate principal amount of outstanding debt securities of any series have given any request, demand, authorization, direction, notice, consent or waiver under the Indentures, the principal amount of any series of debt securities originally issued at a discount from their stated principal amount that will be deemed to be outstanding for such purposes will be the amount of the principal thereof that would be due and payable as of the date of the determination upon a declaration of acceleration of the maturity thereof.

Payments relating to the debt securities generally will be paid by us, at U.S. Bank National Association s corporate trust office. However, we may elect to pay interest by mailing checks directly to the registered holders of the debt securities. You can transfer your debt securities at U.S. Bank National Association s corporate trust office.

Ranking

Unless otherwise described in the prospectus supplement for any series, the debt securities that we issue will be unsecured and will rank on a parity with all of our other unsecured and unsubordinated indebtedness.

We conduct a material amount of our operations through our subsidiaries. Our right to participate as a shareholder in any distribution of assets of any of our subsidiaries (and thus the ability of holders of the debt securities that we issue to benefit as creditors of Peabody Energy Corporation from such distribution) is junior to creditors of that subsidiary. As a result, claims of holders of the debt securities that we issue will generally have a junior position to claims of creditors of our subsidiaries, except to the extent that we may be recognized as a creditor of those subsidiaries or those subsidiaries guarantee the debt securities.

Table of Contents

Subordinated Debt Securities

Unless otherwise described in the prospectus supplement of any series, our obligation to make any payment on account of the principal of or premium, if any, and interest, if any, on the subordinated debt securities we issue will be subordinate and junior in right of payment to our obligations to the holders of our senior indebtedness to the extent described in the Subordinated Indenture.

In the case of our liquidation, dissolution or bankruptcy or similar proceeding, whether voluntary or involuntary, all of our obligations to holders of our senior indebtedness will be entitled to be paid in full before any payment can be made on account of the principal of, or premium, if any, or interest, if any, on the subordinated debt securities.

Unless otherwise described in the prospectus supplement of any series, we may not pay principal of, premium, if any, or interest on the subordinated securities (or pay any other obligations relating to the subordinated securities, including additional interest, fees, costs, expenses, indemnities and rescission or damage claims) or make any deposit pursuant to the Subordinated Indenture and may not purchase, redeem or otherwise retire any subordinated securities (except as otherwise described in the Subordinated Indenture) if either of the following occurs (a Payment Default):

- any obligation on any of our Designated Senior Indebtedness (as defined in the Subordinated Indenture) is not paid in full in cash when due (after giving effect to any applicable grace period); or
- any other default on our Designated Senior Indebtedness occurs and the maturity of such Designated Senior Indebtedness is accelerated in accordance with its terms;

unless, in either case, the Payment Default has been cured or waived and any such acceleration has been rescinded or such Designated Senior Indebtedness has been paid in full in cash; provided, however, that we will be entitled to pay the subordinated securities without regard to the foregoing if we and the trustee receive written notice approving such payment from the representatives of all Designated Senior Indebtedness with respect to which the Payment Default has occurred and is continuing.

By reason of the above subordination in favor of the holders of our senior indebtedness, in the event of our bankruptcy or insolvency, holders of our senior indebtedness may receive more, ratably, and holders of the subordinated debt securities having a claim pursuant to the subordinated debt securities may receive less, ratably, than our other creditors.

Reopening of Issue

We may, from time to time, reopen an issue of debt securities without the consent of the holders of the debt securities and issue additional debt securities with the same terms (including maturity and interest payment terms) as debt securities issued on an earlier date. After such additional debt securities are issued they will be fungible with the previously issued debt securities to the extent specified in the applicable prospectus supplement.

Debt Guarantees

Our debt securities may be guaranteed by substantially all of our domestic subsidiaries, the subsidiary guarantors. If debt securities are guaranteed by subsidiary guarantors, that guarantee will be set forth in the applicable Indenture or a supplemental indenture.

Payments with respect to subsidiary guarantees of our senior subordinated debt securities and subordinated debt securities will be subordinated in right of payment to the prior payment in full of all senior indebtedness of each such subsidiary guarantor to the same extent and manner that payments with respect to our senior subordinated debt securities and subordinated debt securities are subordinated in right of payment to the prior payment in full of all of our senior indebtedness.

Merger and Consolidation

Unless otherwise described in the prospectus supplement of any series, we may, under the applicable Indenture, without the consent of the holders of debt securities, consolidate with, merge with or into or transfer

6

Table of Contents

all or substantially all of our assets to any other corporation organized under the laws of the United States or any of its political subdivisions provided that:

- the surviving corporation assumes all of our obligations under the applicable Indenture;
- at the time of such transaction, no event of default, and no event that, after notice or lapse of time, would become an event of default, shall have happened and be continuing; and
- certain other conditions are met.

Modification

Generally, our rights and obligations and the holders rights may be modified with the consent of holders of a majority of the outstanding debt securities of each series affected by such modification. However, unless otherwise described in the prospectus supplement of any series, no modification or amendment may occur without the consent of the affected holder of a debt security if that modification or amendment would do any of the following:

- change the stated maturity date of the principal of, or any installment of interest on, any of the holder s debt securities;
- reduce the principal amount of, or the interest (or premium, if any) on, the debt security (including, in the case of a discounted debt security, the amount payable upon acceleration of maturity or provable in bankruptcy);
- change the currency of payment of the debt security;
- impair the right to institute suit for the enforcement of any payment on the debt security or adversely affect the right of repayment, if any, at the option of the holder;
- reduce the percentage of holders of debt securities necessary to modify or amend the applicable Indenture or to waive any past default;
- release a guarantor from its obligations under its guarantee, other than in accordance with the terms thereof; or
- modify our obligations to maintain an office or agency.

A modification that changes a covenant or provision expressly included solely for the benefit of holders of one or more particular series will not affect the rights of holders of debt securities of any other series.

Each Indenture provides that the obligor and U.S. Bank National Association, as trustee, may make modifications without the consent of the debt security holders in order to do the following:

- evidence the assumption by a successor entity of the obligations of the obligor under the applicable Indenture;

convey security for the debt securities to U.S. Bank National Association;

add covenants, restrictions or conditions for the protection of the debt security holders;

provide for the issuance of debt securities in coupon or fully registered form;

establish the form or terms of debt securities of any series;

cure any ambiguity or correct any defect in an Indenture that does not adversely affect the interests of a holder;

evidence the appointment of a successor trustee or more than one trustee;

surrender any right or power conferred upon us;

comply with the requirements of the SEC in order to maintain the qualification of the applicable Indenture under the Trust Indenture Act of 1939, as amended;

Table of Contents

add or modify any other provisions with respect to matters or questions arising under an Indenture that we and U.S. Bank National Association may deem necessary or desirable and that will not adversely affect the interests of holders of debt securities;

modify the existing covenants and events of default solely in respect of, or add new covenants or events of default that apply solely to, debt securities not yet issued and outstanding; or

to provide for guarantees of the debt securities and to specify the ranking of the obligations of the guarantors under their respective guarantees.

Events of Default

Under the Indentures, an event of default means, unless otherwise described in the prospectus supplement of any series, any one of the following:

failure to pay interest on a debt security for 30 days;

failure to pay principal and premium, if any, when due;

failure to pay or satisfy a sinking fund installment when due;

failure by Peabody Energy Corporation or by a guarantor of the debt securities to perform any other covenant in the applicable Indenture that continues for 60 days after receipt of notice;

certain events in bankruptcy, insolvency or reorganization; or

a guarantee being held in any judicial proceeding to be unenforceable or invalid.

An event of default relating to one series of debt securities does not necessarily constitute an event of default with respect to any other series issued under the applicable Indenture. If an event of default exists with respect to a series of debt securities, U.S. Bank National Association or the holders of at least 25% of the then-outstanding debt securities of that series may declare the principal of that series due and payable.

Any event of default with respect to a particular series of debt securities may be waived by the holders of a majority of the then-outstanding debt securities of that series, except for a failure to pay principal, premium or interest on the debt security.

U.S. Bank National Association may withhold notice to the holder of the debt securities of any default (except in payment of principal, premium, interest or sinking fund payment) if U.S. Bank National Association thinks that withholding such notice is in the interest of the holders.

Subject to the specific duties that arise under the applicable Indenture if an event of default exists, U.S. Bank National Association is not obligated to exercise any of its rights or powers under the applicable Indenture at the request of the holders of the debt securities unless they provide reasonable indemnity satisfactory to it. Generally, the holders of a majority of the then-outstanding debt securities can direct the proceeding for a remedy available to U.S. Bank National Association or for exercising any power conferred on U.S. Bank National Association as the trustee.

Trustee s Relationship

U.S. Bank National Association or its affiliates may from time to time in the future provide banking and other services to us in the ordinary course of its business. The Indentures provide that we will indemnify U.S. Bank National Association against any and all loss, liability, claim, damage or expense incurred that arises from the trust created by the applicable Indenture unless the loss, liability, claim, damage or expense results from U.S. Bank National Association s negligence or willful misconduct.

Global Securities

We may issue some of the debt securities as global securities that will be deposited with a depository identified in a prospectus supplement. Global securities may be issued in registered form and may be either

Table of Contents

temporary or permanent. A prospectus supplement will contain additional information about depository arrangements.

Registered global securities will be registered in the depository s name or in the name of its nominee. When we issue a global security, the depository will credit that amount of debt securities to the investors that have accounts with the depository or its nominee. The underwriters or the debt security holder s agent will designate the accounts to be credited, unless the debt securities are offered and sold directly by us, in which case, we will designate the appropriate account to be credited.

Investors who have accounts with a depository, and people who have an interest in those institutions, are the beneficial owners of global securities held by that particular depository.

We will not maintain records regarding ownership or the transfer of global securities held by a depository or to its nominee. If you are the beneficial owner of global securities held by a depository, you must get information directly from the depository.

As long as a depository is the registered owner of a global security, that depository will be considered the sole owner of the debt securities represented by that global security. Except as set forth below, beneficial owners of global securities held by a depository will not be entitled to:

- register the represented debt securities in their names;
- receive physical delivery of the debt securities; or
- be considered the owners or holders of the global security under the applicable Indenture.

Payments on debt securities registered in the name of a depository or its nominee will be made to the depositary or its nominee.

When a depository receives a payment, it must immediately credit the accounts in amounts proportionate to the account holders interests in the global security. The beneficial owners of a global security should, and are expected to, establish standing instructions and customary practices with their investors that have an account with the depository, so that payments can be made with regard to securities beneficially held for them, much like securities held for the accounts of customers in bearer form or registered in street name.

A global security can only be transferred in whole by the depository to a nominee of such depository or to another nominee of a depository. If a depository is unwilling or unable to continue as a depository and we do not appoint a successor depository within ninety days, we will issue certificated debt securities in exchange for all of the global securities held by that depository. In addition, we may eliminate all global securities at any time and issue certificated debt securities in exchange for them. Further, we may allow a depository to surrender a global security in exchange for certificated debt securities on any terms that are acceptable to us and the depository. Finally, an interest in the global security is exchangeable for a certificated debt security if an event of default has occurred as described above under Events of Default.

If any of these events occur, we will execute, and U.S. Bank National Association will authenticate and deliver to the beneficial owners of the global security in question, a new registered security in an amount equal to and in exchange for that person s beneficial interest in the exchanged global security. The depository will receive a new global security in an amount equal to the difference, if any, between the amount of the surrendered global security and the amount of debt securities delivered to the beneficial owners. Debt securities issued in exchange for global securities will be registered in the same names and in the same denominations as indicated by the depository s records and in accordance with the instructions from its direct and indirect participants.

The laws of certain jurisdictions require some people who purchase securities to actually take physical possession of those securities. The limitations imposed by these laws may impair your ability to transfer your beneficial interests in a global security.

Conversion Rights

The terms and conditions, if any, upon which the debt securities are convertible into shares of our common stock will be set forth in the prospectus supplement relating thereto. These terms will include the conversion

9

Table of Contents

price, the conversion period, provisions as to whether conversion will be at the option of the Holder or us, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption of those debt securities.

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock consists of (1) 800 million shares of common stock, par value $0.01 per share, of which 268.3 million shares were outstanding on June 30, 2012, (2) 10 million shares of preferred stock, par value $0.01 per share 750,000 of which are reserved for the 4.75% Convertible Junior Subordinated Debentures due 2066), of which no shares are issued or outstanding and (3) 40 million shares of series common stock, par value $0.01 per share, of which no shares are issued or outstanding. As of September 30, 2012, there were 1,393 holders of record of our common stock. The following description of our capital stock and related matters is qualified in its entirety by reference to our third amended and restated certificate of incorporation (as amended) and amended and restated by-laws.

The following summary describes elements of our third amended and restated certificate of incorporation (as amended) and amended and restated by-laws.

Common Stock

Holders of common stock are entitled to one vote per share on all matters to be voted upon by the stockholders. The holders of common stock do not have cumulative voting rights in the election of directors. Holders of common stock are entitled to receive ratably dividends if, as and when dividends are declared from time to time by our board of directors out of funds legally available for that purpose, after payment of dividends required to be paid on outstanding preferred stock or series common stock, as described below. Upon liquidation, dissolution or winding up, any business combination or a sale or disposition of all or substantially all of the assets, the holders of common stock are entitled to receive ratably the assets available for distribution to the stockholders after payment of liabilities and accrued but unpaid dividends and liquidation preferences on any outstanding preferred stock or series common stock. The common stock has no preemptive or conversion rights and is not subject to further calls or assessment by us. There are no redemption or sinking fund provisions applicable to the common stock.

Perpetual Preferred Stock

Holders of perpetual preferred stock issued upon conversion of the 4.75% Convertible Junior Subordinated Debentures due 2066 (the Debentures) will be fully paid and non-assessable, and holders will have no preemptive or preferential right to purchase any of our other securities. The perpetual preferred stock has a liquidation preference of $1,000 per share, is not convertible and is redeemable at our option at any time at a cash redemption price per share equal to the liquidation preference plus any accumulated dividends. Holders are entitled to receive cumulative dividends at an annual rate of 3.0875% if and when declared by our board of directors. If we fail to pay dividends on the perpetual preferred stock for five years, or upon the occurrence of a mandatory trigger event, as defined in the certificate of designations governing the perpetual preferred stock, we generally must sell warrants or preferred stock with specified characteristics and use the funds from that sale to pay accumulated dividends after the payment in full of any deferred interest on the Debentures, subject to certain limitations. In the event of a mandatory trigger event, we may not declare dividends on the perpetual preferred stock other than those funded through the sale of warrants or preferred stock as described above. Any deferred interest on the Debentures at the time of notice of conversion will be reflected as accumulated dividends on the perpetual preferred stock at issuance. Additionally, holders of the perpetual preferred stock are entitled to elect two additional members to serve on our board of directors if (i) prior to any remarketing of the perpetual preferred stock, we fail to declare and pay dividends with respect to the perpetual preferred stock for 10 consecutive years or (ii) after any successful remarketing or any final failed remarketing of the perpetual preferred stock, we fail to declare and pay six dividends thereon, whether or not consecutive. The perpetual preferred stock may be remarketed at the holder s election after December 15, 2046 or earlier, upon the first occurrence of a change of control if we do not redeem the perpetual preferred stock. There were no outstanding shares of perpetual preferred stock as of June 30, 2012.

Table of Contents

Preferred Stock and Series Common Stock

Our third amended and restated certificate of incorporation (as amended) authorizes our board of directors to establish one or more series of preferred stock or series common stock. With respect to any series of preferred stock or series common stock, our board of directors is authorized to determine the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series, which our board may, except where otherwise provided in the preferred stock or series common stock designation, increase or decrease, but not below the number of shares then outstanding;
- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our company;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our company or any other corporation, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

Unless required by law or by any stock exchange, the authorized shares of preferred stock and series common stock, as well as shares of common stock, are available for issuance without further action by our stockholders.

Although we have no intention at the present time of doing so, we could issue a series of preferred stock or series common stock that could, depending on the terms of the series, impede the completion of a merger, tender offer or other takeover attempt. We will make any determination to issue preferred stock or series common stock based on our judgment as to the best interests of the company and our stockholders. We, in so acting, could issue preferred stock or series common stock having terms that could discourage an acquisition attempt or other transaction that some, or a majority, of stockholders might believe to be in their best interests or in which they might receive a premium for their common stock over the market price of the common stock.

Authorized but Unissued Capital Stock

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the New York Stock Exchange, which would apply so long as the common stock remains listed on the New York Stock Exchange, require stockholder approval of certain issuances equal to or exceeding 20% of the then-outstanding voting power or then-outstanding number of shares of common stock. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock, preferred stock or series common stock may be to enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

Table of Contents

Anti-Takeover Effects of Provisions of Delaware Law and Our Charter and By-laws

Delaware Law

Our company is a Delaware corporation subject to Section 203 of the Delaware General Corporation Law. Section 203 provides that, subject to certain exceptions specified in the law, a Delaware corporation shall not engage in certain business combinations with any interested stockholder for a three-year period following the time that the stockholder became an interested stockholder unless:

- prior to such time, our board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our board of directors and by the affirmative vote of holders of at least 66 $^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an interested stockholder is a person who together with that person s affiliates and associates owns, or within the previous three years did own, 15% or more of our voting stock.

Under certain circumstances, Section 203 makes it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. The provisions of Section 203 may encourage companies interested in acquiring our company to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction which results in the stockholder becoming an interested stockholder. These provisions also may have the effect of preventing changes in our board of directors and may make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Certificate of Incorporation; By-laws

Our third amended and restated certificate of incorporation (as amended) and our amended and restated by-laws contain provisions that could make more difficult the acquisition of the company by means of a tender offer, a proxy contest or otherwise.

Removal of Directors. Our third amended and restated certificate of incorporation (as amended) and our amended and restated by-laws provide that directors may be removed only for cause and only upon the affirmative vote of holders of at least 75% of the voting power of all the outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class.

Stockholder Action. Our third amended and restated certificate of incorporation (as amended) and our amended and restated by-laws provide that stockholder action can be taken only at an annual or special meeting of stockholders and may not be taken by written consent in lieu of a meeting. Our third amended and restated certificate of incorporation (as amended) and our amended and restated by-laws provide that special meetings of stockholders can be called only by our chief executive officer or pursuant to a resolution adopted by our board of directors. Stockholders are not permitted to call a special meeting or to require that the board of directors call a special meeting of stockholders.

Advance Notice Procedures. Our amended and restated by-laws establish an advance notice procedure for stockholders to make nominations of candidates for election as directors, or bring other business before an annual or special meeting of our stockholders. This notice procedure provides that only persons who are nominated by, or at the direction of our board of directors, the chairman of the board, or by a stockholder who has given timely written notice to the secretary of our company prior to the meeting at which directors are to be elected, will be eligible for election as directors. This procedure also requires that, in order to raise matters at an annual or special

Table of Contents

meeting, those matters be raised before the meeting pursuant to the notice of meeting we deliver or by, or at the direction of, our chairman or by a stockholder who is entitled to vote at the meeting and who has given timely written notice to the secretary of our company of his intention to raise those matters at the annual meeting. If our chairman or other officer presiding at a meeting determines that a person was not nominated, or other business was not brought before the meeting, in accordance with the notice procedure, that person will not be eligible for election as a director, or that business will not be conducted at the meeting.

Amendment. Our third amended and restated certificate of incorporation (as amended) provides that the affirmative vote of the holders of at least 75% of the voting power of the outstanding shares entitled to vote, voting together as a single class, is required to amend provisions of our certificate of incorporation relating to the prohibition of stockholder action without a meeting, the number, election and term of our directors and the removal of directors. Our third amended and restated certificate of incorporation (as amended) further provides that our by-laws may be amended by our board or by the affirmative vote of the holders of at least 75% of the outstanding shares entitled to vote, voting together as a single class.

Rights Agreement

On July 23, 2002, our board of directors adopted a preferred share purchase rights plan. The rights under the plan expired on August 11, 2012.

Registrar and Transfer Agent

The registrar and transfer agent for the common stock is American Stock Transfer & Trust Company.

Listing

The common stock is listed on the New York Stock Exchange under the symbol BTU.

DESCRIPTION OF WARRANTS

The following description of the warrant agreements summarizes certain general terms that will apply to the warrants that we may offer. The description is not complete, and we refer you to the warrant agreements, which will be filed with the SEC promptly after the offering of any warrants and will be available as described under the heading Incorporation of Certain Documents by Reference in this prospectus.

We may issue warrants to purchase debt securities, common stock, preferred stock or other securities. We may issue warrants independently or as part of a unit with other securities. Warrants sold with other securities as a unit may be attached to or separate from the other securities. We will issue warrants under one or more warrant agreements between us and a warrant agent that we will name in the applicable prospectus supplement.

The prospectus supplement relating to any warrants we are offering will include specific terms relating to the offering, including a description of any other securities sold together with the warrants. These terms will include some or all of the following:

- the title of the warrants;
- the aggregate number of warrants offered;
- the price or prices at which the warrants will be issued;
- the currency or currencies, including composite currencies, in which the prices of the warrants may be payable;

the designation, number and terms of the debt securities, common stock, preferred stock or other securities or rights, including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies or indices, purchasable upon exercise of the warrants and procedures by which those numbers may be adjusted; the exercise price of the warrants and the currency or currencies, including composite currencies, in which such price is payable;

Table of Contents

- the dates or periods during which the warrants are exercisable;
- the designation and terms of any securities with which the warrants are issued as a unit;
- if the warrants are issued as a unit with another security, the date on and after which the warrants and the other security will be separately transferable;
- if the exercise price is not payable in U.S. dollars, the foreign currency, currency unit or composite currency in which the exercise price is denominated;
- any minimum or maximum amount of warrants that may be exercised at any one time;
- any terms relating to the modification of the warrants; and
- any other terms of the warrants, including terms, procedures and limitations relating to the transferability, exchange, exercise or redemption of the warrants.

Warrants issued for securities other than our debt securities, common stock or preferred stock will not be exercisable until at least one year from the date of sale of the warrant.

DESCRIPTION OF UNITS

The following descriptions of the units and any applicable underlying security or pledge or depository arrangements summarize certain general terms that will apply to the applicable agreements. These descriptions do not restate those agreements in their entirety. We urge you to read the applicable agreements because they, and not the summaries, define your rights as holders of the units. We will make copies of the relevant agreements available as described under the heading Incorporation of Certain Documents by Reference in this prospectus.

As specified in the applicable prospectus supplement, we may issue units comprised of one or more of the other securities described in this prospectus in any combination. Each unit may also include debt obligations of third parties, such as U.S. Treasury securities. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The prospectus supplement will describe:

- the designation and terms of the units and of the securities comprising the units, including whether and under what circumstances the securities comprising the units may be held or transferred separately;
- a description of the terms of any unit agreement governing the units;
- a description of the provisions for the payment, settlement, transfer or exchange of the units; and
- whether the units will be issued in fully registered or global form.

PLAN OF DISTRIBUTION

We may sell the securities offered by this prospectus:

to or through underwriting syndicates represented by managing underwriters;

through one or more underwriters without a syndicate for them to offer and sell to the public;

through dealers or agents; or

to one or more purchasers directly.

The applicable prospectus supplement will describe that offering, including:

the name or names of any underwriters, dealers or agents involved in the sale of the offered securities;

the purchase price and the proceeds to us from that sale;

any underwriting discounts, commissions agents fees and other items constituting underwriters or agents compensation;

Table of Contents

any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers; and

any securities exchanges on which the offered securities may be listed.

If underwriters are used in the sale, the offered securities will be acquired by the underwriters for their own account. The underwriters may resell the offered securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The offered securities may be offered through an underwriting syndicate represented by many underwriters. The obligations of the underwriters to purchase the offered securities will be subject to certain conditions. The underwriters will be obligated to purchase all of the offered securities if any are purchased. Any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers may be changed from time to time.

The offered securities may be sold directly by us or through agents. Any agent will be named, and any commissions payable to that agent will be set forth in the prospectus supplement. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a best efforts basis.

We may authorize agents, underwriters or dealers to solicit offers by specified institutions to purchase securities offered by this prospectus pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. These contracts will be subject only to those conditions set forth in the prospectus supplement. The prospectus supplement will set forth the commission payable for soliciting such contracts.

We may agree to indemnify underwriters, dealers or agents against certain civil liabilities, including liabilities under the Securities Act, and may also agree to contribute to payments which the underwriters, dealers or agents may be required to make.

LEGAL MATTERS

The validity of each of the securities offered by this prospectus will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York.

EXPERTS

The consolidated financial statements of Peabody Energy Corporation incorporated by reference in Peabody Energy Corporation s Annual Report (Form 10-K) for the year ended December 31, 2011 (including the schedule appearing therein) and the effectiveness of Peabody Energy Corporation s internal control over financial reporting as of December 31, 2011 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in its reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of Macarthur Coal Limited as of June 30, 2011 and 2010, and for each of the years ended June 30, 2011 and 2010 have been incorporated by reference herein and in the registration statement in reliance upon the report of KPMG, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and other information with the Securities and Exchange Commission, or SEC. You may access and read our SEC filings, through the SEC s Internet site at www.sec.gov. This site contains reports and other information that we file electronically with the SEC. You may also read and copy any document we file at the SEC s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public on our website at http://www.peabodyenergy.com. Information

Table of Contents

contained on our website is not part of this prospectus or any prospectus supplement. In addition, reports, proxy statements and other information concerning us may be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We have filed with the SEC a registration statement under the Securities Act with respect to the securities offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information presented in the registration statement and its exhibits and schedules. Our descriptions in this prospectus of the provisions of documents filed as exhibits to the registration statement or otherwise filed with the SEC are only summaries of the terms of those documents that we consider material. If you want a complete description of the content of the documents, you should obtain the documents yourself by following the procedures described above.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

We have elected to incorporate by reference certain information into this prospectus, which means we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus.

We incorporate by reference our:

- Annual Report on Form 10-K (including the portions of our Proxy Statement on Schedule 14A for our 2012 Annual Meeting, filed with the SEC on March 20, 2012, that are incorporated by reference therein) for the year ended December 31, 2011, as filed on February 27, 2012;

- Quarterly Reports on Form 10-Q for the quarter ended March 31, 2012, as filed on May 4, 2012, and for the quarter ended June 30, 2012, as filed on August 3, 2012;

- Current Reports on Form 8-K filed with the SEC on February 1, 2012, February 21, 2012, March 9, 2012, April 5, 2012, April 18, 2012, May 4, 2012, May 21, 2012, June 27, 2012, July 6, 2012 and August 30, 2012 and Current Reports on Form 8-K/A filed with the SEC on January 5, 2012, February 22, 2012 and April 3, 2012; and

- Form 8-A filed with the SEC on May 1, 2001, including any amendments or supplements thereto.

We are also incorporating by reference all other reports that we file in the future with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the date of the completion of this offering; provided, however, that we are not incorporating any information furnished under either Item 2.02 or Item 7.01 of any current report on Form 8-K. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement that is modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You may request copies of the filings, at no cost, by telephone at (314) 342-3400 or by mail at: Peabody Energy Corporation, 701 Market Street, Suite 700, St. Louis, Missouri 63101, attention: Investor Relations.

Table of Contents

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. ***Other Expenses of Issuance and Distribution.***

The following table reflects an itemization of all fees and expenses, other than underwriting discounts and commissions, incurred or expected to be incurred by Peabody Energy Corporation in connection with the issuance and distribution of the securities being registered hereby. All but the Securities and Exchange Commission registration fee are estimates and remain subject to future contingencies.

Securities and Exchange Commission registration fee	$	(1)
Legal fees and expenses		(2)
Accounting fees and expenses		(2)
Trustees fees and expenses		(2)
Printing and engraving fees		(2)
Blue Sky fees and expenses		(2)
Miscellaneous expenses		(2)
Total	$	(2)

(1) Pursuant to Rules 456(b) and 457(r) under the Securities Act, the Registrants are deferring payment of the registration fee relating to the securities that are registered and available for sale under this Registration Statement on Form S-3, except for $132,077.50 of filing fees previously paid with respect to $1,152,508,726.00 aggregate initial offering price of securities that had previously been registered under the Registrant s Registration Statement on Form S-3 (Registration No. 333-161179) but not sold and are being carried forward to this registration statement.

(2) An estimate of the aggregate amount of these expenses will be reflected in the applicable prospectus supplement.

Item 15. ***Indemnification of Directors and Officers.***

Delaware Corporation Registrants

Peabody Energy Corporation, Arid Operations, Inc., Big Sky Coal Company, BTU Western Resources, Inc., Colorado Yampa Coal Company, Cottonwood Land Company, Cyprus Creek Land Company, Gallo Finance Company, Highwall Mining Services Company, Juniper Coal Company, Kayenta Mobile Home Park, Inc., Midwest Coal Acquisition Corp., Peabody America, Inc., Peabody Energy Generation Holding Company, Peabody Energy Investments, Inc., Peabody Energy Solutions, Inc., Peabody International Investments, Inc., Peabody International Services, Inc., Peabody Investments Corp., Peabody Natural Resources Company, Peabody Southwestern Coal Company, Peabody Terminal Holding Company, Inc., Peabody Venezuela Coal Corp., Peabody Western Coal Company, Pond River Land Company, Riverview Terminal Company and Shoshone Coal Corporation (the Delaware Corporation Registrants) are incorporated in the State of Delaware. Section 145 of the Delaware General Corporation Law provides that, among other things, a corporation may indemnify directors and officers as well as other employees and agents of the corporation against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with threatened, pending or completed actions, suits or proceedings, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation, a derivative action), if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys fees) incurred in connection with the defense or settlement of such actions, and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation s by-laws, disinterested director vote, stockholder vote, agreement or otherwise.

Table of Contents

Article Sixth of our third amended and restated certificate of incorporation (as amended) and Article IV of our amended and restated bylaws requires indemnification to the fullest extent permitted by Delaware law. Our third amended and restated certificate of incorporation (as amended) requires indemnification and the advancement of expenses incurred by officers or directors in relation to any action, suit or proceeding. Similar provisions are contained in the certificate of incorporation and/or bylaws of the other Delaware Corporation Registrants.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability (i) for any transaction from which the director derives an improper personal benefit, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law (certain illegal distributions) or (iv) for any breach of a director s duty of loyalty to the company or its stockholders. Article Sixth of our third amended and restated certificate of incorporation (as amended) includes such a provision.

In connection with our existing indemnification procedures and policies and the rights provided for by our third amended and restated certificate of incorporation (as amended) and amended and restated by-laws, we have executed indemnification agreements with our directors and executive officers.

Pursuant to those agreements, to the fullest extent permitted by the laws of the State of Delaware, we have agreed to indemnify those persons against any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that the indemnified person is or was or has agreed to serve at our request as a director, officer, employee or agent, or while serving as our director or officer, is or was serving or has agreed to serve at our request as a director, officer, employee or agent (which, for purposes of the indemnification agreements, includes a trustee, partner, manager or a position of similar capacity) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity. The indemnification provided by these agreements is from and against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the indemnified person or on his or her behalf in connection with the action, suit or proceeding and any appeal therefrom, but shall only be provided if the indemnified person acted in good faith and in a manner the indemnified person reasonably believed to be in or not opposed to our best interests, and, with respect to any criminal action, suit or proceeding, had no reasonable cause to believe the indemnified person s conduct was unlawful.

We have obtained officers and directors liability insurance which insures against liabilities that our officers and directors, in such capacities, may incur.

Delaware LLC Registrants

American Land Development, LLC, American Land Holdings of Colorado, LLC, American Land Holdings of Illinois, LLC, American Land Holdings of Indiana, LLC, American Land Holdings of Kentucky, LLC, American Land Holdings of West Virginia, LLC, Caballo Grande, LLC, Caseyville Dock Company, LLC, Central States Coal Reserves of Illinois, LLC, Central States Coal Reserves of Indiana, LLC, Coal Reserve Holding Limited Liability Company No 1., COALSALES II, LLC, Conservancy Resources, LLC, Cyprus Creek Land Resources, LLC, Dyson Creek Coal Company, LLC, Dyson Creek Mining Company, LLC, El Segundo Coal Company, LLC, Elkland Holdings, LLC, Gold Fields Chile, LLC, Gold Fields Mining, LLC, Gold Fields Ortiz, LLC, Hayden Gulch Terminal, LLC, Hillside Recreational Lands, LLC, HMC Mining, LLC, Independence Material Handling, LLC, James River Coal Terminal, LLC, Kentucky Syngas, LLC, Lively Grove Energy, LLC, Lively Grove Energy Partners, LLC, Marigold Electricity, LLC, Midwest Coal Reserves of Illinois, LLC, Midwest Coal Reserves of Indiana, LLC, Moffat County Mining, LLC, Mustang Energy Company, LLC, New Mexico Coal Resources, LLC, Pacific Export Resources, LLC, Peabody Archveyor, L.L.C., Peabody Bear Run Mining, LLC, Peabody Bear Run Services, LLC, Peabody Caballo Mining, LLC, Peabody Cardinal Gasification,

Table of Contents

LLC, Peabody COALSALES, LLC, Peabody COALTRADE, LLC, Peabody COALTRADE International (CTI), LLC, Peabody Colorado Operations, LLC, Peabody Colorado Services, LLC, Peabody Coulterville Mining, LLC, Peabody Development Company, LLC, Peabody Electricity, LLC, Peabody Employment Services, LLC, Peabody Gateway North Mining, LLC, Peabody Gateway Services, LLC, Peabody Holding Company, LLC, Peabody Illinois Services, LLC, Peabody Indiana Services, LLC, Peabody Magnolia Grove Holdings, LLC, Peabody Midwest Management Services, LLC, Peabody Midwest Operations, LLC, Peabody Midwest Services, LLC, Peabody Natural Gas, LLC, Peabody New Mexico Services, LLC, Peabody Operations Holding, LLC, Peabody Powder River Mining, LLC, Peabody Powder River Operations, LLC, Peabody Powder River Services, LLC, Peabody PowerTree Investments, LLC, Peabody Recreational Lands, L.L.C., Peabody Rocky Mountain Management Services, LLC, Peabody Rocky Mountain Services, LLC, Peabody Sage Creek Mining, LLC, Peabody School Creek Mining, LLC, Peabody Services Holdings, LLC, Peabody Southwest, LLC, Peabody Terminals, LLC, Peabody Trout Creek Reservoir LLC, Peabody Twentymile Mining, LLC, Peabody Venture Fund, LLC, Peabody-Waterside Development, L.L.C., Peabody Wild Boar Mining, LLC, Peabody Wild Boar Services, LLC, Peabody Williams Fork Mining, LLC, Peabody Wyoming Gas, LLC, Peabody Wyoming Services, LLC, PEC Equipment Company, LLC, Point Pleasant Dock Company, LLC, Porcupine Production, LLC, Porcupine Transportation, LLC, Sage Creek Holdings, LLC, School Creek Coal Resources, LLC, Seneca Coal Company, LLC, Star Lake Energy Company, LLC, Thoroughbred Generating Company, LLC, Thoroughbred Mining Company, L.L.C., Twentymile Coal, LLC and West Roundup Resources, LLC (the Delaware LLC Registrants) are organized in the State of Delaware. Delaware limited liability companies are permitted by Section 18-108 of the Delaware Limited Liability Company Act, subject to the procedures and limitations stated therein, to indemnify any person against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding in which such person is made a party by reason of his being or having been a director, officer, employee or agent of the respective limited liability company. The statute provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any agreement, vote of members or disinterested directors or otherwise.

The Operating Agreements of the Delaware LLC Registrants generally provide that the company shall indemnify the member, each director, manager, officer, employee, shareholder, controlling person, agent and representative of the LCC or the member with respect to claims arising out of or incidental to the business or activities related to the LLC, if such indemnitee determined in good faith that such conduct was in the best interest of the LLC and such indemnitee s conduct did not constitute fraud, gross negligence or willful misconduct and was within the scope of the indemnitee s authority.

Each Delaware limited liability company may purchase and maintain insurance on behalf of any director or officer of such limited liability company against any liability asserted against such person, whether or not such limited liability company would have the power to indemnify such person against such liability under the respective provisions of the limited liability company agreement or otherwise.

Indiana

Indiana LLC Registrants

Falcon Coal Company, LLC, Peabody Arclar Mining, LLC, Peabody Midwest Mining, LLC and Sugar Camp Properties, LLC (the Indiana LLC Registrants) are organized in the State of Indiana. Section 23-18-2-2 of the Indiana Business Flexibility Act (Indiana LLC Law) provides that, unless the limited liability company s articles of organization provide otherwise, every limited liability company has the power to indemnify and hold harmless any member, manager, agent, or employee from and against any and all claims and demands, except in the case of an action or failure to act by the member, agent, or employee which constitutes willful misconduct or recklessness and subject to any standards and restrictions set forth in a written operating agreement. Section 23-18-4-4 of the Indiana LLC Law provides that a written operating agreement may provide for indemnification of a member or manager for monetary damages for judgments, settlements, penalties, fines, or expenses incurred in a proceeding to which a person is a party because the person is or was a member or manager.

Table of Contents

The Operating Agreement of Peabody Arclar Mining, LLC provides that the company shall indemnify each officer with respect to liabilities to which such person is, or is threatened to be made, a party because such person is or was serving at the request of the company as an officer of the company, or is or was serving at the request of the company as a director, officer, partner, member, employee or agent of another entity, provided that the officer acted in good faith and in a manner reasonably believed by the officer to be in the best interests of the company or, in the case of a criminal proceeding, the officer had no reasonable cause to believe that the conduct was unlawful or, in connection with a proceeding brought by or in the right of the company, the officer was not adjudged liable to the company, and the officer was not adjudged liable in a proceeding charging improper personal benefit.

The Operating Agreements of the other Indiana LLC Registrants provide that the company shall indemnify the member, each director, manager, officer, employee, shareholder, controlling person, agent and representative of the LCC or the member with respect to claims arising out of or incidental to the business or activities related to the LLC, if such indemnitee determined in good faith that such conduct was in the best interest of the LLC and such indemnitee s conduct did not constitute fraud, gross negligence or willful misconduct and was within the scope of the indemnitee s authority.

Illinois

Illinois Corporation Registrants

Big Ridge, Inc., Century Mineral Resources, Inc. and Midco Supply and Equipment Corporation (the Illinois Corporation Registrants) are incorporated in the State of Illinois. The bylaws of Big Ridge, Inc. and Century Mineral Resources, Inc. provide for the indemnification of directors and officers consistent with the provisions of the Illinois Business Corporation Act (IBCA), as amended, as it currently exists or may hereafter be amended. The bylaws of Midco Supply and Equipment Corporation do not address indemnification, but as an Illinois Corporation, Midco Supply and Equipment Corporation is subject to the provisions of the IBCA.

Section 8.75 of the IBCA provides that a corporation may indemnify any person who, by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than one brought on behalf of the corporation, against actual and reasonable expenses (including attorneys fees), judgments, fines and settlement payments incurred in connection with the action, suit or proceeding, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of such corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe his or her conduct was unlawful. In the case of actions on behalf of the corporation, indemnification may extend only to actual and reasonable expenses (including attorneys fees) incurred in connection with the defense or settlement of such action or suit and only if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, provided that no such indemnification is permitted in respect of any claim, issue or matter as to which such person is adjudged to be liable to the corporation except to the extent that the adjudicating court otherwise provides. To the extent that a present or former director, officer or employee of the corporation has been successful in defending any such action, suit or proceeding (even one on behalf of the corporation) or in defense of any claim, issue or matter therein, such person is entitled to indemnification for actual and reasonable expenses (including attorneys fees) incurred by such person in connection therewith if the person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation. The indemnification provided for by the IBCA is not exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, and a corporation may maintain insurance on behalf of any person who is or was a director, officer, employee or agent against liabilities for which indemnification is not expressly provided by the IBCA.

Table of Contents

Illinois LLC Registrants

Black Hills Mining Company LLC and Illinois Land Holdings, LLC (the Illinois LLC Registrants) are organized in the State of Illinois. Section 15-7(a) of the Illinois Limited Liability Company Act provides that an Illinois limited liability company shall reimburse its members and managers for payments made, and shall indemnify its members and managers for liabilities incurred, by such member or manager in the ordinary course of the business of the limited liability company or for the preservation of its property.

The Operating Agreement of Black Hills Mining Company, LLC provides that the company shall indemnify each director, officer and member with respect to any loss, expense, damages or injury suffered by such party by reason of any acts, omissions, or alleged acts or omissions arising out of the indemnified party s activities on behalf of the company or in furtherance of the interests of the company, if such acts, omissions, or alleged acts or omissions were for a purpose reasonably believed to be in the best interests of the company and were not performed or omitted fraudulently or in bad faith or as a result of gross negligence by such indemnified party, and were not in violation of the indemnified party s fiduciary obligations to the company.

The Operating Agreement of Illinois Land Holdings, LLC provides that the company shall indemnify the member, each director, manager, officer, employee, shareholder, controlling person, agent and representative of the company or the member to the fullest extent permitted by law from and against any and all losses, claims and reasonable expenses of any kind (including reasonable attorneys fees and disbursements) arising out of or incidental to the business or activities of, or related to, the company, if such indemnitee determined in good faith that such conduct was in the best interests of the company and such indemnitee s conduct did not constitute fraud, gross negligence or willful misconduct and was within the scope of the indemnitee s authority.

Item16.

(a) *Exhibits*

Exhibit

No.	Description of Exhibit
1.1**	Form of Underwriting Agreement (Debt)
1.2**	Form of Underwriting Agreement (Equity)
1.3**	Form of Underwriting Agreement (Preferred Stock)
1.4**	Form of Underwriting Agreement (Units)
1.5**	Form of Underwriting Agreement (Warrants)
3.1	Third Amended and Restated Certificate of Incorporation of Peabody Energy Corporation, as amended (Incorporated by reference to Exhibit 3.1 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 27, 2012)
3.2	Amended and Restated By-Laws of Peabody Energy Corporation (Incorporated by reference to Exhibit 3.1 of the Registrant s Current Report on Form 8-K, filed September 16, 2008)
4.1	Specimen of stock certificate representing the Registrant s common stock, $.01 par value (incorporated by reference to Exhibit 4.13 of the Registrant s Form S-1/A Registration Statement No. 333-55412, filed on May 1, 2002)
4.2	Indenture dated as of March 19, 2004 between the Registrant and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.12 of the Registrant s Quarterly Report on Form 10-Q for the Quarter ended March 31, 2004, filed on May 10, 2004)
4.3	$7\,^{3}/_{8}\%$ Senior Notes due 2016 Tenth Supplemental Indenture, dated as of October 12, 2006 among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 of the Registrant s Current Report on Form 8-K, filed October 13, 2006)

Table of Contents

Exhibit

No.	Description of Exhibit
4.4	7 3/8% Senior Notes due 2016 Thirteenth Supplemental Indenture, dated as of November 10, 2006 among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.33 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2006)
4.5	7 3/8% Senior Notes due 2016 Sixteenth Supplemental Indenture, dated as of January 31, 2007 among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.34 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2006)
4.6	7 3/8% Senior Notes due 2016 Nineteenth Supplemental Indenture, dated as of June 14, 2007 among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.3 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007)
4.7	7 3/8% Senior Notes due 2016 Twenty-Second Supplemental Indenture, dated as of November 14, 2007 among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.40 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2007)
4.8	7 3/8% Senior Notes due 2016 Thirty-First Supplemental Indenture, dated as of March 13, 2009, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.2 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009)
4.9	7 3/8% Senior Notes Due 2016 Thirty-Sixth Supplemental Indenture dated as of April 21, 2011, among Peabody Energy Corporation, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)
4.10	7 7/8% Senior Notes due 2026 Eleventh Supplemental Indenture, dated as of October 12, 2006, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.2 of the Registrant s Current Report on Form 8-K, filed October 13, 2006)
4.11	7 7/8% Senior Notes due 2026 Fourteenth Supplemental Indenture, dated as of November 10, 2006, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.36 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2006)
4.12	7 7/8% Senior Notes due 2026 Seventeenth Supplemental Indenture, dated as of January 31, 2007, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.37 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2006)
4.13	7 7/8% Senior Notes due 2026 Twentieth Supplemental Indenture, dated as of June 14, 2007, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.4 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007)
4.14	7 7/8% Senior Notes due 2026 Twenty-Third Supplemental Indenture, dated as of November 14, 2007, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.45 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2007)
4.15	7 7/8% Senior Notes due 2026 Thirty-Second Supplemental Indenture, dated as of March 13, 2009, among the Registrant, the Guaranteeing Subsidiaries (as defined therein), and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.3 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009)

Table of Contents

Exhibit

No.	Description of Exhibit
4.16	7 7/8% Senior Notes Due 2026 Thirty-Seventh Supplemental Indenture, dated as of April 21, 2011, among Peabody Energy Corporation, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.2 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)
4.17	6.500% Senior Notes due 2020 Thirty-Third Supplemental Indenture, dated as of August 25, 2010, among Peabody Energy Corporation, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 of the Registrant s Current Report on Form 8-K, filed August 27, 2010)
4.18	6.500% Senior Notes due 2020 Thirty-Eighth Supplemental Indenture, dated as of April 21, 2011, among Peabody Energy Corporation, the guarantors named therein and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.3 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)
4.19	Subordinated Indenture, dated as of December 20, 2006, between the Registrant and US Bank National Association, as trustee (Incorporated by reference to Exhibit 4.1 of the Registrant s Current Report on Form 8-K, filed December 20, 2006)
4.20	4.75% Convertible Junior Subordinated Debentures Due 2066 First Supplemental Indenture, dated as December 20, 2006, among the Registrant and US Bank National Association, as trustee (Incorporated by reference to Exhibit 4.2 of the Registrant s Current Report on Form 8-K, filed December 20, 2006)
4.21	Notice of Adjustment of Conversion Rate of 4.75% Convertible Junior Subordinated Debentures Due 2066, dated February 8, 2009 (Incorporated by reference to Exhibit 4.5 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended March 31, 2009)
4.22	Capital Replacement Covenant dated December 19, 2006 (Incorporated by reference to Exhibit 99.1 of the Registrant s Current Report on Form 8-K, filed December 20, 2006)
4.23	Notice of Adjustment of Conversion Rate of 4.75% Convertible Junior Subordinated Debentures Due 2066, dated November 26, 2007 (Incorporated by reference to Exhibit 4.49 of the Registrant s Annual Report on Form 10-K for the year ended December 31, 2007)
4.24	Notice of Adjustment of Conversion Rate of 4.75% Convertible Junior Subordinated Debentures due 2066, dated February 8, 2010 (Incorporated by reference to Exhibit 4.1 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010)
4.25	Notice of Adjustment of Conversion Rate of 4.75% Convertible Junior Subordinated Debentures due 2066, dated February 7, 2011 (Incorporated by reference to Exhibit 4.4 of the Registrant s Quarterly Report on Form 10-Q for the quarter ended June 30, 2011)
4.26	Indenture, dated as of November 15, 2011, among Peabody, the Guarantors named therein and U.S. Bank National Association, as trustee, governing the 6.00% Senior Notes Due 2018 and 6.25% Senior Notes Due 2021 (Incorporated by reference to Exhibit 4.1 of the Registrant s Current Report on Form 8-K, filed November 17, 2011)
4.27	Form of Senior Security (included in Exhibit 4.2)
4.28	Form of Subordinated Security (included in Exhibit 4.19)
4.29**	Form of Warrant Agreement
4.30**	Form of Unit Agreement
4.31**	Form of Certificate of Designations for Preferred Stock
4.32**	Form of Preferred Stock Share Certificate
5.1*	Opinion of Simpson Thacher & Bartlett LLP
5.2*	Opinion of Jackson Kelly PLLC
5.3*	Opinion of Thompson Coburn LLP

Table of Contents

Exhibit

No.	Description of Exhibit
12*	Statement regarding Computation of Ratios of Earnings to Fixed Charges
23.1*	Consent of Simpson Thacher & Bartlett LLP (included in Exhibit 5.1)
23.2*	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
23.3*	Consent of KPMG
24*	Power of Attorney (included on signature pages)
25.1*	Form T-1 statement of eligibility and qualification under the Trust Indenture Act of 1939 of U.S. Bank National Association as trustee under the indentures with respect to the senior debt securities and subordinated debt securities

* Filed herewith

** To be filed by amendment or as an exhibit to a document to be incorporated by reference herein

Item 17. ***Undertakings.***

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the Securities Act);

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission (the Commission) pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, *however*, that paragraphs (1)(i), (1)(ii) and (1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is a part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) Each prospectus filed by a registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

Table of Contents

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act, each filing of the registrant s annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan s annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(7) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri as of October 19, 2012.

PEABODY ENERGY CORPORATION

By: /s/ GREGORY H. BOYCE
Gregory H. Boyce
Chairman and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ GREGORY H. BOYCE Gregory H. Boyce	Chairman, Chief Executive Officer and Director (Principal Executive Officer)
/s/ MICHAEL C. CREWS Michael C. Crews	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ WILLIAM A. COLEY William A. Coley	Director
/s/ WILLIAM E. JAMES William E. James	Director
/s/ ROBERT B. KARN III	Director

Robert B. Karn III

Table of Contents

Signature	Title
/s/ M. FRANCES KEETH M. Frances Keeth	Director
/s/ HENRY E. LENTZ Henry E. Lentz	Director
/s/ ROBERT A. MALONE Robert A. Malone	Director
/s/ WILLIAM C. RUSNACK William C. Rusnack	Director
/s/ JOHN F. TURNER John F. Turner	Director
/s/ SANDRA VAN TREASE Sandra Van Trease	Director
/s/ ALAN H. WASHKOWITZ Alan H. Washkowitz	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND DEVELOPMENT, LLC

By: PEABODY INVESTMENTS CORP.,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND HOLDINGS OF COLORADO, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND HOLDINGS OF ILLINOIS, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND HOLDINGS OF INDIANA, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND HOLDINGS OF KENTUCKY, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

AMERICAN LAND HOLDINGS OF WEST VIRGINIA, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

ARID OPERATIONS, INC.

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

BIG RIDGE, INC.

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MARC E. HATHHORN Marc E. Hathhorn	President and Director
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ CHARLES F. MEINTJES Charles F. Meintjes	Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

BIG SKY COAL COMPANY

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ GEORGE J. SCHULLER, JR. George J. Schuller, Jr.	President and Director
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

BLACK HILLS MINING COMPANY, LLC

By: PEABODY MIDWEST OPERATIONS, LLC

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MARC E. HATHHORN Marc E. Hathhorn	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

BTU WESTERN RESOURCES, INC.

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ SCOTT N. DURGIN Scott N. Durgin	President and Director
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ GEORGE J. SCHULLER, JR. George J. Schuller, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CABALLO GRANDE, LLC

By: PEABODY ELECTRICITY, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ SCOTT N. DURGIN Scott N. Durgin	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CASEYVILLE DOCK COMPANY, LLC

By: PEABODY MIDWEST OPERATIONS, LLC, its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MARC E. HATHHORN Marc E. Hathhorn	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CENTRAL STATES COAL RESERVES OF ILLINOIS, LLC

By: AMERICAN LAND HOLDINGS OF ILLINOIS, LLC, its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CENTRAL STATES COAL RESERVES OF INDIANA, LLC

By: AMERICAN LAND HOLDINGS OF INDIANA, LLC, its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CENTURY MINERAL RESOURCES, INC.

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ TERRY L. BETHEL Terry L. Bethel	Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

Pick up here

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

COAL RESERVE HOLDING LIMITED LIABILITY COMPANY NO. 1,

By: COTTONWOOD LAND COMPANY,

its Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurerp

By: CENTRAL STATES COAL RESRVES OF ILLINOIS, LLC, its Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title

/s/ CHARLES F. MEINTJES	President
Charles F. Meintjes	
/s/ AMY B. SCHWETZ	Senior Vice President Finance and
Amy B. Schwetz	Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

COALSALES II, LLC

By: PEABODY COALSALES, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MICHAEL SIEBERS Michael Siebers	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

COLORADO YAMPA COAL COMPANY

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President and Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CONSERVANCY RESOURCES, LLC

By: PEABODY INVESTMENTS CORP.,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ JEANE L. HULL Jeane L. Hull	President
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Senior Vice President Finance

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

COTTONWOOD LAND COMPANY

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ TERRY L. BETHEL Terry L. Bethel	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CYPRUS CREEK LAND COMPANY

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ JAMES C. SEVEM James C. Sevem	Director
/S/ TERRY L. BETHEL Terry L. Bethel	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

CYPRUS CREEK LAND RESOURCES, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

DYSON CREEK COAL COMPANY, LLC

By: AMERICAN LAND DEVELOPMENT, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

DYSON CREEK MINING COMPANY, LLC

By: PEABODY MIDWEST OPERATIONS, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MARC E. HATHHORN Marc E. Hathhorn	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

EL SEGUNDO COAL COMPANY, LLC

By: NEW MEXICO COAL RESOURCES, LLC,

its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor

Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ GUY B. BROWN Guy B. Brown	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

ELKLAND HOLDINGS, LLC

By: PEABODY HOLDING COMPANY, LLC,
its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ TERRY L. BETHEL Terry L. Bethel	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

FALCON COAL COMPANY, LLC

By: PEABODY MIDWEST MINING, LLC,
its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ MARC E. HATHHORN Marc E. Hathhorn	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

GALLO FINANCE COMPANY

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ GUY B. BROWN Guy B. Brown	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration
/s/ WALTER L. HAWKINS, JR. Walter L. Hawkins, Jr.	Director
/s/ JOHN F. QUINN, JR. John F. Quinn, Jr.	Director

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of St. Louis, State of Missouri on October 19, 2012.

GOLD FIELDS CHILE, LLC

By: GOLD FIELDS MINING, LLC,
its Sole Member

By: /s/ JAMES A. TICHENOR
James A. Tichenor
Vice President and Treasurer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers whose signature appears below hereby constitutes and appoints Gregory H. Boyce, Michael C. Crews, Alexander C. Schoch and Kenneth L. Wagner, or any one of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and does hereby grant unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on the 19th day of October, 2012 by the following persons in the capacities indicated:

Signature	Title
/s/ CHARLES F. MEINTJES Charles F. Meintjes	President
/s/ AMY B. SCHWETZ Amy B. Schwetz	Senior Vice President Finance and Administration

The exercise price for each option will be:

based on 100% of the fair market value of the shares on the date of grant;

set at a premium to the fair market value of the shares on the day of grant; or

indexed to the fair market value of the shares on the date of grant, with the committee determining the index.

Other than with respect to a substitute award, which is an award granted to a holder of an option, stock appreciation right or other award granted by a company that is acquired by us or with which we combine, in lieu of such outstanding award previously granted by such company, the exercise price on the date of grant must be at least equal to 100% of the fair market value of the shares on the date of grant.

Each option will expire at such time as the committee determines at the time of its grant; however, no option will be exercisable later than the 10th anniversary of its grant date. Notwithstanding the foregoing, for options granted to participants outside the United States, the committee can set options that have terms greater than ten years.

Options will be exercisable at such times and be subject to such terms and conditions as the committee approves. A condition of the delivery of shares as to which an option will be exercised will be the payment of the exercise price. Subject to any governing rules or regulations, as soon as practicable after receipt of written notification of exercise and full payment, we will deliver to the participant evidence of book-entry shares or, upon his or her request, share certificates in an appropriate amount based on the number of shares purchased under the option(s). The committee may impose such restrictions on any shares acquired pursuant to the exercise of an option as it may deem advisable.

Each participant's award document will set forth the extent to which he will have the right to exercise the option following termination of his or her employment or services.

Only in the event that we are not accounting for equity compensation under APB Opinion No. 25, the committee has the ability to substitute, without receiving each participant's permission, stock appreciation rights paid only in shares for outstanding options. The terms of the substituted stock appreciation rights must be the same as the terms for the options, and the aggregate difference between the fair market value of the underlying shares and the grant price of the stock appreciation rights must be equivalent to the aggregate difference between the fair market value of the underlying shares and the exercise price of the options. If, in the opinion of our auditors, this would create adverse accounting consequences for us, it will be considered null and void.

Stock appreciation rights. The committee may grant freestanding stock appreciation rights, tandem stock appreciation rights, or any combination of these forms of stock appreciation rights. Also subject to the provisions of the plan, the committee will have complete discretion in determining the number of stock appreciation rights granted to each participant and the terms and conditions pertaining to such stock appreciation rights.

Each stock appreciation right will be evidenced by an award document that will specify the grant price, the term of the stock appreciation right and such other provisions as the committee determines.

The grant price for each freestanding stock appreciation right will be the same as exercise prices for our stock options. Other than with respect to substitute awards, the grant price of freestanding stock appreciation rights must be at least equal to 100% of the fair market value of the shares on the date of grant. The grant price of tandem stock appreciation rights will be equal to the exercise price of the related option.

The term of a stock appreciation right will be determined by the committee. Generally, no stock appreciation right will be exercisable later than the tenth anniversary date of its grant. Notwithstanding the foregoing, for stock appreciation rights granted to participants outside the United States, the committee can set terms greater than ten years.

Freestanding stock appreciation rights may be exercised upon whatever terms and conditions the committee imposes. Tandem stock appreciation rights may be exercised for all or part of the shares subject to the related option upon the surrender of the right to exercise the equivalent portion of the related option.

A tandem stock appreciation right may be exercised only with respect to the shares for which its related option is then exercisable. The plan contains additional provisions for tandem stock appreciation rights granted with incentive stock options.

Upon the exercise of a stock appreciation right, a participant will be entitled to receive payment in an amount determined by multiplying the excess of the fair market value of a share on

the date of exercise over the grant price by the number of shares with respect to which the stock appreciation right is exercised. The payment upon exercise may be in cash, shares, or any combination thereof, or in any other manner approved by the committee. The form of settlement will be set forth in the award document. The committee may impose such other conditions and/or restrictions on any shares received upon exercise of a stock appreciation right as it may deem advisable or desirable. These restrictions may include a requirement that the participant hold the shares received upon exercise of a stock appreciation right for a specified period of time.

Each award document will set forth the extent to which the participant will have the right to exercise the stock appreciation right following his or her termination of employment or services.

Restricted stock and restricted stock units. The committee may grant shares of restricted stock and/or restricted stock units to participants. Restricted stock units will be similar to restricted stock, except that no shares are actually awarded to the participant on the date of grant.

Each grant will be evidenced by an award document that will specify the period(s) of restriction, the number of shares of restricted stock, or the number of restricted stock units granted and such other provisions as the committee determines.

Generally, shares of restricted stock will become freely transferable after all conditions and restrictions applicable to such shares have been satisfied or lapse and restricted stock units will be paid in cash, shares, or a combination, as determined by the committee.

The committee may impose such other conditions or restrictions on any shares of restricted stock or restricted stock units as it may deem advisable, including a requirement that participants pay a stipulated purchase price for each share of restricted stock or each restricted stock unit, restrictions based upon the achievement of specific performance goals and time-based restrictions on vesting.

Generally, participants holding shares of restricted stock may be granted the right to exercise full voting rights with respect to those shares during the period of restriction (as defined in the plan). A participant will have no voting rights with respect to any restricted stock units.

Each award document will set forth the extent to which the participant will have the right to retain restricted stock and/or restricted stock units following termination of his or her employment or services.

The committee may provide that an award of restricted stock is conditioned upon the participant making or refraining from making an election with respect to the award under Section 83(b) of the Code.

Unvested shares are transferable by will or by the laws of descent and distribution, or to a member of the participant's immediate family or specified estate planning vehicles established by the participant.

Restricted shares carry full voting and dividend rights, provided, however, that any cash dividends will be reinvested in dividend shares, and any such dividend shares and any stock dividends will be subject to the same restrictions as the underlying restricted shares.

Performance units and performance shares. The committee may grant performance units and/or performance shares to participants in such amounts and upon such terms as the committee determines.

Each performance unit will have an initial value that is established by the committee at the time of grant. Each performance share will have an initial value equal to the fair market value of a share on the date of grant. The committee will set performance goals in its discretion which, depending on the extent to which they are met, will determine the value and/or number of performance units or shares that will be paid out to the participant.

After the applicable performance period has ended, the participant will be entitled to receive payout on the value and number of performance units or shares earned by him or her over the performance period, to be determined as a function of the extent to which the corresponding performance goals have been achieved.

Payment of earned performance units or shares will be as determined by the committee and as evidenced in the award document. The committee may pay earned performance units or shares in the form of cash, shares, or a combination. Any shares may be granted subject to any appropriate restrictions. The form of payout will be set forth in the award document.

Each award document will set forth the extent to which the participant will have the right to retain performance units or shares following termination of his or her employment or services.

Cash-based awards and other stock-based awards. The committee may grant cash-based awards to participants in such amounts and upon such terms, including the achievement of specific performance goals, as the committee determines.

The committee may grant other types of equity-based or equity-related awards not otherwise described by the provisions of the plan, including the grant or offer for sale of unrestricted shares, in such amounts and subject to such terms and conditions as the committee determines. Such awards may involve the transfer of actual shares to participants or payment in cash or otherwise of amounts based on the value of shares, and may include awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

Each cash-based award will specify a payment amount or range. Each other stock-based award will be expressed in terms of shares or units based on shares. The committee may establish performance goals in its discretion, in which case, the number and/or value of awards that will be paid out to the participant will depend on the extent to which the performance goals are met. Payment, if any, will be made in accordance with the terms of the award, in cash or shares as the committee determines.

The committee will determine the extent to which the participant will have the right to receive cash-based awards or other stock-based awards following termination of his or her employment or services.

Covered employee annual incentive awards. The committee may designate covered employees (as defined in Section 162(m) of the Internal Revenue Code) who are eligible to receive a monetary payment in any plan year based on a percentage of an incentive pool equal to the greater of:

9% of our consolidated operating earnings for the plan year;

10% of our operating cash flow for the plan year; or

15% of our net income for the plan year.

The committee will allocate an incentive pool percentage to each designated covered employee for each plan year. In no event may any covered employee receive more than $1,200,000 from the incentive pool and the sum of the incentive pool percentages for all covered employees cannot exceed 100% of the total pool.

As soon as possible after the determination of the incentive pool for a plan year, the committee will calculate each covered employee's allocated portion of the incentive pool based upon the percentage established at the beginning of such plan year. Each covered employee's incentive award will then be determined by the committee based on his or her allocated portion of the incentive pool, subject to adjustment. In no event may the portion of the incentive pool allocated to a covered employee be increased in any way, including as a result of the reduction of

any other covered employee's allocated portion. The committee shall retain the discretion to adjust such awards downward.

Non-employee director awards. All awards to our non-employee directors will be determined by the board of directors or the committee. Currently, such awards are granted under our directors stock plan, which is a sub-plan under our Amended and Restated 2004 Long-Term Incentive Plan. See " IHS Inc. 2004 Directors Stock Plan."

Dividend equivalents. Any participant selected by the committee may be granted dividend equivalents based on the dividends declared on shares that are subject to any award, to be credited as of dividend payment dates, during the period between the date the award is granted and the date the award is exercised, vests, or expires, as determined by the committee. Dividend equivalents will be converted to cash or additional shares by such formula and at such time and subject to such limitations as determined by the committee.

Performance objectives. Unless and until the committee proposes for stockholder vote and the stockholders approve a change in the general performance measures below, the performance goals upon which the payment or vesting of an award to a covered employee (except as otherwise provided in the plan) that is intended to qualify as performance-based compensation will be limited to the following performance measures:

net earnings or net income (before or after taxes);

earnings per share;

net sales or revenue growth;

net operating profit;

return measures (including return on assets, capital, invested capital, equity, sales, or revenue);

cash flow (including operating cash flow, free cash flow, and cash flow return on equity);

earnings before or after taxes, interest, depreciation and/or amortization, and/or lease payments or other rent obligations;

gross or operating margins;

productivity ratios;

share price (including growth measures and total stockholder return);

expense targets;

margins;

operating efficiency;

market share;

customer satisfaction;

working capital targets; and

economic value added (i.e., net operating profit after tax minus the sum of capital multiplied by the cost of capital).

Transferability of awards. Generally, awards cannot be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. However, with respect to our non-qualified stock options, our board of directors or the committee may permit further transferability and impose conditions and limitations on any permitted transferability.

Change in control. Notwithstanding any other provision of the plan to the contrary, in the event of a "change in control" (as defined in the plan), provisions specified in the plan will apply, unless otherwise determined by the committee in connection with the grant of an award.

Upon a change in control, all then-outstanding stock options and stock appreciation rights will become fully vested and exercisable, and all other then-outstanding awards that vest on the basis of continuous service will vest in full and be free of restrictions, except to the extent that another award meeting the requirements of a "replacement award" (as defined in the plan) is provided to the participant pursuant to the plan to replace such award. The treatment of any other awards will be as determined by the committee in connection with their grant.

Upon a termination of employment or directorship of a participant occurring in connection with or during the period of one year after such change in control, other than for cause, all replacement awards held by the participant will become fully vested and (if applicable) exercisable and free of restrictions; provided, however, that if such acceleration would cause penalty taxation under Section 409A of the Internal Revenue Code with respect to any replacement award, then the committee may unilaterally delay such acceleration for such time as is sufficient to avoid such penalty, and all stock options and stock appreciation rights held by the participant immediately before the termination of employment or termination of directorship that the participant held as of the date of the change in control or that constitute replacement awards shall remain exercisable for not less than one year following such termination or until the expiration of the stated term of such stock option or stock appreciation right, whichever period is shorter, provided, that if the applicable award document provides for a longer period of exercisability, that provision shall control.

Adjustments in authorized shares. In the event of any of the corporate events or transactions described in the plan, to avoid any unintended enlargement or dilution of benefits, the committee has the sole discretion to substitute or adjust the number and kind of shares that can be issued or otherwise delivered.

Forfeiture events. The committee may specify in an award document that the participant's rights, payments and benefits with respect to an award will be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an award.

If we are required to prepare an accounting restatement due to our material noncompliance, as a result of misconduct, with any financial reporting requirement under the security laws, then if the participant is one of the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002, the participant will reimburse us the amount of any payment in settlement of an award earned or accrued during the twelve-month period following the first public issuance or filing with the SEC (whichever just occurred) of the financial document embodying such financial reporting requirement.

Amendment and termination. Subject to, and except as provided in the plan, the committee has the sole discretion to alter, amend, modify, suspend, or terminate the plan and any award document in whole or in part. However, without the prior approval of our stockholders, and except as provided in an award document, stock options or stock appreciation rights will not be repriced, replaced or regranted through cancellation or by lowering the exercise or grant price, and no amendment of the plan will be made without stockholder approval if stockholder approval is required by law, regulation or stock exchange rule.

IHS Inc. 2004 Directors Stock Plan. Our 2004 Directors Stock Plan has been in effect as of December 1, 2004. The following description of the plan is intended to be a summary and does not describe all provisions of the plan.

Purpose of the plan. This plan is a sub-plan under our Amended and Restated 2004 Long-Term Incentive Plan. Awards under this plan will be granted in accordance with that plan and will constitute "non-employee director awards" (as defined in that plan).

Duration. Generally, the plan will terminate ten years from the effective date of the plan. After the plan is terminated, no awards may be granted, but any award previously granted will remain outstanding in accordance with the plan.

Eligibility. Only non-employee directors will be eligible to participate in the plan. However, Messrs. Klein and Staudt will not participate in this plan.

Types of awards. On each December 1, commencing with December 1, 2005, each non-employee director (other than Messrs. Klein and Staudt):

who was not on the preceding December 1 a director will receive a one-time award consisting of restricted stock units, whose underlying shares will have, on the date of grant, a fair market value (as defined in the plan) equal to $80,000; and

will receive both an award consisting of restricted stock units, whose underlying shares will have, on the date of grant, a fair market value equal to $100,000, and an annual cash retainer award equal to $60,000, which cash-based award may be converted into deferred stock units or deferred.

Any non-employee director who is elected to fill a vacancy or a newly created directorship in the interim will receive, effective as of the date of such election, a prorated award, under the plan, based on the number of full months he or she has served, or will serve, as a director between the month in which he or she was elected and the next December 1.

Each grant of restricted stock or restricted stock unit granted under the plan will be evidenced by an award document.

Restricted stock. Shares of restricted stock granted to our non-employee directors on December 29, 2004, will be unvested and forfeitable until ten days after the earlier of the date the participant either attains age 55 and completes at least five years of service as a director or the date the participant resigns from our board of directors or ceases to be a director, in either case, by reason of the antitrust laws, compliance with our conflict of interest policies, death, or disability (as defined in the plan), at which time, such shares will be considered vested and non-forfeitable. If a participant terminates his or her service as a director without satisfying the above conditions, other than in connection with an event described above, then his or her restricted stock will be forfeited without any payment therefor and those shares will again be available for issuance under our Amended and Restated 2004 Long-Term Incentive Plan.

Shares of restricted stock will carry full voting and dividend rights. However, any cash dividends with respect to any such restricted shares will be reinvested in shares called dividend shares. Any such dividend shares, and any stock dividends with respect to any shares of restricted stock, will be subject to the same restrictions as the underlying shares of restricted stock.

Generally, a participant will not be able to sell, transfer, pledge, assign or otherwise alienate or hypothecate his or her shares of restricted stock. However, those shares will be transferable either by will or by the laws of descent and distribution, or to a member of a participant's immediate family or specified estate planning vehicles established by the participant.

Restricted stock units. Each restricted stock unit granted on each December 1, commencing with December 1, 2005, will represent a participant's right to receive one share, which right will be unvested and forfeitable until the first anniversary of the date of grant. If a participant terminates his or her service as a director prior to the vesting date of the restricted stock units, then his or her restricted stock units will be forfeited without any payment therefor and the shares underlying such

restricted stock units will again be available for reissuance under our Amended and Restated 2004 Long-Term Incentive Plan.

Following the restricted stock unit vesting date, the shares underlying a participant's restricted stock units will be delivered to him or her on the 10th day following his or her termination of service as a director for any reason.

Restricted stock units will carry no voting rights. Restricted stock units will be credited with dividend equivalents, which will have the same unvested or vested status as the underlying restricted stock units. Dividend equivalents will be paid out in the form of shares (or such other cash, securities or other property that may be or become the consideration for such shares in the event we, or one of our successors, are acquired) at the same time that the shares underlying the restricted stock units are delivered. A participant may not sell, transfer, pledge, alienate or otherwise hypothecate restricted stock units and the shares underlying them until the restricted stock unit delivery date.

Deferred stock units. A participant may elect to convert his or her annual retainer award converted into deferred stock units whose underlying shares will have, on the date of grant, a fair market value equal to $60,000. Such election must be made before the close of the calendar year preceding the fiscal year in respect of which the annual retainer award is made. Each deferred stock unit will represent such participant's right to receive one share, which right will be fully vested and non-forfeitable.

The shares underlying a participant's deferred stock units will be delivered to him or her on the 10th day following his or her termination of service as a director for any reason.

Deferred stock units will carry no voting rights. Deferred stock units will be credited with dividend equivalents, which will also be fully vested and non-forfeitable. Dividend equivalents will be paid out in the same way as dividend equivalents related to restricted stock units. A participant may not sell, transfer, pledge, alienate or otherwise hypothecate deferred stock units and the shares underlying them until the deferred stock unit delivery date.

Deferral of annual retainer award. A participant may elect to defer payment of his or her annual retainer award. Such election must be made before the close of the calendar year preceding the fiscal year in respect of which the annual retainer award is made. Such award will be paid to such participant in accordance with his or her deferral election, which date of payment will be:

- a specified date that is at least two years following the date of election;
- on the tenth day following his or her termination of service as a director for any reason;
- upon the occurrence of an unforeseeable emergency resulting in severe financial hardship, to the extent necessary to relieve the hardship and pay any applicable taxes; or
- in the event of a change in control, provided that if such payment is not permitted under regulations promulgated in connection with recently enacted legislation relating to deferred compensation, then such payment will be made in accordance with the second bullet point above.

Subject to the paragraph below, in the event of a change in control, as defined in the plan, all shares of restricted stock will vest in full and be free of restrictions (and, in the case of restricted stock units and deferred stock units, a participant's right to receive the shares underlying such stock units will be accelerated such that he or she will receive such shares immediately prior to the closing of the acquisition transactions, at which time such units will automatically be cancelled), and the participant will participate in the acquisition to the extent of, and in the same manner as, all of our other stockholders. If a change in control occurs prior to a listing event, as defined in the plan, then we will have the exclusive right and option to require each participant to sell or otherwise transfer to the acquiring party(ies) effecting such change in control all or a portion of such shares

held (including, for these purposes, any shares underlying restricted stock units or deferred stock units) as of the effective date of such change in control, in each case for the same consideration per share and on the same terms and conditions as all of our other stockholders.

The delivery date of any shares underlying restricted stock units and deferred stock units will accelerate only if such acceleration is permitted by regulations promulgated in connection with recently enacted legislation relating to deferred compensation. If the acceleration is not permitted thereunder, then on the 10th day following the participant's termination of service as a director of us (or our successor) for any reason, for each share underlying restricted stock units or deferred stock units he or she will receive the same per share consideration received by our other stockholders for each share in the acquisition. At that time such restricted stock units and/or deferred stock units will automatically be cancelled.

Offer to Exchange Options and Shares Held by Our Senior Executives. The following is intended to be a summary of the IHS Group Inc. Offer Under the Non-Qualified Stock Option Plan (effective December 1, 1998) and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc., as applicable to our senior executives, and does not describe all provisions of the offer.

Offer. On November 22, 2004, IHS Group Inc. offered to exchange all outstanding stock options to purchase shares of its Class A non-voting common stock that were granted to senior executives under IHS Group Inc.'s 1998 and 2002 non-qualified stock option plans and IHS Group Inc. shares previously acquired upon the exercise of such options. Our senior executives who were offered this opportunity include our named executive officers Charles A. Picasso, Jerre L. Stead, Ron Mobed, and Michael J. Sullivan. The senior executives who accepted this offer received:

cash in the amount equal to the excess of $9.42 over the per share exercise price option for every IHS Group Inc. share underlying his or her outstanding option, vested or unvested, with an exercise price lower than $9.42 per share;

$9.42 in cash for every IHS Group Inc. share he or she previously acquired, upon the exercise of an option, and currently owns (which amount, to the extent applicable, was first applied to the repayment of the principal price of his or her loan in connection with his or her prior option exercise);

an additional $0.42 in cash for every IHS Group Inc. share he or she previously acquired and surrendered in order to satisfy his or her payroll tax withholding in connection with his or her prior exercise of an option; and

one restricted share of our Class A common stock for every three IHS Group Inc. shares underlying his or her outstanding options (or previously acquired upon the exercise of an option), regardless of whether such options were vested or unvested and regardless of their exercise price.

An accepting senior executive was required to tender all of his or her outstanding options for the full number of IHS Group Inc. shares subject to those options and if he or she held any IHS Group Inc. shares previously acquired upon the exercise of an option, all of those IHS Group Inc. shares, on or before the expiration of the offer, which was December 23, 2004. A senior executive who accepted IHS Group Inc.'s offer was not required to be our employee or director to receive his or her cash. As a result of the offer, $4,765,830 in cash was paid out and 1,286,667 restricted shares of our Class A common stock were granted to 32 people. Accepting senior executives received their restricted shares and, if applicable, cash, following the expiration of the offer.

Purpose of offer. The purpose of the offer was to more closely align our programs with the incentive programs of public companies and to provide senior executives the opportunity to obtain an equity stake in us.

Vesting of our restricted shares. The restricted shares have vested or will vest in accordance with the following schedule:

one-third of the total number of restricted shares he or she received vested on June 15, 2006;

one-third of the total number of restricted company shares he or she received will vest on November 16, 2006, the first anniversary of our initial public offering;

the remaining number of restricted shares he or she received will vest on October 1, 2007.

If the senior executive's employment terminates for any reason other than as a result of his or her death or "disability" (as defined in the plan), before all of his or her restricted shares vest, then unless our board of directors determines otherwise, he or she will forfeit his or her remaining unvested restricted shares. If the senior executive's employment terminates as a result of his or her death or disability before the vesting of any of his or her restricted shares, all of his or her restricted shares will vest as of the first day any of his or her restricted shares would have vested but for the termination of his or her employment. If the senior executive's employment with us terminates as a result of his or her death or disability after the vesting of any of his or her restricted shares, all of his or her remaining restricted shares will vest.

Transferability of our shares. Generally, a senior executive will not be able to sell, transfer, pledge, assign or otherwise alienate or hypothecate his or her restricted shares, unless our board of directors (or a committee thereof) permits their transfer. The two exceptions to this general rule are that a senior executive will be able to accomplish such transfers:

by will or by the laws of descent and distribution; or

to a member of a senior executive's immediate family or specified estate planning vehicles established by such senior executive.

Following our initial public offering, subject to securities and other of our applicable laws and policies, a senior executive will be able to transfer his or her vested shares.

If a "change in control" (as defined in the offer) has not occurred on or prior to October 1, 2007, the participant will have an opportunity to sell his or her shares to us (and we will have the opportunity to buy his or her shares).

Change in control. If we are acquired during the period between the date a senior executive received his or her restricted shares (and, if applicable, cash) and the date when his or her restricted shares vest, then the vesting of his or her restricted shares will be accelerated such that they will vest in full immediately prior to the closing of the acquisition transaction, and he or she will participate in the acquisition to the extent of, and in the same manner as, all of our other stockholders.

In addition, if a change in control occurs prior to our initial public offering, then we have the exclusive right and option to require the senior executive to sell or otherwise transfer to the acquiring party(ies) effecting such change in control all, or a portion, of his or her shares, in each case for the same consideration per share, and on the same terms and conditions, as all other stockholders.

Dividends. To the extent dividends are paid on our shares while they remain restricted and subject to vesting, a senior executive will be credited with corresponding dividends. Such dividends will be subject to the same restrictions applicable to restricted shares.

IHS Inc. Employee Stock Purchase Plan. We adopted an employee stock purchase plan in May 2005, but as of the date of this prospectus, we have not implemented the plan. The following description of certain provisions of the plan is intended to be a summary and does not describe all provisions of the plan.

Stock purchase. Under the plan, which is intended to be a qualified stock purchase plan, eligible employees may purchase up to 1,000,000 shares of our Class A common stock, subject to adjustment, through payroll deductions of up to 15% of their base salary. There are four purchase periods per calendar year. The purchase price for each quarterly purchase period will be determined by the Human Resources Committee of our board of directors prior to the start of the purchase period. Under the plan, the Human Resources Committee may permit eligible employees to purchase shares at a discount, but in no event will the discounted price be less than 85% of the lesser of the fair market value of the shares on the last day of the purchase period and the fair market value of the shares on the first day of the purchase period. The plan permits eligible employees to purchase newly issued shares, treasury shares or shares repurchased from the open market. For the initial purchase period, we anticipate that shares will be repurchased from the open market to fulfill our obligations under the plan.

Amendment and termination. The Human Resources Committee may modify or revoke the plan, provided that certain modifications must be approved in advance by our stockholders. Such modifications include any increase in the number of shares to be offered under the plan, any increase in the permitted discount or other changes that would further decrease the purchase price offered to eligible employees, any change that would withdraw administration of the plan from the Human Resources Committee, or any change in the definition of employees eligible to participate in the plan.

Adjustments in authorized shares. To avoid any unintended enlargement or dilution of benefits offered under the plan, the Human Resources Committee has the sole discretion to substitute or adjust the number and kind of shares that can be purchased under the plan in the event of any corporate events or transactions described in the plan.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table and accompanying footnotes set forth as of the date of this prospectus certain information regarding the beneficial ownership of our Class A common stock and Class B common stock:

immediately prior to the consummation of this offering; and

as adjusted to reflect the sale of the shares of our Class A common stock by:

each of the named executive officers and directors individually;

all executive officers and directors as a group;

each person or entity who owns more than 5% of the outstanding shares of our Class A common stock; and

the selling stockholder.

In accordance with the rules of the Securities and Exchange Commission, "beneficial ownership" includes voting or investment power with respect to securities. The percentage of beneficial ownership for the following table is based on 45,168,954 shares of Class A common stock and 13,750,000 shares of Class B common stock outstanding as of September 25, 2006. Unless otherwise noted below, the address for each listed stockholder, director or executive officer is: c/o IHS Inc., 15 Inverness Way East, Englewood, CO 80112. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

	Shares Beneficially Owned Prior to Offering						Shares Beneficially Owned After Offering				
	Class A Common Stock Shares		Class B Common Stock Shares				Class A Common Stock		Class B Common Stock		
Name of Beneficial Owner	Shares	%	Shares	%	% Total Voting Power(1)	Shares of Class A Common Stock Being Offered	Shares	%	Shares	%	% Total Voting Power(1)
Jerre L. Stead(2)	450,000	1.0%			*		450,000	1.0%			*
Michael J. Sullivan(3)	120,556	*			*		120,556	*			*
Ron Mobed(4)	129,683	*			*		129,683	*			*
Jeffrey R. Tarr(5)	122,250	*			*		122,250	*			*
Charles A. Picasso(6)	147,300	*			*		250,000	*			*
C. Michael Armstrong(6)	15,881	*			*		15,881	*			*
Steven A. Denning(7)	7,528	*			*		7,528	*			*
Roger Holtback(6)	30,881	*			*		30,881	*			*
Balakrishnan S. Iyer(6)	31,506	*			*		31,506	*			*
Michael Klein											
Richard W. Roedel(6)	22,881	*			*		22,881	*			*
Michael v. Staudt	3,000	*			*		3,000	*			*
All directors and executive officers as a group (16 persons)	1,231,840	2.7%			*		1,231,840	2.7%			*
Entities affiliated with General Atlantic LLC(7)	4,687,500	10.4%			2.6%		4,687,500	10.4%			2.6%
Urvanos Investments Limited(8)(9)	958,859	2.1%	13,750,000	100%	75.8%		958,859	2.1%	13,750,000	100%	75.8%
Selling Stockholder:											

	Shares Beneficially Owned Prior to Offering			
TBG Holdings N.V.(8)(9)	41.8%	10.4%	%	%
	18,911,391			

*

Represents less than one percent.

(1)

Percentage total voting power represents voting power with respect to all shares of our Class A common stock and Class B common stock, as a single class. Each holder of Class B common stock is entitled to ten votes per share of Class B common stock and each holder of Class A common stock is entitled to one vote per share of Class A common stock on all matters submitted to our stockholders for a vote. The Class A common stock and Class B common stock vote together as a single class on all matters submitted to a vote of our stockholders, except as may otherwise be required by law. The Class B common stock is convertible at any time by the holder into shares of Class A common stock on a share-for-share basis. The Class B common stock will automatically be converted into Class A common stock upon the earlier of the occurrence of specified events or four years from the date of this offering.

(2)

250,000 restricted shares were granted on December 23, 2004, of which 83,333 shares are vested and 166,667 shares are unvested, with half of those restricted shares vesting on November 16, 2006 and the remaining half vesting on October 1, 2007.

An additional 200,000 restricted shares were granted on December 23, 2004, of which 66,666 shares are vested and 133,334 are unvested, with half of those restricted shares vesting on November 30, 2006 and the remaining half vesting on November 30, 2007.

(3)

113,333 restricted shares were granted on December 23, 2004, of which 37,777 shares are vested and 75,556 shares are unvested, with half of those restricted shares vesting on November 16, 2006 and the remaining half vesting on October 1, 2007. 35,000 restricted shares were granted on November 16, 2005 and will vest on February 29, 2008 to the extent that performance criteria are satisfied; if they are not satisfied, they will vest on November 16, 2011. Restricted stock units representing 10,000 shares were granted on July 24, 2006. These units will vest in three tranches on each of July 24, 2007, 2008 and 2009.

(4)

33,333 restricted shares were granted on December 23, 2004, of which 11,111 shares are vested and 22,222 shares are unvested, with half of those restricted shares vesting on November 16, 2006 and the remaining half vesting on October 1, 2007. An additional 40,000 restricted shares were granted on December 23, 2004, with 25% vesting on October 15, 2006, 25% vesting on October 15, 2007 and the remaining 50% vesting on October 15, 2008. 36,000 restricted shares were granted on November 16, 2005 and will vest on February 29, 2008 to the extent that performance criteria are satisfied; if they are not satisfied, they will vest on November 16, 2011. Restricted stock units representing 9,000 shares were granted on July 24, 2006. These units will vest in three tranches on each of July 24, 2007, 2008 and 2009. Restricted stock units representing an additional 21,250 shares were granted on July 24, 2006, all of which will vest on July 24, 2010. Mr. Mobed also received a stock option to purchase 49,500 shares of our Class A common stock. This option will vest on July 24, 2010 and is not reflected in this table, because the SEC beneficial ownership rules require only the inclusion of stock options that are immediately exercisable or exercisable within sixty days.

(5)

35,000 restricted shares were granted on December 23, 2004, with 25% vesting on October 15, 2006, 25% vesting on October 15, 2007 and the remaining 50% vesting on October 15, 2008. An additional 15,000 restricted shares were granted on December, 23, 2004, all of which vested on November 16, 2005. 42,000 restricted shares were granted on November 16, 2005 and will vest on February 29, 2008 to the extent that performance criteria are satisfied; if they are not satisfied, they will vest on November 16, 2011. Restricted stock units representing 9,000 shares were granted on July 24, 2006. These units will vest in three tranches on each of July 24, 2007, 2008 and 2009. Restricted stock units representing an additional 21,250 shares were granted on July 24, 2006, all of which will vest on July 24, 2010. Mr. Tarr also received a stock option to purchase 49,500 shares of our Class A common stock. This option will vest on July 24, 2010 and is not reflected in this table, because the SEC beneficial ownership rules require only the inclusion of stock options that are immediately exercisable or exercisable within sixty days.

(6)

These shares were granted under our 2004 Directors Stock Plan.

(7)

General Atlantic LLC ("GA LLC") is the general partner of General Atlantic Partners 82, L.P. ("GAP 82"). The managing members of GAP Coinvestments III, LLC ("GAPCO III") and GAP Coinvestments IV, LLC ("GAPCO IV" and together with GA LLC, GAP 82 and GAPCO III, the "GA Group") are also the managing directors of GA LLC. Steven A. Denning is the Chairman and a Managing Director of GA LLC and a managing member of GAPCO III and GAPCO IV. The GA Group is a "group" within the meaning of Rule 13d-5 of the Securities Exchange Act of 1934, as amended. Mr. Denning disclaims beneficial ownership of the shares held by GAP 82, GAPCO III and GAPCO IV, except to the extent of his pecuniary interest therein. The address of Mr. Denning and the GA Group is c/o General Atlantic Service Corporation, 3 Pickwick Plaza, Greenwich, CT 06830.

(8)

Voting and investment decisions for the shares of our company have historically been made by TBG Holdings N.V. (TBG), a Netherlands-Antilles company which is the indirect sole owner of the Urvanos Investments Limited (Urvanos). TBG is wholly-owned indirectly by The Thyssen-Bornemisza Continuity Trust (Trust), a Bermuda trust, which was created for the benefit of certain members of the Thyssen-Bornemisza family. The trustee of the Trust is Thybo Trustees Limited (Thybo), a Bermuda company. As trustee of the indirect sole stockholder of TBG, Thybo has the power to exercise significant influence over the management and affairs of TBG, including by electing or replacing TBG's board of directors. In addition, in certain circumstances, Thybo may be required to act with respect to TBG at the direction of Tornabuoni Limited (Tornabuoni), a Guernsey company, which is an oversight entity that was established at the time the Trust was created. The board of directors of Tornabuoni may only act by unanimous vote and its members are Georg Heinrich Thyssen-Bornemisza (a beneficiary of the Trust), Claus Hipp, Hans-Peter Schaer and Donald Perkins. Although Thybo has the power to exert influence over TBG, it has not done so in the past and is not required to do so, except in the case of fraud or as directed by Tornabuoni. In addition, while Tornabuoni has the power to direct Thybo to act with respect to TBG, Tornabuoni has not done so in the past. We have been advised by the current directors of each of Tornabuoni and Thybo that they have no intention at this time to exercise any power they may have to exert such influence with respect to TBG. Tornabuoni and Thybo disclaim any pecuniary interest in the shares held by the record holders. The address of TBG is Landhuis Joonchi, Kaya Richard J. Beaujon z/n, P.O. Box 883, Curacao, Netherlands, Antilles. The address of Urvanos is 17 Grigoriou Xenopoulou Street, P.O. Box 54425, Limassol, Cyprus. See "Risk Factors Risks Related to the Offering We are controlled by an entity whose interests may differ from your interests; our Chief Executive Officer and Chairman of the board serves on the board of that entity and one of our directors is one of its executive officers."

(9)

If the underwriters exercise in full their option to purchase additional shares of Class A common stock, TBG Holdings N.V. will sell an additional shares of Class A common stock.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Relationship with the Selling Stockholder

After the offering, shares of our Class A common stock will be held by TBG Holdings N.V., assuming the underwriters do not exercise their option to purchase additional shares. We refer to TBG Holdings N.V. as "TBG" or the "selling stockholder." We anticipate that upon the completion of this offering TBG and Urvanos Investments Limited, the indirect sole owner of which is TBG, will own all of our Class B common stock and % of our Class A common stock, representing approximately % of the voting power of our outstanding capital stock in the aggregate (compared to % of the overall economic interest).

Voting and investment decisions with respect to the shares of our company have historically been made by TBG, a Netherlands-Antilles company. Jerre L. Stead, our Chief Executive Officer and the Chairman of our board of directors, is a member of the board of directors of TBG. Michael Staudt, an executive vice president of TBG, is a member of our board of directors. In addition, C. Michael Armstrong, Roger Holtback, and Michael Klein, all members of our board of directors, were previously members of the board of directors and an advisory committee of TBG.

TBG is wholly-owned indirectly by The Thyssen-Bornemisza Continuity Trust (Trust), a Bermuda trust, which was created for the benefit of certain members of the Thyssen-Bornemisza family. The trustee of the Trust is Thybo Trustees Limited (Thybo), a Bermuda company. As trustee of the indirect sole stockholder of TBG, Thybo has the power to exercise significant influence over the management and affairs of TBG, including by electing or replacing TBG's board of directors. In addition, in certain circumstances, Thybo may be required to act with respect to TBG at the direction of Tornabuoni Limited (Tornabuoni), a Guernsey company, which is an oversight entity that was established at the time the Trust was created. The board of directors of Tornabuoni may only act by unanimous vote and one of its members is Georg Heinrich Thyssen-Bornemisza (a beneficiary of the Trust). Although Thybo has the power to exert influence over TBG, it has not done so in the past and is not required to do so, except in the case of fraud or as directed by Tornabuoni. In addition, while Tornabuoni has the power to direct Thybo to act with respect to TBG, Tornabuoni has not done so in the past. We have been advised by the current directors of each of Tornabuoni and Thybo that they have no intention at this time to exercise any power they may have to exert such influence with respect to TBG.

In addition, there are ongoing discussions among Thybo and the beneficiaries of the Trust with a view to reorganizing the Trust at some point in the future. We understand that it is contemplated that if such a reorganization were to take place, separate trusts for the beneficiaries would be created, with the trust created for the benefit of Georg Heinrich Thyssen-Bornemisza and his immediate family becoming the sole indirect owner of TBG, which in turn will remain the sole indirect owner of Urvanos Investments Limited, which holds shares of our Class A common stock and all of our Class B common stock. The trusts created for the benefit of one or more of the other beneficiaries and their immediate families would become owners, directly or indirectly, of the shares of Class A common stock then held by TBG. Should this reorganization occur, TBG will continue to have the power to exercise significant influence over our management and affairs and over all matters requiring stockholder approval in the same manner as it currently does. In addition, Georg Heinrich Thyssen-Bornemisza (who is the Chairman of the board of directors of TBG), along with the trustees of a new trust for his benefit, would have the power to exert significant influence over the management and affairs of TBG, including through electing or replacing members of the TBG board of directors.

We do not face, and have not in the past faced, liabilities (including relating to environmental or health and safety matters) with respect to any properties, businesses or entities that are not part of our core business but are now or were historically owned by TBG or its affiliates, and we do not anticipate incurring such liabilities in the future. However, we cannot provide assurances that this will continue to be the case. We have entered into an agreement with TBG to provide certain

indemnities to each other. This agreement generally provides that we will indemnify TBG for liabilities relating to our properties and core business, and that TBG will indemnify us for liabilities relating to any properties, businesses or entities that are now or were historically owned by TBG or its affiliates (other than our properties and core business).

Investments in Related Parties

In September 2004, we sold our investment in the preferred stock of TriPoint Global Communications, Inc. for $94.2 million, which resulted in a pretax gain of $26.6 million. At the time, a subsidiary of TBG owned 80% of the common stock of TriPoint.

In October 2004, we distributed a $6.1 million dividend to a subsidiary of TBG. The dividend consisted of a preferred stock investment in Extruded Metals, Inc. with a fair value of approximately $4.3 million and $1.8 million in cash. At the time, TBG owned all of the common stock of Extruded Metals.

Registration Rights Agreement

We have entered into an agreement that provides registration rights to TBG (as a Permitted Transferee of Urpasis Investments Limited) and Urvanos Investments Limited and their Permitted Transferees (collectively, "holders"), who will hold an aggregate of shares of our Class A common stock and all of our shares of Class B common stock after the offering. "Permitted Transferees" means (i) any trust, so long as one (or more) of the beneficiaries of the Trust as of the date of this offering is the principal beneficiary (or are the principal beneficiaries) of such trust or (ii) any corporate entity(ies), partnership(s) or other similar entity(ies), that is wholly-owned, directly or indirectly, by the Trust or any trust referred to in (i) above. On September 1, 2006, Urpasis Investments Limited dividended all shares held by it in our company to TBG in a permitted transfer under the registration rights agreement. Set forth below is a summary of these registration rights.

Demand Registration Rights

At any time on or after November 16, 2006, upon the written request of a holder, we will be required to use our best efforts to effect, as expeditiously as possible, the registration of all or a portion of their Class A common stock, *provided* that the aggregate proceeds of the offering is expected to equal or exceed $50 million. TBG and Urvanos and their Permitted Transferees will be entitled to a total of six and two demand registrations, respectively. However, we will not be required to effect more than one demand registration within any twelve-month period, and we will have the right to preempt any demand registration with a primary registration, in which case the holders will have their incidental registration rights as described below. We will pay all expenses in connection with any registration of shares on behalf of the holders, except that the holders will pay the underwriting discount.

Incidental Registration Rights

Under the agreement, the holders have the right to request that their shares be included in any registration of our Class A common stock other than registrations on Form S-8 or Form S-4, registrations for our own account pursuant to Rule 415, or in compensation or acquisition-related registrations. In addition, the underwriters may, for marketing reasons, cut back all or a part of the shares requested to be registered and we have the right to terminate any registration we initiated prior to its effectiveness regardless of any request for inclusion by the holders.

Holdback Agreements

TBG and Urvanos have agreed that they and their Permitted Transferees will not, until the first anniversary following our initial public offering, directly or indirectly offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any shares of

Class A common stock, or any options or warrants to purchase any shares of Class A common stock, or any securities convertible into, exchangeable for or that represent the right to receive shares of Class A common stock, whether now owned or later acquired. Our board of directors has agreed to waive this agreement to permit this offering to proceed.

The registration rights agreement contains the full legal text of the matters discussed above. We have incorporated by reference this agreement in our registration statement of which this prospectus forms a part. See "Where You Can Find More Information" for more information on how to obtain a copy of this agreement.

Private Placement General Atlantic

On November 16, 2005, the effective date of our initial public offering, the selling stockholders in that offering agreed with certain affiliates of General Atlantic LLC, a private investment group, to sell in a private placement an aggregate of $75 million of shares of our Class A common stock at the initial public offering price. The General Atlantic entities have agreed with us and the selling stockholders in our initial public offering, subject to limited exceptions, that they will not, until the second anniversary of our initial public offering, directly or indirectly, sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of the shares of our Class A common stock purchased in the private placement. In addition, we have agreed to provide, following the second anniversary of our initial public offering, under certain circumstances and subject to certain limitations, rights with respect to the registration under the Securities Act of the shares of our Class A common stock purchased in the private placement and held by these entities. Steven A. Denning, the Chairman and a Managing Director of General Atlantic LLC, is a member of our board of directors.

DESCRIPTION OF CAPITAL STOCK

General Matters

The following description of our capital stock and the relevant provisions of our certificate of incorporation and bylaws are summaries thereof and are qualified by reference to our certificate of incorporation and bylaws, copies of which have been filed with the U.S. Securities and Exchange Commission as exhibits to our registration statement, of which this prospectus forms a part, and applicable law.

Our authorized capital stock consists of 80,000,000 shares of Class A common stock, $0.01 par value 13,750,000 shares of Class B common stock, $0.01 par value, and 937,500 shares of preferred stock, which the board of directors may issue with or without par value.

Common Stock

Voting Rights. The holders of our Class A common stock and Class B common stock have identical rights, except that holders of our Class A common stock are entitled to one vote per share and holders of our Class B common stock are entitled to ten votes per share on all matters to be voted upon by the stockholders. Our certificate of incorporation provides that, so long as any shares of the Class B common stock are outstanding, no person or entity is permitted, without the approval of the board of directors, to vote more than 79.9% of the total combined voting power of all classes of stock entitled to vote. If a person would be entitled to vote more than 79.9% of the total combined voting power notwithstanding this limitation, then the excess voting power of such person will be allocated to the other shareholders on a *pro rata* basis for purposes of any vote. We have not provided for cumulative voting for the election of directors in our certificate of incorporation.

Dividend Rights. Subject to preferences that may be applicable to any outstanding preferred stock, the holders of Class A common stock and Class B common stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by the board of directors out of funds legally available therefor. See "Dividend Policy." In the event a dividend is paid in the form of shares of common stock or rights to acquire common stock, the holders of Class A common stock shall receive Class A common stock, or rights to acquire Class A common stock, as the case may be, and the holders of Class B common stock shall receive Class B common stock, or rights to acquire Class B common stock, as the case may be.

Conversion. Our Class A common stock is not convertible into any other shares of our capital stock. Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock shall convert automatically, without any action by the holder, into one share of Class A common stock upon the earlier of:

any transfer, whether or not for value, except for:

transfers to any trust, so long as (a) such trust is the sole owner, directly or indirectly, of TBG; and (b) the principal beneficiary of such trust is Georg Heinrich Thyssen-Bornemisza; and

transfers to any corporate entities, partnerships or other similar entities, so long as The Thyssen-Bornemisza Continuity Trust or any trust described in the preceding bullet directly or indirectly wholly-own such entities;

the death of Georg Heinrich Thyssen-Bornemisza;

November 16, 2009; and

the date on which holders of Class B common stock do not own at least 22% of the aggregate number of shares of Class A common stock and Class B common stock then outstanding, as determined by our board of directors.

Once transferred and converted into Class A common stock, the Class B common stock shall not be reissued. No class of common stock may be subdivided or combined unless the other class of common stock concurrently is subdivided or combined in the same proportion and in the same manner.

Liquidation Rights. In the event of liquidation, dissolution, distribution of assets or winding up, the holders of Class A common stock and Class B common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding.

Other Matters. The Class A common stock and Class B common stock have no preemptive or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of Class A common stock and Class B common stock are fully paid and non-assessable, and the shares of Class A common stock to be issued upon completion of this offering will be fully paid and non-assessable.

Preferred Stock

The board of directors has the authority to issue preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences and the number of shares constituting any series or the designation of such series, without any vote or action by the stockholders. The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control and may adversely affect the voting, dividend and other rights of the holders of common stock.

At the closing of this offering, no shares of our preferred stock will be outstanding and, other than shares of our preferred stock that may become issuable pursuant to our rights agreement, we have no present plans to issue any shares of our preferred stock. See " Rights Agreement."

We have reserved 937,500 shares of our series A junior participating preferred stock to be made available upon exercise of our preferred share purchase rights.

Registration Rights

Certain holders of our common stock are entitled to rights with respect to the registration of their shares under the Securities Act. See "Certain Relationships and Related Transactions Registration Rights Agreement" and "Certain Relationships and Related Transactions Private Placement General Atlantic."

Anti-Takeover Effects of Delaware Law and our Certificate of Incorporation and Bylaws

Under Delaware law, our certificate of incorporation and our bylaws contain certain provisions, which are summarized below, that:

are expected to discourage coercive takeover practices and inadequate takeover bids;

are designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors;

could have the effect of delaying, deferring or discouraging another party from acquiring control of us;

could inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts;

could prevent changes in our management; and

could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Dual Class Structure. As discussed above, our Class B common stock has ten votes per share, while our Class A common stock, which is the class of stock we are selling in this offering and which will be the only class which is publicly traded, has one vote per share. After the offering, and assuming that the underwriters' option to purchase additional shares has not been exercised, all of our Class B common stock and % of our Class A common stock, collectively representing % of the voting power of our outstanding capital stock, will be controlled by the selling stockholder, TBG. Because of our dual class structure, TBG, will continue to be able to control all matters submitted to our stockholders for approval even if they come to own significantly less than 50% of the shares of our outstanding common stock. See "Certain Relationships and Related Transactions Relationship with the Selling Stockholder." This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial to them.

Classified Board. Our certificate of incorporation provides that our board of directors are divided into three classes of directors, with the classes to be as nearly equal in number as possible. As a result, approximately one-third of our board of directors are elected each year. The classification of directors has the effect of making it more difficult for stockholders to change the composition of our board. Our certificate of incorporation and bylaws provide that the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by a majority of the board but must consist of not less than three or more than fifteen directors.

Removal of Directors; Vacancies. Under the Delaware General Corporation Law (the "DGCL"), unless otherwise provided in our certificate of incorporation, directors serving on a classified board may be removed by the stockholders only for cause. Our certificate of incorporation and bylaws provides that directors may be removed only for cause and only upon the affirmative vote of the holders of at least $66^{2}/_{3}$% of the votes of the outstanding shares of our common stock entitled to be cast in the election of directors. In addition, our certificate of incorporation provides that any vacancies on our board of directors will be filled only by the affirmative vote of a majority of the remaining directors even if the number of directors voting would not constitute a quorum.

Supermajority Provisions. The DGCL provides generally that the affirmative vote of a majority of the outstanding shares entitled to vote is required to amend a corporation's certificate of incorporation or bylaws, unless the certificate of incorporation requires a greater percentage. Our certificate of incorporation provides that the following provisions in the certificate of incorporation may be amended only by a vote of $66^{2}/_{3}$% or more of all of the votes of the outstanding shares of our common stock entitled to be cast:

classified board, including the election and term of our directors;

the removal of directors and the filling of vacancies on our board of directors;

the prohibition on stockholder action by written consent;

the ability to call a special meeting of stockholders being vested solely in the Chairman of our board of directors or our president or corporate secretary acting at the direction of our board of directors;

the ability of our board of directors to adopt, amend and/or repeal our bylaws without a stockholder vote; and

the amendment provision requiring that the above provisions be amended only with a 66²/₃% supermajority vote.

In addition, our certificate of incorporation grants our board of directors the authority to amend our bylaws without a stockholder vote in any manner that is consistent with the laws of the State of Delaware and our certificate of incorporation. Our certificate of incorporation also provides that the following provisions in our bylaws may be amended only by a vote of 66²/₃% or more of all of the votes of the outstanding shares of our common stock entitled to be cast:

the ability to call a special meeting of stockholders being vested solely in the Chairman of our board of directors or our president or secretary acting at the direction of our board of directors;

the advance notice requirements for stockholder proposals and director nominations;

the number, election and term of our directors;

the removal of directors and the filling of vacancies on our board of directors; and

the amendment provision requiring that the above provisions be amended only with a 66²/₃% supermajority vote.

Authorized but Unissued Capital Stock. The DGCL does not require stockholder approval for any issuance of authorized shares. In addition, the listing requirements of the New York Stock Exchange, which will apply to us so long as our Class A common stock is listed on the New York Stock Exchange, only require stockholder approval of certain issuances that equal or exceed 20% of the then-outstanding voting power or then-outstanding number of shares of common stock (or, in the case of certain related-party and other transactions, 1% or 5% of the then-outstanding voting power or then-outstanding number of shares of common stock).

The ability to issue authorized but unissued capital stock could enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares of stock at prices higher than prevailing market prices.

Undesignated Preferred Stock. The ability to authorize undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire us. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Limits on Written Consent and Special Meetings. Our certificate of incorporation prohibits stockholder action by written consent. It also provides that special meetings of our stockholders may be called only by the Chairman of our board of directors or by our president or corporate secretary at the direction of our board of directors.

Advance Notice Requirements for Nominations. Our bylaws contain advance notice procedures with regard to stockholder proposals related to the nomination of candidates for election as directors. These procedures provide that notice of stockholder proposals related to stockholder nominations for the election of directors must be received by our corporate secretary, in the case of an annual meeting, no later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the anniversary date of the immediately preceding annual meeting of stockholders. However, if the annual meeting is called for a date that is more than 30 days before or more than 70 days after that anniversary date, notice by the stockholder in order to be timely must be received not earlier than the close of business on the 120th day prior to such annual meeting or not later than the close of business on the later of the

90th day prior to such annual meeting or the tenth day following the day on which public announcement is first made by us of the date of such meeting. If the number of directors to be elected to our board of directors at an annual meeting is increased and there is no public announcement by us naming the nominees for the additional directorships at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice will be considered timely, but only with respect to nominees for the additional directorships, if it is delivered to our corporate secretary not later than the close of business on the tenth day following the day on which such public announcement is first made by us.

Stockholder nominations for the election of directors at a special meeting must be received by our corporate secretary no earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of such special meeting and of the nominees proposed by our board of directors to be elected at such meeting.

A stockholder's notice to our corporate secretary must be in proper written form and must set forth information related to the stockholder giving the notice and the beneficial owner (if any) on whose behalf the nomination is made, including:

- the name and record address of the stockholder and the beneficial owner;
- the class and number of shares of our capital stock which are owned beneficially and of record by the stockholder and the beneficial owner;
- a representation that the stockholder is a holder of record of our stock entitled to vote at that meeting and that the stockholder intends to appear in person or by proxy at the meeting to bring the nomination before the meeting; and
- a representation as to whether the stockholder or the beneficial owner intends or is part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of our outstanding capital stock required to elect the nominee, or otherwise to solicit proxies from stockholders in support of such nomination.

As to each person whom the stockholder proposes to nominate for election as a director, the notice must include:

- all information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Securities Exchange Act of 1934, as amended; and
- the nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected.

Advance Notice of Stockholder Proposals. Our bylaws also contain advance notice procedures with regard to stockholder proposals not related to director nominations. These notice procedures, in the case of an annual meeting of stockholders, are the same as the notice requirements for stockholder proposals related to director nominations discussed above insofar as they relate to the timing of receipt of notice by our corporate secretary.

A stockholder's notice to our corporate secretary must be in proper written form and must set forth, as to each matter the stockholder and the beneficial owner (if any) proposes to bring before the meeting:

- a description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend our bylaws, the language of the proposed amendment), the reasons for conducting the business at the meeting and any material

interest in such business of such stockholder and beneficial owner on whose behalf the proposal is made;

the name and record address of the stockholder and beneficial owner;

the class and number of shares of our capital stock which are owned beneficially and of record by the stockholder and the beneficial owner;

a representation that the stockholder is a holder of record of our stock entitled to vote at the meeting and that the stockholder intends to appear in person or by proxy at the meeting to propose such business; and

a representation as to whether the stockholder or the beneficial owner intends or is part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of our outstanding capital stock required to approve or adopt the business proposal, or otherwise to solicit proxies from stockholders in support of such proposal.

Limitations on Liability and Indemnification Matters. The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties. Our certificate of incorporation includes a provision that eliminates the personal liability of directors for actions taken as a director, except for liability:

for breach of duty of loyalty;

for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law;

under Section 174 of the DGCL (unlawful dividends); or

for transactions from which the director derived improper personal benefit.

Our certificate of incorporation and bylaws provide that we must indemnify our directors and officers to the fullest extent authorized by the DGCL. We are also expressly authorized to carry directors' and officers' insurance providing indemnification for our directors, officers and certain employees for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive officers.

The limitation of liability and indemnification provisions in our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Rights Agreement. We entered into a rights agreement in conjunction with our initial public offering. Pursuant to our rights agreement, one series A junior participating preferred stock purchase right was issued for each share of our Class A common stock and Class B common stock (Class A rights and Class B rights, respectively) outstanding on the date that offering was completed. Our rights were being issued subject to the terms of our rights agreement.

Our board of directors adopted our rights agreement to protect our stockholders from coercive or otherwise unfair takeover tactics. However, our rights agreement may also prevent takeovers that you would consider beneficial to you or us.

In general terms, our rights agreement works by imposing a significant penalty upon any person or group that acquires 15% or more of our outstanding common stock without the approval

of our board of directors. We provide the following summary description below. However, this description is only a summary, is not complete, and should be read together with our entire rights agreement, which has been publicly filed with the Securities and Exchange Commission as an exhibit to the registration statement of which this prospectus is a part.

Our board of directors authorized the issuance of one Class A right for each share of our Class A common stock and one Class B right for each share of our Class B common stock outstanding on the date this offering is completed.

Our rights initially trade with, and are inseparable from, our common stock. Our Class A rights and Class B rights are evidenced only by Class A and Class B certificates that represent shares of our Class A or Class B common stock, respectively. New rights will accompany any new shares of common stock we issue after the date this offering is completed until the date on which the rights are distributed as described below.

Each of our rights will allow its holder to purchase from us one one-hundredth of a share of our series A junior participating preferred stock for $100.00, once the rights become exercisable. Prior to exercise, our rights do not give their holders any dividend, voting or liquidation rights.

Our rights will not be exercisable until:

ten business days after the public announcement that a person or group has become an "acquiring person" by obtaining beneficial ownership of 15% or more of our outstanding common stock or, if earlier,

ten business days (or a later date determined by our board of directors before any person or group becomes an acquiring person) after a person or group begins a tender or exchange offer that, if completed, would result in that person or group becoming an acquiring person.

In light of the substantial ownership position of the selling stockholders in our IPO or their Permitted Transferees, as defined in the rights agreement, our rights agreement contains provisions excluding these stockholders, their affiliates and their Permitted Transferees who beneficially own 15% or more of our outstanding common stock from the operation of the adverse terms of our rights agreement. See "Certain Relationships and Related Transactions Registration Rights Agreement" for a definition of Permitted Transferees.

Until the date our rights become exercisable, our certificates of Class A common stock and Class B common stock also evidence our rights, and any transfer of shares of our common stock constitutes a transfer of our rights. After that date, our rights will separate from our common stock and be evidenced by book entries by the rights agent and by Class A and Class B rights certificates that we will mail to all eligible holders of our Class A and Class B common stock. Any of our rights held by an acquiring person are void and may not be exercised.

If a person or group becomes an acquiring person, all holders of our Class A rights except the acquiring person may, for the then applicable exercise price, purchase shares of our Class A common stock with a market value of twice the then applicable exercise price, based on the market price of our Class A common stock prior to such acquisition and all holders of Class B rights, except the acquiring person may, for the then applicable exercise price, purchase Class B common stock with a market value of twice the then applicable exercise price, based on the market price of Class B common stock prior to such acquisition (which solely for the purposes of the rights agreement, shall be equal to the market price of our Class A common stock).

If we are later acquired in a merger or similar transaction after the date our rights become exercisable, all holders of our rights except the acquiring person may, for the then applicable exercise price, purchase shares of the acquiring corporation with a market value of twice the then applicable exercise price, based on the market price of the acquiring corporation's stock prior to such merger.

Each one one-hundredth of a share of our series A junior participating preferred stock, if issued:

- will not be redeemable;
- will entitle holders to quarterly dividend payments of an amount equal to the greater of (i) $0.01 per share and (ii) the dividend paid on one share of our Class A common stock;
- will entitle holders upon liquidation either to receive an amount equal to the payment made on one share of our Class A common stock;
- will have the same voting power as one share of our Class A common stock; and
- if shares of our Class A common stock or Class B common stock are exchanged via merger, consolidation or a similar transaction, will entitle holders to a payment equal to the payment made on one share (as may be adjusted) of our Class A common stock or Class B common stock, as applicable.

The value of one one-hundredth interest in a share of our series A junior participating preferred stock purchasable upon exercise of each right should approximate the value of one share of our Class A common stock. Our rights will expire on the tenth anniversary of the completion of this offering.

Our board of directors may redeem our rights for $0.01 per right at any time before any person or group becomes an acquiring person. If our board of directors redeems any of our rights, it must redeem all of our rights. Once our rights are redeemed, the only right of the holders of our rights will be to receive the redemption price of $0.01 per right. The redemption price will be adjusted if we have a stock split or stock dividends of our common stock.

After a person or group becomes an acquiring person, but before an acquiring person owns 50% or more of our outstanding common stock, our board of directors may extinguish our rights by exchanging one share of our Class A common stock or Class B common stock or an equivalent security for each Class A and Class B right, respectively, other than rights held by the acquiring person.

Our board of directors shall adjust the purchase price of our series A junior participating preferred stock, the number of shares of our series A junior participating preferred stock issuable and/or the number of our outstanding rights to prevent dilution that may occur from a stock dividend, a stock split or a reclassification of our preferred stock or common stock. No adjustments to the purchase price of our series A junior participating preferred stock of less than 1% will be made.

The terms of our rights agreement may be amended by our board of directors without the consent of the holders of our rights. After a person or group becomes an acquiring person, our board of directors may not amend the agreement in a way that adversely affects holders of our rights.

Delaware Anti-Takeover Statute. We will be subject to the provisions of Section 203 of the Delaware General Corporation Law regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging, under certain circumstances, in a business combination with an interested stockholder for a period of three years following the time the person became an interested stockholder unless:

- prior to the time the person became an interested stockholder, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the stockholder owned at least 85% of the voting stock of the corporation

100

outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those (1) shares owned by persons who are directors and also officers and (2) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

at or subsequent to the time the person became an interested stockholder, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66$^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

The application of Section 203 may limit the ability of stockholders to approve a transaction that they may deem to be in their interests.

Under Section 203, a "business combination" generally includes a merger, asset or stock sale, or other similar transaction with an interested stockholder, and an "interested stockholder" is generally a person who, together with its affiliates and associates, owns or, in the case of affiliates or associates of the corporation, owned 15% or more of a corporation's outstanding voting securities within three years prior to the determination of interested stockholder status.

Listing

Our Class A common stock is listed on the New York Stock Exchange under the symbol "IHS."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, Inc.

SHARES ELIGIBLE FOR FUTURE SALE

Future sales of substantial amounts of our Class A common stock in the public market could adversely affect market prices prevailing from time to time. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

At the time of this offering, we will have 13,750,000 shares of Class B common stock outstanding, and 45,168,954 shares of Class A common stock outstanding. Of these shares, the shares of Class A common stock being offered hereunder (or shares of Class A common stock if the underwriters exercise in full their option to purchase additional shares) will be freely transferable without restriction or registration under the Securities Act, except for any shares purchased by one of our existing "affiliates," as that term is defined in Rule 144 under the Securities Act. The remaining shares of Class A common stock (or shares of Class A common stock if the underwriters exercise in full their option to purchase additional shares) and the 13,750,000 shares of Class B common stock are "restricted shares" as defined in Rule 144. Restricted shares may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 or 701 of the Securities Act.

Rule 144

In general, under Rule 144 as currently in effect, a person, or persons whose shares are aggregated, who owns shares that were purchased from us, or any affiliate, at least one year previously, is entitled to sell within any three-month period a number of shares that does not exceed the greater of 1% of our then-outstanding shares of Class A common stock or the average weekly trading volume of our Class A common stock during the four calendar weeks preceding the filing of a notice of the sale on Form 144. Sales under Rule 144 are also subject to manner of sale provisions, notice requirements and the availability of current public information about us. We are unable to estimate the number of shares that will be sold under Rule 144 since this will depend on the market price for our Class A common stock, the personal circumstances of the stockholder, and other factors.

Rule 144(k)

Under Rule 144(k), a person who is not deemed to have been one of our affiliates at any time during the three months preceding a sale, and who owns shares within the definition of "restricted securities" under Rule 144 that were purchased from us, or any affiliate, at least two years previously, would be entitled to sell shares under Rule 144(k) without regard to the volume limitations, manner of sale provisions, public information requirements or notice requirements described above. For so long as the selling stockholder and Urvanos Investments Limited continue to control us, they will be deemed to be our affiliates under Rule 144(k) and may not rely on the exemption from registration under Rule 144(k).

Registration Rights

Upon the one-year anniversary of our November 16, 2005 initial public offering, the selling stockholders under our initial public offering and their Permitted Transferees, as defined in the Registration Rights Agreement, will be entitled to various rights with respect to the registration of their shares of common stock under the Securities Act. See "Certain Relationships and Related Transactions Registration Rights Agreement."

We have also agreed to provide, following the second anniversary of our initial public offering, under certain circumstances and subject to certain limitations, rights with respect to the registration under the Securities Act of the shares of our Class A common stock purchased in the private placement and held by the General Atlantic entities. See "Certain Relationships and Related Transactions Private Placement General Atlantic."

Lock-Up Agreements

We, our executive officers and directors, the selling stockholder, Urvanos Investments Limited, and the General Atlantic entities have agreed with the underwriters not to dispose of or hedge any of their Class A common stock or securities convertible into or exchangeable for shares of Class A common stock during the period from the date of this prospectus continuing through the date 90 days after the date of this prospectus subject to extension under limited circumstances, except with the prior written consent of Goldman, Sachs & Co. and Citigroup Global Markets Inc. or in other limited circumstances. Our agreement with the underwriters does not apply to any shares of Class A common stock or securities convertible into or exchangeable for shares of Class A common stock issued pursuant to any existing employee benefit plans.

Goldman, Sachs & Co. and Citigroup Global Markets Inc. have advised us that they have no current intent or arrangement to release any of the shares subject to the lock-up agreements prior to the expiration of the lock-up period. Any waiver of the lock-up agreements prior to the expiration of the lock-up period will be at the sole discretion of Goldman, Sachs & Co. and Citigroup Global Markets Inc.

MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS FOR NON-U.S. HOLDERS OF COMMON STOCK

The following is a general discussion of the material U.S. federal income and estate tax consequences of the ownership and disposition of common stock by a beneficial owner that is a "non-U.S. holder." This discussion does not apply to persons owning, or who have owned, actually or constructively, more than 5% of our common stock. A "non-U.S. holder" is a person or entity that, for U.S. federal income tax purposes, is a:

- non-resident alien individual, other than certain former citizens and residents of the United States subject to tax as expatriates,
- foreign corporation, or
- foreign estate or trust.

A "non-U.S. holder" does not include an individual who is present in the United States for 183 days or more in the taxable year of disposition and is not otherwise a resident of the United States for U.S. federal income tax purposes. Such an individual is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the sale, exchange, or other disposition of common stock.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), and administrative pronouncements, judicial decisions and final, temporary, and proposed Treasury Regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to non-U.S. holders in light of their particular circumstances and does not address any tax consequences arising under the laws of any state, local or foreign jurisdiction. Prospective holders are urged to consult their tax advisors with respect to the particular tax consequences to them of owning and disposing of common stock, including the consequences under the laws of any state, local, or foreign jurisdiction.

Dividends

As discussed under "Dividend Policy" above, we do not currently expect to pay dividends. In the event that we do pay dividends, dividends paid to a non-U.S. holder of common stock generally will be subject to withholding tax at a 30% rate or a reduced rate specified by an applicable income tax treaty. In order to obtain a reduced rate of withholding, a non-U.S. holder will be required to provide an Internal Revenue Service Form W-8BEN certifying its entitlement to benefits under a treaty.

The withholding tax does not apply to dividends paid to a non-U.S. holder who provides a Form W-8ECI, certifying that the dividends are effectively connected with the non-U.S. holder's conduct of a trade or business within the United States. Instead, the effectively connected dividends will be subject to regular U.S. income tax as if the non-U.S. holder were a U.S. resident. A non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower treaty rate).

Gain on Disposition of Common Stock

A non-U.S. holder generally will not be subject to U.S. federal income tax (including the "branch profits tax") on gain realized on a sale or other disposition of common stock unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States, subject to an applicable treaty providing otherwise, or
- we are or have been a U.S. real property holding corporation, at any time within the five-year period preceding the disposition or the non-U.S. holder's holding period, whichever

period is shorter, and our common stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs.

We believe that we are not, and do not anticipate becoming, a U.S. real property holding corporation.

Information Reporting Requirements and Backup Withholding

Information returns will be filed with the Internal Revenue Service in connection with payments of dividends and the proceeds from a sale or other disposition of common stock. You may have to comply with certification procedures to establish that you are not a United States person in order to avoid backup withholding tax requirements. The certification procedures required to claim a reduced rate of withholding under a treaty will satisfy the certification requirements necessary to avoid the backup withholding tax as well. The amount of any backup withholding from a payment to you will be allowed as a credit against your United States federal income tax liability and may entitle you to a refund, provided that the required information is furnished to the Internal Revenue Service.

Federal Estate Tax

An individual non-U.S. holder who is treated as the owner of, or has made certain lifetime transfers of, an interest in the common stock will be required to include the value of the stock in his gross estate for U.S. federal estate tax purposes, and may be subject to U.S. federal estate tax, unless an applicable estate tax treaty provides otherwise.

UNDERWRITING

IHS, the selling stockholder and the underwriters named below have entered into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. Goldman, Sachs & Co. and Citigroup Global Markets Inc. are acting as joint book-running managers for the offering, Morgan Stanley & Co. Incorporated is acting as joint lead manager for the offering and, together with KeyBanc Capital Markets, A Division of McDonald Investments Inc., and Piper Jaffray & Co. are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman, Sachs & Co.	
Citigroup Global Markets Inc.	
Morgan Stanley & Co. Incorporated	
KeyBanc Capital Markets, A Division of McDonald Investments Inc.	
Piper Jaffray & Co.	
Total	

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

If the underwriters sell more shares than the total number set forth in the table above, Goldman, Sachs & Co. and Citigroup Global Markets Inc. have an option to buy up to an additional shares from the selling stockholder to cover such sales. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, such two underwriters will severally purchase shares in approximately the same proportion as they are purchasing the total of shares listed next to their names in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by the selling stockholder. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Paid by the Selling Stockholder	
	No Exercise	Full Exercise
Per Share		
Total		

Shares sold by the underwriters to the public will initially be offered at the initial price to the public set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the public offering price. Any such securities dealers may resell any shares purchased from the underwriters to certain other brokers or dealers at a discount of up to $ per share from the public offering price. If all the shares are not sold at the public offering price, the representatives may change the offering price and the other selling terms.

IHS, its executive officers and directors, the selling stockholder, Urvanos Investments Limited and the General Atlantic entities have agreed with the underwriters not to dispose of or hedge any of their Class A common stock or securities convertible into or exchangeable for shares of Class A common stock during the period from the date of this prospectus continuing through the date 90 days after the date of this prospectus, except with the prior written consent of Goldman, Sachs & Co. and Citigroup Global Markets Inc. or in other limited circumstances. IHS's agreement

with the underwriters does not apply to any shares of Class A common stock or securities convertible into or exchangeable for shares of Class A common stock issued pursuant to any existing employee benefit plans. See "Shares Eligible for Future Sale" for a discussion of certain transfer restrictions.

The 90-day restricted period described in the preceding paragraph will be extended if:

during the last 17 days of the 90-day restricted period, IHS issues an earnings release or announces material news or a material event; or

prior to the expiration of the 90-day restricted period, IHS announces that it will release earnings results during the 16-day period beginning on the last day of the period,

in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or material event.

In connection with the offering, the underwriters may purchase and sell shares of Class A common stock in the open market. Transactions conducted by Goldman, Sachs & Co. and Citigroup Global Markets Inc. may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by such underwriters of a greater number of shares than they are required to purchase in the offering. "Covered" short sales are sales made in an amount not greater than such underwriters' option to purchase additional shares from the selling stockholder in the offering. These underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, such underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option granted to them. "Naked" short sales are any sales in excess of such option. Such underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if such underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of Class A common stock made by such underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because certain of the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or retarding a decline in the market price of IHS's stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the Class A common stock. As a result, the price of the Class A common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the New York Stock Exchange, in the over-the-counter market or otherwise.

A prospectus in electronic format may be made available by one or more of the representatives of the underwriters and may also be made available on websites maintained by other underwriters. The underwriters may agree to allocate a number of shares to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives of the underwriters to the underwriters that may make Internet distributions on the same basis as other allocations.

Each of the underwriters has represented, warranted and agreed that:

(a) it has not made or will not make an offer of shares to the public in the United Kingdom within the meaning of section 102B of the Financial Services and Markets Act 2000 (as amended) ("FSMA") except to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities or otherwise in circumstances which do not require the publication by IHS of a prospectus pursuant to the Prospectus Rules of the Financial Services Authority ("FSA");

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to IHS; and

(c) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each underwriter has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of shares to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the IHS of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of shares to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a

"prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Each underwriter has acknowledged and agreed that the shares have not been registered under the Securities and Exchange Law of Japan and are not being offered or sold and may not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except (i) pursuant to an exemption from the registration requirements of the Securities and Exchange Law of Japan and (ii) in compliance with any other applicable requirements of Japanese law.

IHS estimates that the total expenses of the offering, excluding the underwriting discount, will be approximately $. IHS has agreed that it will pay all expenses of the offering on behalf of itself and the selling stockholder, except that the selling stockholder will pay the underwriting discount with respect to the shares to be sold by it in this offering.

IHS and the selling stockholder have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933.

Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for IHS for which they received or will receive customary fees and expenses. C. Michael Armstrong, who is on the board of directors of Citigroup Inc., an affiliate of Citigroup Global Markets Inc., and Michael Klein, who is Chief Executive Officer of Global Banking for Citigroup Inc. and Vice Chairman of Citigroup International PLC, an affiliate of Citigroup Global Markets Inc., serve on the board of directors of IHS. In addition, KeyBank National Association, an affiliate of KeyBanc Capital Markets, A Division of McDonald Investments Inc., is the lead arranger, sole book runner, administrative agent and a lender under IHS's credit facility.

VALIDITY OF CLASS A COMMON STOCK

The validity of the shares of Class A common stock offered hereby will be passed upon for us by Davis Polk & Wardwell, New York, New York, and for the underwriters by Sullivan & Cromwell LLP, Washington, D.C.

EXPERTS

The consolidated financial statements of IHS Inc. at November 30, 2004 and 2005, and for each of the three years in the period ended November 30, 2005, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the Securities and Exchange Commission or SEC, in Washington, DC. In addition, we have filed a registration statement on Form S-1 under the Securities Act with respect to the common stock offered hereby. For further information with respect to IHS and its common stock, reference is made to the registration statement and the exhibits and any schedules filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and schedules thereto, and reports, the proxy statement and other information filed with the SEC, may be read and copied at the SEC's Public Reference Room at 450 Fifth Street, NW, Washington, DC 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at http://www.sec.gov, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto and reports, the proxy statement and other information filed with the SEC. The registration statement, including the exhibits and schedules thereto, and reports, the proxy statement and other information filed with the SEC, are also available for reading and copying at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. We also maintain an Internet site at www.ihs.com. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

Consolidated Financial Statements
Consolidated Balance Sheets as of November 30, 2005 and 2004
Consolidated Statements of Operations for the Years Ended November 30, 2005, 2004 and 2003
Consolidated Statement of Changes in Stockholders' Equity for the Years Ended November 30, 2005, 2004 and 2003
Consolidated Statements of Cash Flows for the Years Ended November 30, 2005, 2004 and 2003
Notes to Consolidated Financial Statements for the Years Ended November 30, 2005, 2004 and 2003

Unaudited Interim Consolidated Financial Statements
Condensed Consolidated Balance Sheets as of August 31, 2006 (Unaudited) and November 30, 2005
Condensed Consolidated Statements of Operations (Unaudited) for the nine months ended August 31, 2006 and August 31, 2005
Condensed Consolidated Statement of Changes in Stockholders' Equity (Unaudited) for the nine months ended August 31, 2006 and August 31, 2005
Condensed Consolidated Statements of Cash Flows (Unaudited) for the nine months ended August 31, 2006 and August 31, 2005
Notes to the Condensed Consolidated Financial Statements (Unaudited) for the nine months ended August 31, 2006 and August 31, 2005

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of IHS Inc.

We have audited the accompanying consolidated balance sheets of IHS Inc. as of November 30, 2005 and 2004, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended November 30, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of IHS Inc. at November 30, 2005 and 2004, and the consolidated results of its operations and its cash flows for each of the three years in the period ended November 30, 2005, in conformity with United States generally accepted accounting principles.

/s/ Ernst & Young LLP

Denver, Colorado
January 17, 2006

IHS INC.

CONSOLIDATED BALANCE SHEETS

	As of November 30,	
	2004	**2005**
	(In thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 124,452	$ 132,365
Short-term investments		27,223
Accounts receivable, net	117,873	136,950
Deferred subscription costs	25,727	27,918
Deferred income taxes	12,173	11,351
Other	11,625	10,638
Total current assets	291,850	346,445
Non-current assets:		
Property and equipment, net	49,591	46,580
Intangible assets, net	26,821	27,456
Goodwill, net	301,880	296,394
Prepaid pension asset	81,242	88,516
Other	1,260	1,765
Total non-current assets	460,794	460,711
Total assets	$ 752,644	$ 807,156
Liabilities and stockholders' equity		
Current liabilities:		
Short-term capital leases	$ 48	$
Accounts payable	39,516	41,625
Accrued compensation	28,869	20,135
Accrued royalties	26,307	26,139
Other accrued expenses	28,262	34,975
Income tax payable	9,114	7,726
Deferred subscription revenue	140,120	149,552
Risk management liabilities		2,705
Total current liabilities	272,236	282,857
Long-term debt and capital leases	607	262
Accrued pension liability	7,531	6,824
Accrued post-retirement benefits	18,740	20,278
Deferred income taxes	11,533	15,044
Other liabilities	8,065	4,402
Minority interests	1,209	309
Deferred stock units and restricted shares with put rights	11,672	
Commitments and contingencies		
Stockholders' equity:		
Class A common stock, $0.01 par value per share, 80,000,000 shares authorized, 44,078,231 and 41,250,000 issued and outstanding at November 30, 2005 and 2004, respectively	413	441
Class B common stock, $0.01 par value per share, 13,750,000 shares authorized, issued and outstanding at November 30, 2005 and 2004	138	138

	As of November 30,	
Class C common stock, $1.00 par value per share, 1,000 shares authorized, issued and held in treasury at November 30, 2004		
Additional paid in capital	122,300	168,196
Retained earnings	301,887	343,684
Accumulated other comprehensive loss	(3,687)	(10,486)
Unearned compensation		(24,793)
Total stockholders' equity	421,051	477,180
Total liabilities and stockholders' equity	$ 752,644	$ 807,156

See accompanying notes.

IHS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended November 30,		
	2003	**2004**	**2005**
	(In thousands, except per-share amounts)		
Revenue:			
Products	$ 311,602	$ 352,367	$ 395,830
Services	34,238	41,602	80,287
Total revenue	345,840	393,969	476,117
Operating expenses:			
Cost of revenue:			
Products	132,940	154,625	176,579
Services	27,783	29,812	51,593
Total cost of revenue (includes stock-based compensation expense at $0, $4,437 and $551 for the years ended November 30, 2003, 2004 and 2005, respectively)	160,723	184,437	228,172
Selling, general and administrative (includes stock-based compensation expense of $0, $17,065 and $4,721 for the years ended November 30, 2003, 2004 and 2005, respectively)	119,902	153,594	167,581
Depreciation and amortization	8,940	9,642	11,419
Restructuring and offering charges			13,703
Gain on sales of assets, net	(245)	(5,532)	(1,331)
Impairment of assets	567	1,972	
Net periodic pension and post-retirement benefits	(8,558)	(5,791)	(4,091)
Earnings in unconsolidated subsidiaries	(3,196)	(437)	(129)
Other (income) expense, net	1,105	3,173	(1,059)
Total operating expenses	279,238	341,058	414,265
Operating income	66,602	52,911	61,852
Gain on sale of investment in affiliate		26,601	
Interest income	1,359	1,140	3,485
Interest expense	(1,104)	(450)	(768)
Non-operating income, net	255	27,291	2,717
Income from continuing operations before income taxes and minority interests	66,857	80,202	64,569
Provision for income taxes	(24,053)	(16,644)	(20,376)
Income from continuing operations before minority interests	42,804	63,558	44,193
Minority interests	(46)	(275)	(146)
Income from continuing operations	42,758	63,283	44,047
Discontinued operations:			
Loss from discontinued operations, net	(195)	(1,969)	(2,250)
Net income	$ 42,563	$ 61,314	$ 41,797
Income from continuing operations per share:			
Basic (Class A common stock and Class B common stock)	$ 0.78	$ 1.15	$ 0.80
Diluted (Class A common stock and Class B common stock)	$ 0.78	$ 1.15	$ 0.79

	Years Ended November 30,		
Loss from discontinued operations per share:			
Basic (Class A common stock and Class B common stock)	$ (0.01)	$ (0.04)	$ (0.04)
Diluted (Class A common stock and Class B common stock)	$ (0.01)	$ (0.04)	$ (0.04)
Net income per share:			
Basic (Class A common stock and Class B common stock)	$ 0.77	$ 1.11	$ 0.76
Diluted (Class A common stock and Class B common stock)	$ 0.77	$ 1.11	$ 0.75
Weighted average shares:			
Basic (Class A common stock)	41,250	41,250	41,345
Basic (Class B common stock)	13,750	13,750	13,750
Diluted (Class A common stock)	55,000	55,000	55,895
Diluted (Class B common stock)	13,750	13,750	13,750

See accompanying notes.

IHS INC.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock	Shares of Class A Common Stock	Class A Common Stock	Shares of Class B Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Unearned Compensation	Total
					(In thousands)					
Balance at November 30, 2002	$ 1		$		$	$ 122,850	$ 210,162	$ (28,448)	$	$ 304,565
Net income							42,563			42,563
Other comprehensive income:										
Foreign currency translation adjustments								14,850		14,850
Minimum pension liability adjustment, net of tax								(1,213)		(1,213)
Comprehensive income, net of tax										56,200
Balance at November 30, 2003	1					122,850	252,725	(14,811)		360,765
Effect of pension plan spin-off							(6,009)			(6,009)
Cash dividend							(1,843)			(1,843)
Distribution of preferred stock							(4,300)			(4,300)
Recapitalization	(1)	41,250	413	13,750	138	(550)				
Net income							61,314			61,314
Other comprehensive income:										
Foreign currency translation adjustments								13,268		13,268
Minimum pension liability adjustment, net of tax								(2,144)		(2,144)
Comprehensive income, net of tax										72,438
Balance at November 30, 2004		41,250	413	13,750	138	122,300	301,887	(3,687)		421,051
Restricted stock activity		791	8			14,213			(13,771)	450
Tax benefit on vested shares						295				295

	Common Stock	Shares of Class A Common Stock	Class A Common Stock	Shares of Class B Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Unearned Compensation	Total
Termination of put rights associated with deferred stock units and restricted shares		1,834	18			28,950			(11,022)	17,946
Conversion of debt to equity		203	2			2,438				2,440
Net income							41,797			41,797
Other comprehensive income:										
Foreign currency translation adjustments								(3,694)		(3,694)
Minimum pension liability adjustment, net of tax								(73)		(73)
Unrealized losses on short-term investments, net of tax								(28)		(28)
Unrealized losses on foreign-currency hedges, net of tax								(3,004)		(3,004)
Comprehensive income, net of tax										34,998
Balance at November 30, 2005	$	44,078	$ 441	13,750	$ 138	$ 168,196	$ 343,684	$ (10,486)	$ (24,793)	$ 477,180

See accompanying notes.

IHS INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended November 30,		
	2003	2004	2005
		(In thousands)	
Operating activities			
Net income	$ 42,563	$ 61,314	$ 41,797
Reconciliation of net income to net cash provided by operating activities:			
Depreciation and amortization	8,943	9,882	11,655
Stock-based compensation expense (non-cash portion)		11,872	5,272
Gain on sales of assets, net	(245)	(5,532)	(1,331)
Gain on sale of investment in affiliate		(26,601)	
Impairment of assets	567	1,972	
Net periodic pension and post-retirement benefits	(8,558)	(5,791)	(4,091)
Minority interests	46	275	(168)
Deferred income taxes	7,165	(1,424)	4,531
Tax benefit from equity compensation plans			295
Change in assets and liabilities:			
Accounts receivable, net	(1,205)	4,557	(26,088)
Other current assets	1,013	(11,755)	(2,922)
Accounts payable	4,005	(15,208)	5,033
Accrued expenses	(8,654)	26,232	(3,044)
Income taxes	10,929	1,035	963
Deferred subscription revenue	3,576	16,152	16,388
Net cash provided by operating activities	60,145	66,980	48,290
Investing activities			
Capital expenditures on property and equipment	(4,123)	(4,444)	(5,662)
Change in other assets	1,412	4,485	(4,171)
Purchase of investments			(28,384)
Sales and maturities of investments			1,101
Acquisitions of businesses, net of cash acquired	(2,224)	(70,331)	(3,518)
Proceeds from sales of assets and investment in affiliate		104,893	1,331
Net cash provided by (used in) investing activities	(4,935)	34,603	(39,303)
Financing activities			
Net payments on debt	(44,153)	(157)	(390)
Cash dividends		(1,843)	
Net cash used in financing activities	(44,153)	(2,000)	(390)
Foreign exchange impact on cash balance	1,053	818	(684)
Net increase in cash and cash equivalents	12,110	100,401	7,913
Cash and cash equivalents at the beginning of the year	11,941	24,051	124,452
Cash and cash equivalents at the end of the year	$ 24,051	$ 124,452	$ 132,365

	Years Ended November 30,		

See accompanying notes.

IHS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business and Background

Description of Business

IHS Inc. (IHS, the Company, we, our, or us) is a publicly traded Delaware corporation. We are one of the leading global providers of critical technical information, decision-support tools and services to customers in the energy, defense, aerospace, construction, electronics, and automotive industries.

We manage our business through two reportable segments: Energy and Engineering. Our Energy segment develops and delivers critical oil and gas industry data on exploration, development, production, and transportation activities to major global energy producers and national and independent oil companies. Our Energy segment also provides decision-support tools and operational, research, and strategic advisory services to these customers, as well as to utilities and transportation, petrochemical, coal, and power companies. Our Engineering segment provides offerings in two broad categories of products: technical standards and parts information. These products include a broad range of technical specifications and standards, regulations, parts data, design guides, and other information for customers in our targeted industries. We also have expertise in developing decision-support tools that enhance the accessibility and usability of this information. We offer targeted advisory services that are designed to maximize the utilization and integration of our information within our customers' business processes. We maintain an international sales and service network of subsidiaries and distributors.

Initial Public Offering and Concurrent Private Placement

On November 16, 2005, our shareholders, Urpasis Investments Limited (Urpasis) and Urvanos Investments Limited (Urvanos), Cyprus limited liability companies, sold a portion of their ownership interests through an initial public offering. IHS did not receive any proceeds from the sale of the Company's common stock by Urpasis and Urvanos, and, consequently, we expensed all related offering costs. Simultaneous with the closing of our initial public offering, Urpasis and Urvanos sold in a private placement an aggregate amount of $75 million of shares of our Class A common stock at the initial offering price to investment entities affiliated with General Atlantic LLC. We appointed Steven A. Denning, the Chairman and a Managing Director of General Atlantic, to our board of directors in April 2005.

Reorganization and Recapitalization

Until November 9, 2004, Holland America Investment Corporation (HAIC U.S.), a Delaware corporation, was a wholly-owned subsidiary of NV H.A.I.C. HAIC U.S. owned all of our outstanding stock. Effective November 9, 2004, HAIC U.S. became a wholly-owned subsidiary of Urpasis and Urvanos. On November 10, 2004, we changed our capitalization to 80,000 shares of Class A common stock, 13,750 shares of Class B common stock, and 1,000 shares of Class C common stock. On November 12, 2004, HAIC U.S. contributed substantially all of its assets to us in exchange for our new common stock. Subsequently, HAIC U.S. liquidated by distributing its assets, comprised principally of our new common stock, to Urpasis and Urvanos. On November 19, 2004, we changed our capitalization to 80,000,000 shares of Class A common stock, 13,750,000 shares of Class B common stock and 1,000 Shares of Class C common stock. The Class C common stock was no longer authorized after our initial public offering. On December 13, 2004, we changed our name from IHS Group Inc. to IHS Inc.

2. Significant Accounting Policies

Fiscal Year End

Our fiscal years end on November 30 of each year. References herein to individual years mean the year ended November 30. For example, 2005 means the year ended November 30, 2005.

Consolidation Policy

The consolidated financial statements include the accounts of all wholly-owned and majority owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Revenue Recognition

Revenue is recognized when all of the following criteria have been met: (a) persuasive evidence of an arrangement exists, (b) delivery has occurred or services have been rendered, (c) the price to the customer is fixed or determinable, and (d) collectibility is reasonably assured. Our revenue recognition policies are based on the guidance in Staff Accounting Bulletin (SAB) No. 104, *Revenue Recognition*, and Statement of Position (SOP) 97-2, *Software Revenue Recognition*.

Sales of critical information and decision-support tools

The majority of our revenue is derived from the sale of subscriptions to our critical information, which is recognized ratably as delivered over the subscription period. Costs that are directly related to the subscription revenue and are primarily comprised of prepaid royalty fees, are generally deferred and amortized to cost of revenue over the subscription period.

We do not defer the revenue for the limited number of sales of subscriptions in which we have no continuing responsibility to maintain and update the underlying database. We recognize this revenue upon the sale of these subscriptions and delivery of the information and tools. For a limited number of our offerings, we serve as the sales agent for third parties. We recognize revenue from these sales in accordance with Emerging Issues Task Force 99-19, *Report Revenue Gross as a Principal versus Net as an Agent*.

Revenue is recognized upon delivery for non-subscription-based sales.

In certain locations, we use dealers to distribute our critical information and decision-support tools. Revenue for products sold through dealers is recognized as follows:

For subscription-based services, revenue is recognized ratably as delivered to the end user over the subscription period.

For non-subscription-based products, revenue is recognized upon delivery to the dealer.

Services

We provide our customers with service offerings that are primarily sold on a stand-alone basis and on a significantly more limited basis as part of a multiple-element arrangement. Our service offerings are generally separately priced in a standard price book. For services that are not in a standard-price book, as the price varies based on the nature and complexity of the service offering, pricing is based on the estimated amount of time to be incurred at standard billing rates for the estimated underlying effort for executing the associated deliverable in the contract. Revenue related to services performed under time- and material-based contracts is recognized in the period

performed at standard billing rates. Revenue associated with fixed-price contracts is recognized upon completion of each specified performance obligation under the terms of the contract. See discussion of "multiple-element arrangements" below. If the contract includes acceptance contingencies, revenue is recognized in the period in which we receive documentation of acceptance from the customer.

Multiple-element arrangements

Occasionally, we may execute contracts with customers which contain multiple offerings. In our business, multiple-element arrangements refer to contracts with separate fees for decision-support tools, maintenance, and/or related services. We have established separate units of accounting as each offering is primarily sold on a stand-alone basis. Generally, if sufficient vendor-specific objective evidence of the fair value of each element of the arrangement exists based on stand-alone sales of these products and services, then the elements of the contract are unbundled and are recognized as follows:

Subscription offerings and license fees are recognized ratably over the license period as long as there is an associated licensing period or a future obligation. Otherwise, revenue is recognized upon delivery.

For non-subscription offerings of a multiple-element arrangement, the revenue is generally recognized for each element in the period in which delivery of the product to the customer occurs, completion of services occurs or, for post-contract support, ratably over the term of the maintenance period.

In some instances, customer acceptance is required for consulting services rendered. For those transactions, the service revenue component of the arrangement is recognized in the period that customer acceptance is obtained.

In infrequent instances where a multiple-element arrangement includes offerings for which vendor-specific objective evidence is not available, we consider the substance of the whole arrangement to be a subscription and thus revenue is recognized ratably over the service period.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates fair value.

Deferred Subscription Charges

Deferred subscription charges represent royalties and commissions associated with customer subscriptions. These charges are deferred and amortized to expense over the period of the subscriptions. Generally, subscription periods are 12 months in duration.

Property and Equipment

Land, buildings and improvements, machinery and equipment are stated at cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	7 to 30 years
Machinery and equipment	3 to 10 years

Leasehold improvements are depreciated over their estimated useful life, or the life of the lease, whichever is shorter. Maintenance, repairs and renewals of a minor nature are expensed as incurred. Betterments and major renewals which extend the useful lives of buildings, improvements, and equipment are capitalized.

Preferred Stock Investment in Related Parties

Investment in related parties consisted solely of preferred stock of companies in which TBG Holding N.V. (TBG), our indirect controlling stockholder, holds common stock and is stated at cost, net of impairments. During 2004, we liquidated our preferred stock investments in related parties in conjunction with the disposition of the equity investments by TBG (see Note 3).

Identifiable Intangible Assets and Goodwill

We account for our business acquisitions using the purchase method of accounting. We allocate the total cost of an acquisition to the underlying net assets based on their respective estimated fair values. As part of this allocation process, we must identify and attribute values and estimated lives to the intangible assets acquired.

Identifiable intangible assets with finite lives are amortized on a straight-line basis over their respective lives.

We review the carrying values of identifiable intangible assets with indefinite lives and goodwill at least annually to assess impairment because these assets are not amortized. Additionally, we review the carrying value of any intangible asset or goodwill whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. We assess impairment by comparing the fair value of an identifiable intangible asset or goodwill with its carrying value. Impairments are expensed when incurred.

Minority Interest

We recognize the minority interests' share of net income in an amount equal to the minority interests' allocable portion of the common equity of certain consolidated subsidiaries. These subsidiaries are located in Germany and Switzerland and are included in our Engineering segment.

Income Taxes

Deferred income taxes are provided using tax rates enacted for periods of expected reversal on all temporary differences. Temporary differences relate to differences between the book and tax basis of assets and liabilities, principally goodwill, property and equipment, deferred subscription revenue, and pension assets and accruals. Pursuant to the provisions of Statements of Financial Accounting Standards (SFAS) No. 109, *Accounting for Income Taxes*, we regularly review the adequacy of our deferred tax asset valuation allowance. We recognize these benefits only when the underlying assessments indicate that it is more likely than not that the benefits will be realized.

Judgment is required in determining the worldwide provision for income taxes. Additionally, the income tax provision is based on calculations and assumptions that are subject to examination by many different tax authorities and to changes in tax law and rates in many jurisdictions. We adjust our income tax provision in the period in which it becomes probable that actual results will differ from our estimates.

Earnings per Share

Earnings per common share (EPS) are computed in accordance with SFAS No. 128, *Earnings Per Share*. Basic EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common shares.

Our authorized capital stock consists of 80,000,000 shares of Class A common stock and 13,750,000 shares of Class B common stock. These classes have equal dividend rights and liquidation rights. However, the holders of our Class A common stock are entitled to one vote per share and holders of our Class B common stock are entitled to ten votes per share on all matters to be voted upon by the stockholders. Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock and will automatically convert, without any action by the holder, upon the earlier of the occurrence of specified events or November 16, 2009.

We use the two-class method for computing basic and diluted EPS amounts. We calculated undistributed earnings as follows:

	Years Ended November 30,		
	2003	**2004**	**2005**
	(In thousands)		
Net income	$ 42,563	$ 61,314	$ 41,797
Less: dividends			
Undistributed earnings	$ 42,563	$ 61,314	$ 41,797

Weighted average common shares outstanding are calculated as follows:

	Years Ended November 30,					
	2003		**2004**		**2005**	
	Class A	**Class B**	**Class A**	**Class B**	**Class A**	**Class B**
	(In thousands)					
Weighted average common shares outstanding:						
Shares used in basic per-share calculation	41,250	13,750	41,250	13,750	41,345	13,750
Effect of dilutive securities:						
Deferred stock units					672	
Restricted shares					128	
Assumed conversion of Class B shares	13,750		13,750		13,750	
Shares used in diluted per-share calculation	55,000	13,750	55,000	13,750	55,895	13,750

Undistributed earnings and calculated basic and diluted EPS amounts are calculated as follows:

	Years Ended November 30,					
	2003		2004		2005	
	Class A	Class B	Class A	Class B	Class A	Class B
	(In thousands)					
Basic						
Weighted average shares outstanding	41,250	13,750	41,250	13,750	41,345	13,750
Divided by: Total weighted average shares outstanding (Class A and Class B)	55,000	55,000	55,000	55,000	55,095	55,095
Multiplied by: Undistributed earnings	$ 42,563	$ 42,563	$ 61,314	$ 61,314	$ 41,797	$ 41,797
Subtotal	$ 31,922	$ 10,641	$ 45,986	$ 15,328	$ 31,366	$ 10,431
Divided by: Weighted average shares outstanding	41,250	13,750	41,250	13,750	41,345	13,750
Earnings per share	$ 0.77	$ 0.77	$ 1.11	$ 1.11	$ 0.76	$ 0.76
Diluted						
Weighted average shares outstanding	55,000	13,750	55,000	13,750	55,895	13,750
Divided by: Total weighted average shares outstanding (Class A and Class B)	55,000	55,000	55,000	55,000	55,895	55,895
Multiplied by: Undistributed earnings	$ 42,563	$ 42,563	$ 61,314	$ 61,314	$ 41,797	$ 41,797
Subtotal	$ 42,563	$ 10,641	$ 61,314	$ 15,328	$ 41,797	$ 10,281
Divided by: Weighted average shares outstanding	55,000	13,750	55,000	13,750	55,895	13,750
Earnings per share	$ 0.77	$ 0.77	$ 1.11	$ 1.11	$ 0.75	$ 0.75

Foreign Currency

The functional currency of each of our foreign subsidiaries is such subsidiary's local currency. Monetary assets and liabilities are translated at year-end exchange rates. Income and expense items are translated at weighted average rates of exchange prevailing during the year. Any translation adjustments are included in the foreign currency translation adjustment account in stockholders' equity. Transactions executed in different currencies resulting in exchange adjustments are translated at spot rates and resulting foreign exchange transaction gains and losses are included in the results of operations.

Research and Development

Costs of research and development, which are included in cost of revenue, are expensed as incurred and amounted to approximately $7.0 million, $13.1 million and $8.2 million for 2003, 2004 and 2005, respectively.

Software Development Costs

We account for software research and development costs in accordance with SFAS No. 86, *Accounting for the Costs of Computer Software to be Sold, Leased or Otherwise Marketed*. Our

development process includes the requirement that we make a determination regarding technological feasibility. Upon such determination, management evaluates the nature and timing of costs to be capitalized. We capitalize these costs through the period until the product is generally available for sale. The capitalized amounts, net of accumulated amortization, are included in intangible assets in our consolidated balance sheet. The capitalized amounts are amortized over the expected period of benefit, not to exceed five years, and such amortization expense is included within cost of revenue in our consolidated statement of operations. The costs capitalized were $0, $0.6 million, and $0.3 million, in 2003, 2004 and 2005, respectively. Amortization expense was $0.3 million, $0.3 million, and $0.3 million in 2003, 2004 and 2005.

Impairment of Long-Lived Assets

In 2003, we adopted SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets* (SFAS 144). SFAS 144 addresses financial accounting and reporting for the impairment or disposal of long-lived assets and supersedes SFAS No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of*, and the accounting and reporting provisions of Accounting Principles Board (APB) Opinion No. 30, *Reporting the Results of Operation*, for the disposal of a segment of a business. Upon adoption, we evaluated the recoverability of our property and equipment and other long-lived assets in accordance with the new standard.

We periodically review the carrying amounts of long-lived assets to determine whether current events or circumstances warrant adjustment to such carrying amounts. Any impairment is measured by the amount that the carrying value of such assets exceeds their fair value, primarily based on estimated discounted cash flows. Considerable management judgment is necessary to estimate the fair value of assets. Assets to be disposed of are carried at the lower of their financial statement carrying amount or fair value, less cost to sell.

Stock Option Accounting

As discussed in Note 18, IHS Group Inc., our wholly-owned subsidiary, settled all of its options outstanding at November 30, 2004. IHS Group Inc. has elected to follow APB Opinion No. 25, *Accounting for Stock Issued to Employees* (APB 25), and related interpretations in accounting for its employee stock options. Under APB 25, because the exercise prices of IHS Group Inc.'s employee stock options have been equal to or greater than the estimated fair market value of the underlying stock on the date of the grant, no compensation expense for stock options has been recognized. SFAS No. 123, *Accounting and Disclosure of Stock-Based Compensation* (SFAS 123), establishes an alternative method of expense recognition for stock-based compensation awards to employees based on fair values. SFAS 123 was subsequently revised by SFAS 123(R), *Share-Based Payment*. See "New Accounting Pronouncement" below for further discussion concerning SFAS 123(R).

Pro forma information regarding net income and earnings per share is required by SFAS 123, and has been determined as if IHS Group Inc. had accounted for its employee stock options under the fair value method. The fair value of each option grant was estimated on the date of grant with the following weighted-average assumptions: risk-free interest rate of 2.8% and 3.0% in 2003 and 2004, respectively, expected life of five years, and expected dividends of 0%.

Option valuation models require the input of highly subjective assumptions including expected stock price characteristics significantly different from those of traded options. Because changes in

the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

The weighted-average fair value of options granted during 2003 at fair market value was $1.08 per option and for those granted in excess of fair market value was $0.64 per option. The weighted-average fair value of options granted during 2004 at fair market value was $1.27 per option. The options granted in excess of fair market value during 2004 had no value. For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period. Our pro forma net income if IHS Group Inc. had used the fair value accounting provisions of SFAS 123 are shown below, for the years ended November 30:

	2003	2004	2005
	(In thousands except for per-share amounts)		
Net income (loss) as reported	$ 42,563	$ 61,314	$ 41,797
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects for cash settlement of awards under APB 25		6,237	3,608
Deduct: Total stock-based employee compensation expense determined under fair-value-based method for all awards, net of related tax effects	(1,084)	(1,009)	(3,608)
Deduct: Total stock-based employee compensation expense determined under fair-value-based method on cash settlement, net of related tax effects		(1,471)	
Pro forma	$ 41,479	$ 65,071	$ 41,797
Earnings per share (Class A common stock and Class B common stock):			
Basic, as reported	$ 0.77	$ 1.11	$ 0.76
Basic, pro forma	$ 0.75	$ 1.18	$ 0.76
Diluted, as reported	$ 0.77	$ 1.11	$ 0.75
Diluted, pro forma	$ 0.75	$ 1.18	$ 0.75

As a result of the ultimate $9.4 million cash settlement of all outstanding options, both vested and unvested, during the year ended November 30, 2004, we accelerated the vesting on unvested options which resulted in $1.5 million of compensation cost under SFAS 123. The cash settlement of vested and unvested options did not result in additional compensation as the cash paid for the options did not exceed the fair market value on the settlement date.

Derivatives

We follow the provisions of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133). SFAS 133 requires every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in our condensed consolidated balance sheet as either an asset or liability measured at its fair value, with changes in the fair value of qualifying hedges recorded in other comprehensive income. SFAS 133 requires that changes in a derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Accounting for qualifying hedges allows a derivative's gains and losses to offset the

related results of the hedged item and requires us to formally document, designate and assess the effectiveness of transactions that receive hedge accounting treatment. Based on the criteria established by SFAS 133, all of our qualifying hedges, consisting of foreign-currency forward contracts, are deemed effective. While we expect that our derivative instruments will continue to meet the conditions for hedge accounting, if the hedges did not qualify as effective or if we did not believe that forecasted transactions would occur, the changes in the fair value of the derivatives used as hedges would be reflected in earnings. We do not believe we are exposed to more than a nominal amount of credit risk in our hedging activities, as our counter party is an established, well-capitalized financial institution.

Our Swiss subsidiary's local currency is its functional currency. The functional currency is used to pay labor and other operating costs, and it also has certain other operating costs which are denominated in British Pound Sterling. However, this subsidiary bills and collects principally in U.S. dollars. Beginning January 2005, to hedge our Swiss subsidiary's foreign-currency risk, we have effectively converted a portion of our Swiss subsidiary's revenue and operating expenses which are denominated in foreign currencies into the local currency using forward contracts. Our Swiss subsidiary's revenue transactions are subscription based and, consequently, they are deferred initially and recognized ratably into earnings over the course of the subscription period, generally twelve months. Accordingly, our related hedges are accounted for in the same fashion. As a result, we expect substantially all of the $3.0 million unrealized loss on foreign currency hedges in accumulated other comprehensive income at November 30, 2005 will be reclassified into earnings over the next year.

As of November 30, 2005, the total notional amount of those contracts is summarized as follows (in thousands):

Local Currency	Local Currency Amount	USD/GBP	Date Contracts Are Through
Swiss Franc	20,257	$ 18,158	December 2005
Swiss Franc	2,064	£ 959	December 2005

During the year ended November 30, 2005, we recorded losses of $0.6 million in revenue and gains of $0.6 million in cost of revenue in the accompanying consolidated statements of operations for settled forward-exchange contracts. As of November 30, 2005, we had derivative current liabilities of $2.7 million and current assets of $0.1 million associated with foreign-exchange contracts, consisting of the fair market value of forward-exchange contracts.

Additionally, for our Swiss subsidiary, we effectively convert a portion of its U.S.-dollar-denominated accounts receivable to its local currency. As of November 30, 2005, the notional amount of this contract was $7.2 million. During the year ended November 30, 2005, we recorded losses of approximately $1.4 million in other (income) expense, net for settled foreign-exchange contracts. Our accounts receivable hedges do not qualify for hedge accounting.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of significant management estimates. Actual results could differ from those estimates.

Concentration of Credit Risk

We are exposed to credit risk associated with cash equivalents, investments, foreign currency derivatives, and trade receivables. We don't believe that our cash equivalents, investments, or foreign currency derivatives present significant credit risks, because the counterparties to the instruments consist of major financial institutions, and we manage the notional amount of contracts entered into with any counterparty. Substantially all trade receivable balances are unsecured. The concentration of credit risk with respect to trade receivables is limited by the large number of customers in our customer base and their dispersion across various industries and geographic areas. We perform ongoing credit evaluations of our customers and maintain an allowance for potential credit losses.

Fair Value of Financial Instruments

The carrying value of our financial instruments, including cash, accounts receivable, accounts payable and long-term debt, approximates their fair value.

New Accounting Pronouncement

On December 16, 2004, the FASB issued SFAS No. 123 (revised 2004), *Share-Based Payment*, which is a revision of SFAS No. 123. SFAS 123(R) supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows*. Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure is no longer an alternative.

SFAS 123(R) permits public companies to adopt its requirements using one of two methods:

1. A "modified prospective" method in which compensation cost is recognized beginning with the effective date (a) based on the requirements of SFAS 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of SFAS 123 for all awards granted to employees prior to the effective date of SFAS 123(R) that remain unvested on the effective date.

2. A "modified retrospective" method which includes the requirements of the modified prospective method described above, but also permits entities to restate based on the amounts previously recognized under SFAS 123 for purposes of pro forma disclosures for either (a) all prior periods presented or (b) prior interim periods of the year of adoption.

We will use the modified prospective method when we adopt SFAS 123(R) effective December 1, 2005. As permitted by SFAS 123, we currently account for share-based payments to employees using APB Opinion 25's intrinsic value method and, as such, generally recognize no compensation cost for employee stock options. Subsequent to November 30, 2004, we cancelled all of our outstanding options. Consequently, the adoption of SFAS 123(R) will only impact our results of operations if we grant share-based payments in the future. Had we adopted SFAS 123(R) in prior periods, the impact of that standard would have approximated the impact under SFAS 123 as described in the disclosure of pro forma net income appearing above.

3. Acquisitions and Divestitures

All acquisitions are accounted for using the purchase method of accounting. The consolidated financial statements include all the assets and liabilities acquired and the results of operations from the respective dates of acquisition. Pro forma results of the acquired businesses have not been presented as they did not have a material impact on our results of operations. Notable 2004 transactions are discussed below.

Acquisitions

On December 9, 2003, we acquired the assets of International Petrodata Limited (IPL) for a total purchase price of approximately $16 million in cash. IPL, based in Calgary, Canada, provides critical information to the oil and gas exploration and production markets in Canada.

On September 1, 2004, we acquired the outstanding capital stock of Cambridge Energy Research Associates (CERA) for a total purchase price of approximately $31 million, net of cash acquired of $1.5 million. CERA provides syndicated research and strategic advisory services to energy companies.

On September 16, 2004, we acquired the assets of Intermat, Inc., for a total purchase price of approximately $5 million in cash. Intermat is a provider of decision-support tools for parts management, parts cleansing and predictive obsolescence projects.

On September 20, 2004, we acquired the outstanding capital stock of USA Information Systems, Inc. (USA). The total purchase price was approximately $20 million, net of $0.5 million of acquired cash. USA provides decision-support tools and critical information to governments and government contractors.

The purchase prices for these acquisitions were allocated as follows:

	IPL	CERA	Intermat	USA	Total
			(In thousands)		
Assets:					
Current assets	$ 1,242	$ 7,731	$ 729	$ 2,028	$ 11,730
Property and equipment	215	2,512	212	65	3,004
Intangible assets	4,518	14,770	3,607	2,788	25,683
Goodwill	11,863	26,137	1,421	18,656	58,077
Deferred tax assets	665	2,213			2,878
Total assets	18,503	53,363	5,969	23,537	101,372
Liabilities:					
Current liabilities	2,418	16,452	669	4,125	23,664
Long-term liabilities		7,831			7,831
Total liabilities	2,418	24,283	669	4,125	31,495
Purchase price	$ 16,085	$ 29,080	$ 5,300	$ 19,412	$ 69,877

We made three acquisitions during 2005 for an aggregate purchase price of approximately $3.5 million.

Subsequent Event

On December 1, 2005, we acquired a content-and-data-services business for approximately $33 million that serves all of the industries targeted by our Engineering segment. The purchase price was paid from existing cash on hand.

Divestitures of Investments in Affiliates

During 2004, we divested our preferred stock investments in two related parties in which TBG held common stock. On September 17, 2004, we sold our preferred stock in one related party (TriPoint Global Communications, Inc.) for $94.2 million and we recorded a $26.6 million gain on the sale. On October 18, 2004, we distributed to TBG, in the form of a $4.3 million dividend, the preferred stock we owned in the second related party (Extruded Metals, Inc.).

4. Restructuring and Offering Charges

A summary of the restructuring and offering charges follows (in thousands):

	Year Ended November 30,		
	2003	**2004**	**2005**
Restructuring charge	$	$	$ 8,244
Offering costs			5,459
Total	$	$	$ 13,703

Restructuring

During the third quarter of 2005, we executed a restructuring initiative affecting our Engineering segment and certain unallocated corporate costs. This initiative was undertaken to reduce costs, further the integration of operations from previous acquisitions, streamline our data delivery processes, and realign the marketing function to support core product initiatives. During the course of the restructuring, we reduced our aggregate workforce by over 100 employees and closed certain offices.

The restructuring charge was incurred in its entirety during the third quarter of 2005. Approximately $4.4 million and $3.8 million of the restructuring charge related to our Engineering segment and certain unallocated corporate costs, respectively. Our Energy segment did not have a restructuring charge. The restructuring charge was comprised of the following (in thousands):

Employee severance and other termination benefits	$ 5,947
Accelerated vesting of restricted stock	2,130
Contract-termination costs	167
Total	$ 8,244

A reconciliation of the related accrued restructuring liability which, exclusive of the charge related to the restricted shares, is expected to be paid primarily during fiscal 2005 as of November 30, 2005 was as follows:

	Employee Severance and Other Termination Benefits	Accelerated Vesting of Restricted Shares	Contract Termination Costs	Total
	(In thousands)			
Beginning balance	$	$	$	$
Add: Restructuring costs incurred	5,947	2,130	167	8,244
Add: Amount reclassified(a)	(387)			(387)
Less: Amount paid during the year ended November 30, 2005	(5,161)	(2,130)	(167)	(7,458)
Ending balance	$ 399	$	$	$ 399

(a) A portion of the restructuring liability related to additional retirement benefits to be funded out of our Supplemental Income Plan (SIP). Accordingly, we have reclassified this liability to the accrued SIP liability included in current liabilities.

Offering charges were comprised of $5.5 million of costs associated with our November 2005 initial public offering. See Note 1.

5. Discontinued Operations

During the third quarter of 2005, a business in our Energy segment was classified as being held for sale. We continually evaluate opportunities to align our business activities within core operations. The business held for sale is a manufacturing operation, which is not a part of our core operations. We are actively seeking a buyer for this business, and we believe it is probable that it will be sold by the third quarter of 2006. For all of the periods presented, the related results of operations are shown as a discontinued operation, net of tax, in our consolidated statements of operations and cash flows.

The carrying amounts of the major classes of related assets and liabilities were as follows:

	November 30,	
	2004	2005
	(In thousands)	
Assets		
Accounts receivable, net	$ 254	$ 85
Inventories	784	774
Property and equipment, net	135	104
Intangible assets	800	665
Deferred tax asset	267	304
Liabilities		
Accounts payable	$ 843	$ 141
Accrued expenses	343	209

Operating results of the discontinued operations for the years ended November 30, 2003, 2004 and 2005 were as follows:

	Years Ended November 30,		
	2003	2004	2005
	(In thousands)		
Revenue	$	$ 582	$ 342
Loss from discontinued operations	$ (312)	$ (3,218)	$ (3,490)
Tax benefit	117	1,249	1,240
Loss from discontinued operations, net	$ (195)	$ (1,969)	$ (2,250)

6. Dissolution of Joint Venture

On January 1, 2004, we dissolved our joint venture with the British Standards Institution (BSI) in favor of a distribution agreement relating to certain products, which incorporate BSI standards and were previously sold through and owned by the joint venture. We recorded a $4.4 million gain in connection with the dissolution of the joint venture, and have included this gain in gain on sales of assets, net, in our consolidated statement of operations. The gain resulted from the fact that the cash distribution that we received in connection with the dissolution exceeded the balance of our investment in the joint venture. A $4.5 million deferred revenue balance was also recorded in 2004 at the time of the dissolution. This amount represented the estimated fair value of the fulfillment obligation that we assumed relative to the subscription products whose ownership reverted back to us at the time of the dissolution.

7. Impairment of Assets

A $0.6 million impairment charge was recorded in 2003 relating to decision-support tools within our Energy segment. This impairment charge was based on a fair value analysis of the future cash flows of the related product.

A $2.0 million impairment charge was recorded in 2004 relating to decision-support tools within our Energy segment. This impairment charge occurred as a result of a decision by management to discontinue development efforts on the product.

No impairment charges were recorded in 2005.

8. Marketable Securities

At November 30, 2004, we did not have any investments. At November 30, 2005, we owned only short-term investments which were classified as available-for-sale securities and reported at fair value as follows:

	Gross Amortized Cost	Unrealized Holding Loss	Estimated Fair Value
		(In thousands)	
Municipal securities	$ 27,239	$ (46)	$ 27,193
Other	30		30
Total	$ 27,269	$ (46)	$ 27,223

We use the specific-identification method to account for gains and losses on securities. Realized gains on sales of marketable securities included within in other income (expense) were immaterial for the year ended November 30, 2005.

We review all marketable securities to determine if any decline in value is other than temporary. We have concluded that the decline in value as of November 30, 2005 is temporary.

9. Accounts Receivable

Our accounts receivable balance consists of the following as of November 30:

	2004	2005
	(In thousands)	
Accounts receivable	$ 123,077	$ 141,797
Less accounts receivable allowance	(5,204)	(4,847)
Accounts receivable, net	$ 117,873	$ 136,950

The activity in our accounts receivable allowance consists of the following as of November 30:

	2003	2004	2005
		(In thousands)	
Balance at beginning of year	$ 4,820	$ 4,154	$ 5,204
Provision for bad debts	470	409	1,149
Recoveries and other additions	389	1,654	9
Write-offs and other deductions	(1,525)	(1,013)	(1,515)
Balance at end of year	$ 4,154	$ 5,204	$ 4,847

10. Property and Equipment

Property and equipment consists of the following at November 30:

	2004	2005
	(In thousands)	
Land, buildings and improvements	$ 49,228	$ 48,934
Machinery and equipment	56,700	51,050
	105,928	99,984
Less: accumulated depreciation	(56,337)	(53,404)
	$ 49,591	$ 46,580

Depreciation expense was approximately $8.6 million, $8.0 million, and $7.2 million in 2003, 2004, and 2005, respectively.

11. Goodwill and Intangible Assets

The following table presents details of our intangible assets, other than goodwill, as of November 30, 2005:

	Useful Life	Gross	Accumulated Amortization	Net
	(Years)		(In thousands)	
Intangible assets subject to amortization:				
Information databases	5-15	$ 11,855	$ (2,433)	$ 9,422
Customer relationships	2-5	7,574	(2,097)	5,477
Non-compete agreements	5	3,492	(936)	2,556
Developed computer software	5	2,654	(1,577)	1,077
Other	3-5	1,535	(607)	928
Total		27,110	(7,650)	19,460
Intangible assets not subject to amortization:				
Trademarks		7,996		7,996
Total intangible assets		$ 35,106	$ (7,650)	$ 27,456

The following table presents details of our intangible assets, other than goodwill, as of November 30, 2004:

	Useful Life	Gross	Accumulated Amortization	Net
	(Years)		(In thousands)	
Intangible assets subject to amortization:				
Information databases	5-15	$ 7,530	$ (1,067)	$ 6,463
Customer relationships	2-5	7,052	(392)	6,660
Non-compete agreements	5	3,757	(177)	3,580
Developed computer software	5	2,364	(1,234)	1,130
Other	3-5	1,232	(216)	1,016
Total		21,935	(3,086)	18,849
Intangible assets not subject to amortization:				
Trademarks		7,972		7,972
Total intangible assets		$ 29,907	$ (3,086)	$ 26,821

The estimated future amortization expense of intangible assets is as follows:

Year	Amount
	(In thousands)
2006	$ 4,600
2007	4,590
2008	4,036
2009	2,711
2010	1,055

Amortization expense of intangible assets was $0.4 million, $1.7 million and $4.2 million for the years ended November 30, 2003, 2004 and November 30, 2005, respectively.

Changes in our goodwill from November 30, 2004 to November 30, 2005 were the result of the 2005 acquisitions (see Note 3) and foreign-currency exchange rate fluctuations.

12. Debt

On January 7, 2005, we entered into a $125 million unsecured revolving credit agreement that has a feature allowing us to expand the facility to a maximum of $250 million. Origination fees and debt costs approximated $0.5 million, which are being amortized over the life of the credit agreement. The credit agreement expires in January 2010.

The credit agreement includes various operating and financial covenants. For example, our covenants limit the capitalized lease obligations and borrowings for leasing or purchasing fixed assets that we can have outstanding at a given time to $10 million; limit the unsecured indebtedness we may have outstanding at a given time (other than the indebtedness outstanding under the credit agreement) to $20 million; and prohibit us from acquiring new businesses if the amount available under the credit agreement plus cash and cash equivalents would be less than $15 million after the acquisition. We must also maintain a fixed coverage charge ratio (which is generally defined as the ratio of consolidated EBITDA plus rent expenses to consolidated fixed

charges) that exceeds 1.10 to 1.00 and our leverage ratio (which is generally defined as the ratio of all indebtedness to consolidated EBITDA) may not exceed 2.00 to 1.00.

As of November 30, 2005, we were in compliance with all of the covenants in the credit agreement and had no borrowings outstanding under the agreement. Borrowing capacity under the credit agreement is limited by outstanding letters of credit, of which we had $1.9 million as of November 30, 2005, which we use to support insurance coverage, leases and certain customer contracts.

Consistent with the terms of the credit agreement, interest is payable periodically and ranges from LIBOR plus 75 basis points to LIBOR plus 137.5 basis points. The facility fee is payable periodically and ranges from 15 basis points to 25 basis points.

13. Guarantees and Indemnifications

In the normal course of business, we are party to a variety of agreements under which we may be obligated to indemnify the other party for certain matters. These obligations typically arise in contracts where we customarily agree to hold the other party harmless against losses arising from a breach of representations or covenants for certain matters such as title to assets and intellectual property rights associated with the sale of products. We also have indemnification obligations to our officers and directors. The duration of these indemnifications varies, and in certain cases, is indefinite. In each of these circumstances, payment by us depends upon the other party making an adverse claim according to the procedures outlined in the particular agreement, which procedures generally allow us to challenge the other party's claims. In certain instances, we may have recourse against third parties for payments that we make.

We are unable to reasonably estimate the maximum potential amount of future payments under these or similar agreements due to the unique facts and circumstances of each agreement and the fact that certain indemnifications provide for no limitation to the maximum potential future payments under the indemnification. We have not recorded any liability for these indemnifications in the accompanying consolidated balance sheets; however, we accrue losses for any known contingent liability, including those that may arise from indemnification provisions, when the obligation is both probable and reasonably estimable.

14. Deferred Stock Units and Restricted Shares with Put Rights

Deferred stock units and restricted shares granted in the Offer and under the 2004 Long-Term Incentive and Directors Stock Plans (see Note 17) contained a put right on the part of the holder and a call right on the part of the Company. At November 30, 2004, redemption of the deferred stock units and restricted shares by the holders was considered uncertain as it was contingent upon certain events not occurring. If a listing event (as defined in the plan), which included an initial public offering, or a change in control, had not occurred on or prior to October 1, 2007, the put right gave the holder the option to sell to the Company, and cause the Company to purchase at fair value, all of the shares of Class A common stock of the Company owned by the holder on October 1, 2007. Similarly, if a listing event or change in control had not occurred on or prior to October 1, 2007, the call right gave the Company the exclusive one-time option to purchase from each participant, and to cause each participant to sell, at fair value, all or a portion of the shares held by him or her as of such date. However, due to the Company's November 16, 2005 initial public offering, the put and call rights terminated resulting in the reclassification of the deferred stock units and restricted shares with put rights into equity.

15. Taxes on Income

The amounts of income from continuing operations before income taxes and minority interests by U.S. and foreign jurisdictions follow for the years ended November 30:

	2003	2004	2005
		(In thousands)	
U.S.	$ 26,117	$ 32,073	$ 2,292
Foreign	40,740	48,129	62,277
	$ 66,857	$ 80,202	$ 64,569

The provision for income tax expense (benefit) from continuing operations, for the years ended November 30 was as follows:

	2003	2004	2005
		(In thousands)	
Current:			
U.S.	$ (834)	$ 3,720	$ 1,670
Foreign	16,861	14,046	13,565
State	880	95	475
Total current	16,907	17,861	15,710
Deferred:			
U.S.	7,090	(2,074)	3,427
Foreign	(983)	522	876
State	1,039	335	363
Total deferred	7,146	(1,217)	4,666
Provision for income taxes	$ 24,053	$ 16,644	$ 20,376

The provision for income taxes from continuing operations recorded within the consolidated statements of operations differs from the provision determined by applying the U.S. statutory tax rate to pretax earnings as a result of the following for the years ended November 30:

	2003	2004	2005
		(In thousands)	
Statutory U.S. federal income tax	$ 23,400	$ 28,071	$ 22,599
State income tax, net of federal benefit	1,579	397	672
Foreign rate differential	(222)	(3,230)	(7,228)
U.S. tax on dividends from foreign affiliates, net of foreign tax credits (FTCs)	4,608	5,940	3,882
Valuation allowance		(6,712)	(574)
Worthless stock deduction	(3,373)		
Benefit of dividends-received deduction		(6,518)	
Increase in reserves			1,371
Other	(1,939)	(1,304)	(346)
Income tax expense	$ 24,053	$ 16,644	$ 20,376
Effective tax rate expressed as a percentage of pretax earnings	36.0%	20.8%	31.6%

Undistributed earnings of our foreign subsidiaries were approximately $34 million at November 30, 2005. Those earnings are considered to be indefinitely reinvested; accordingly, no provision for U.S. federal and state income taxes has been provided thereon. Upon repatriation of those earnings, in the form of dividends or otherwise, we would be subject to both U.S. income taxes (subject to an adjustment for foreign tax credits) and withholding taxes payable to the various foreign countries. Determination of the amount of unrecognized deferred U.S. income tax liability is not practicable due to the complexities associated with its hypothetical calculation. Withholding taxes of approximately $2.9 million would be payable upon remittance of all previously unremitted earnings at November 30, 2005.

The significant components of deferred tax assets and liabilities at November 30 were:

	2004	2005
	(In thousands)	
Deferred tax assets:		
Accruals and reserves	$ 10,185	$ 10,696
Deferred revenue	1,330	526
Depreciation	232	792
Tax credits	17,769	18,805
Deferred loss on stock investment	3,609	2,847
Unrealized foreign exchange and other unrealized losses		633
Net operating losses	3,511	3,170
Other	161	123
	36,797	37,592
Valuation allowance	(6,082)	(5,743)
Net deferred tax assets	30,715	31,849
Deferred tax liabilities:		
Pension and post-retirement benefits	(20,250)	(22,116)
Intangibles	(9,825)	(13,426)
Total deferred tax liabilities	(30,075)	(35,542)
Net deferred tax asset (liability)	$ 640	$ (3,693)

As of November 30, 2005, we had net operating loss carryforwards totaling approximately $9.3 million, comprised of $2.7 million of U.S. loss carryforwards and $6.6 million of foreign loss carryforwards for tax purposes, which will be available to offset future taxable income. If not used, the U.S. tax carryforwards will expire between 2021 and 2024; the foreign tax loss carryforwards generally may be carried forward indefinitely. We believe the realization of substantially all of the entire deferred tax asset related to foreign net operating losses is not more likely than not to occur, and, accordingly, have placed a valuation allowance on this asset.

As of November 30, 2005, we had foreign tax credit (FTC) carryforwards of approximately $12.4 million, research and development (R&D) credit carryforwards of approximately $3.4 million, and Alternative Minimum Tax (AMT) credit carryforwards of approximately $3.0 million, which will be available to offset future U.S. tax liabilities. If not used, the FTC carryforwards will expire between 2011 and 2015, and the R&D credit carryforwards will expire between 2006 and 2025. The AMT credit carryforwards may be carried forward indefinitely. We believe that it is more likely than not that we will realize our FTC and AMT tax credit assets. We believe that a portion of the R&D tax credits will expire unused. As a result, we have placed a valuation allowance of $0.5 million against this deferred tax asset.

The valuation allowance for deferred tax assets decreased by $0.3 million in 2005. The decrease in this allowance was primarily due to the removal of most of the allowance on realization of capital loss carryforwards and the remaining allowance on FTC carryforwards. These decreases were offset by an increase in the R&D credit valuation allowance and an increase on the allowance of foreign subsidiary deferred tax assets.

We have provided what we believe to be an appropriate amount of tax for items that involve interpretation of the tax law. However, events may occur in the future that will cause us to reevaluate our current reserves and may result in an adjustment to the reserve for taxes.

16. Other Comprehensive Income (Loss)

	Foreign currency translation adjustments	Minimum pension liability adjustment	Unrealized losses on foreign-currency hedges	Unrealized losses on short-term investments	Accumulated other comprehensive income (loss)
			(In thousands)		
Balances, November 30, 2002	$ (26,438)	$ (2,010)	$	$	$ (28,448)
Foreign currency translation adjustments	14,850				14,850
Minimum pension liability adjustment		(1,733)			(1,733)
Foreign currency effect on pension	297	(297)			
Tax benefit		520			520
Foreign currency effect on tax benefit	(89)	89			
Balances, November 30, 2003	(11,380)	(3,431)			(14,811)
Foreign currency translation adjustments	13,268				13,268
Minimum pension liability adjustment		(3,062)			(3,062)
Foreign currency effect on pension	565	(565)			
Tax benefit		918			918
Foreign currency effect on tax benefit	(170)	170			
Balances, November 30, 2004	2,283	(5,970)			(3,687)
Foreign currency translation adjustments	(3,694)				(3,694)
Unrealized losses on foreign-currency hedges			(3,619)		(3,619)
Unrealized losses on short-terms investments				(46)	(46)
Minimum pension liability adjustment		(208)			(208)
Foreign currency effect on pension	(858)	858			
Tax benefit		135	615	18	768
Foreign currency effect on tax benefit	258	(258)			
Balances, November 30, 2005	$ (2,011)	$ (5,443)	$ (3,004)	$ (28)	$ (10,486)

17. 2004 Long-Term Incentive and Directors Stock Plans and the Offer to Exchange Options and Shares

Amended and Restated IHS Inc. 2004 Long-Term Incentive Plan

The Amended and Restated IHS Inc. 2004 Long-Term Incentive Plan (LTIP) became effective as of November 30, 2004.

The plan provides for the grant of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, performance units and performance shares, cash-based awards, other stock-based awards and covered employee annual incentive awards. See Note 14 for information concerning certain put and call provisions.

We have authorized a maximum of 7,000,000 shares, minus the number of shares relating to any award granted and outstanding as of, or subsequent to, the effective date under any other of our equity compensation plans. Subject to the plan, the maximum number of shares that may be available for grant pursuant to incentive stock options is 4,000,000.

As of November 30, 2004, no awards of any kind under the LTIP were outstanding.

For the year ended November 30, 2005, equity-based activity under the LTIP was as follows:

	Restricted shares	Performance shares	Restricted share units	Performance share units	Deferred stock units
			(In thousands)		
Balances, November 30, 2004					
Exchanged for options as part of the Offer	1,286,667				1,301,801
Granted	1,393,705	354,510	36,000	11,900	
Vested	(346,834)				
Forfeited	(146,334)				(30,581)
Balances, November 30, 2005	2,187,204	354,510	36,000	11,900	1,271,220

Additional information regarding equity-based grants under the LTIP for the year ended November 30, 2005 is as follows:

Grant Type	Grant Date	Number of Shares	Exercise Price	Fair Value	Intrinsic Value
Deferred stock units	December 2004	1,301,801(a)	$	$ 9.12(b)	$ 9.12
Restricted shares	December 2004	1,970,334(c)	$	$ 9.12(b)	$ 9.12
Restricted shares	January 2005	40,000	$	$ 12.00(d)	$ 12.00
Restricted shares	February 2005	15,000	$	$ 12.00(d)	$ 12.00
Restricted shares	February 2005	203,333(e)	NA	$ 12.00(e)	$ NA
Restricted shares	April 2005	4,000	$	$ 12.00(d)	$ 12.00
Restricted shares	June 2005	4,100	$	$ 13.18(f)	$ 13.18
Restricted shares	July 2005	7,000	$	$ 13.18(f)	$ 13.18
Restricted shares	November 2005	436,605	$	$ 16.95(g)	$ 16.95
Restricted stock units	November 2005	36,000	$	$ 16.95(g)	$ 16.95
Performance shares	November 2005	354,510	$	$ 16.95(g)	$ 16.95
Performance units	November 2005	11,900	$	$ 16.95(g)	$ 16.95

(a) Includes non-executive employees. All of these shares pertained to the Offer (discussed below) and related expense was recorded in 2004.

(b) Fair value was determined contemporaneously by an independent appraiser.

(c) Includes directors (see below), new hires and converted shares. Of this amount, 1,286,667 pertained to the Offer (see below).

(d) Fair value was determined based upon the February 2005 conversion of certain notes payable, related to non-compete agreements from a 2004 acquisition, to restricted shares.

(e) Shares issued and fair value were determined based on the note conversion discussed in (d) above.

(f) Fair value represents the midpoint of the proposed offering price range contained in our May 9, 2005 registration statement, less a liquidity discount.

(g) Fair value represents the average of the published opening and closing price on the date of grant.

IHS Inc. 2004 Directors Stock Plan

Our 2004 Directors Stock Plan became effective as of December 1, 2004. This plan is a sub-plan under our 2004 Long-Term Incentive Plan. Awards under this plan are granted in accordance with the 2004 Long-Term Incentive Plan and will constitute "non-employee director awards" (as defined in that plan). Only non-employee directors are eligible to participate in the plan. As of November 30, 2004, no awards were outstanding.

On each December 1, commencing on December 1, 2005, each non-employee director (except for Messrs. Klein and Staudt):

who was not a director on the preceding December 1 will receive a one-time award consisting of restricted stock units, whose underlying shares will have, on the date of grant, a fair market value (as defined in the plan) equal to $80,000; and

will receive both an award consisting of restricted stock units, whose underlying shares will have, on the date of grant, a fair market value equal to $50,000, and an annual cash retainer award equal to $40,000, which cash-based award may be converted into deferred stock units or deferred.

On December 29, 2004, each non-employee director (except for Messrs. Klein and Staudt):

who was elected to our board on or before November 18, 2004 received 8,000 shares of restricted stock; and

who was elected to our board on or after November 22, 2004 but before November 30, 2004 received 5,000 shares of restricted stock; and

who was a non-employee director as of December 1, 2004 received 4,500 shares of restricted stock, in addition to any other shares of restricted stock he or she may have received under the plan.

Offer to Exchange Options and Shares

Offer. On November 22, 2004, IHS Group Inc. offered to exchange all outstanding stock options to purchase shares of its Class A non-voting common stock that were granted to senior executives, directors and certain employees (other than senior executives) under IHS Group Inc.'s 1998 and 2002 non-qualified stock option plans and IHS Group Inc. shares previously acquired upon the exercise of such options (the "Offer"). See Note 18 for further information concerning IHS Group Inc.'s 1998 and 2002 non-qualified stock options plans. The senior executives, employees and directors who accepted the Offer received:

cash in the amount equal to the excess of the estimated fair value at the date of offer, or $9.42, over the per share exercise price option for every IHS Group Inc. share underlying his or her outstanding option, vested or unvested, with an exercise price lower than $9.42 per share; the $9.42 estimated fair value per share was determined by the Valuation Committee of the Board. The Committee utilized a discounted cash flow analysis prepared by the Company's Chief Financial Officer to establish the fair value per share, and validated the results of this analysis with an internally prepared comparable company analysis. The discounted cash flow analysis provided an estimated range of values from $9.13 - $9.77 per share, while the comparable company analysis supported a range of values from $9.25 to

$9.80 per share. Based on the comparability of these value ranges, the Committee opted to set the price in the middle of the range, at $9.42 per share.

$9.42 in cash for every IHS Group Inc. share he or she previously acquired, upon the exercise of an option, and currently owns (which amount, to the extent applicable, was first applied to the repayment of the principal price of his or her loan in connection with his or her prior option exercise);

an additional $0.42 in cash for every IHS Group Inc. share he or she previously acquired and surrendered in order to satisfy his or her payroll tax withholding in connection with his or her prior exercise of an option; and

for senior executives, one restricted share of our Class A common stock for every three IHS Group Inc. shares underlying his or her outstanding options (or previously acquired upon the exercise of an option), regardless of whether such options were vested or unvested and regardless of their exercise price. Employees other than senior executives received one deferred stock unit representing one share of our Class A common stock for every three IHS Group Inc. shares underlying his or her outstanding options (or previously acquired upon the exercise of an option), regardless of whether such options were vested or unvested and regardless of their exercise price.

All senior executives, directors and certain other employees who received the Offer accepted it prior to the December 23, 2004 expiration of the Offer.

Vesting of our shares. Senior executives' restricted shares will vest in accordance with the following schedule:

one-third of the total number of restricted shares he or she received will vest on the 211th day following our initial public offering;

one-third of the total number of restricted shares he or she received will vest on November 16, 2006, the first anniversary of our initial public offering; and

the remaining number of restricted shares he or she received will vest November 16, 2007, the second anniversary of our initial public offering.

Deferred stock units and shares. Participants received their deferred stock units and, if applicable, cash, as soon as reasonably practicable after the expiration of the Offer. The shares underlying those deferred stock units were delivered to the participants on December 15, 2005.

Former Chief Executive Officer's deferred stock units. Pursuant to the amendment to his termination agreement, our former Chief Executive Officer tendered options to IHS Group Inc. previously issued for $1,040,000 in cash and 583,333 deferred stock units, each representing the right to receive one share of our Class A common stock. The shares underlying the deferred stock units will be delivered to our former Chief Executive Officer on June 1, 2006.

Accounting treatment. On November 22, 2004, the Offer was extended to senior executives, directors, and certain employees other than senior executives. Although the corresponding awards were not granted until December 23, 2004, management believed at November 30, 2004, that the likelihood that the Offer would be accepted by all who received it was probable and the related cost could be reasonably estimated. Consequently, we accrued $21.8 million as of November 30, 2004.

Of the $21.8 million charge, $4.4 million relates to cost of revenue and $17.4 million relates to selling, general and administrative expenses. The accrual of the Offer at November 30, 2004, includes (a) $9.9 million of cash to be paid to settle options under IHS Group Inc.'s 1998 and 2002 non-qualified stock option plans and IHS shares previously acquired upon the exercise of such options and (b) $11.9 million of the deferred stock units and shares. The cost associated with the restricted shares granted to senior executives will be recorded over the vesting period.

18. IHS Group Inc. 1998 and 2002 Non-Qualified Stock Option Plans

Through IHS Group Inc., a wholly-owned subsidiary of IHS Inc., we maintained a stock option plan (the "Plan") that provided for granting of non-qualified stock options to certain employees for the purchase of shares of common stock. As discussed in Note 17, on November 22, 2004, IHS Group Inc. offered to exchange all outstanding stock options under its 1998 and 2002 non-qualified stock option plans. All individuals who received the Offer accepted it.

During 2004, IHS Group Inc. authorized an additional 1.2 million shares, bringing the total shares reserved for issuance pursuant to the Plan to 8.7 million. Options were granted with an exercise price not less than equal to the estimated fair market value of IHS Group Inc. shares at the date of grant. Options granted under the Plan generally vested 100% after the third anniversary of the grant date, and the maximum life of options granted was seven years. In December 2002, IHS Group Inc. adopted certain revisions to the Plan which provided, among other things, IHS Group Inc. with the right or obligation to acquire shares of common stock pursuant to the issuance of such stock options at the estimated fair market value at the date of acquisition.

The following table summarizes IHS Group Inc.'s stock option activity for the three years ended November 30, 2005:

		Outstanding Options	
	Shares Available for Grant	Number of Shares	Weighted-Average Exercise Price
Balance at November 30, 2002:			
(740,000 exercisable)	3,779,750	2,970,250	$ 7.27
Options authorized	750,000		
Options granted at fair market value	(2,688,000)	2,688,000	8.25
Options granted in excess of fair market value	(1,500,000)	1,500,000	9.05
Options forfeited	610,600	(610,600)	7.48
Balance at November 30, 2003:			
(3,065,900 exercisable)	952,350	6,547,650	8.06
Options authorized	1,200,000		
Options granted at fair market value	(1,877,500)	1,877,500	9.00
Options granted in excess of fair market value	(250,000)	250,000	12.00
Options exercised		(475,200)	5.38
Shares repurchased	67,000		
Options forfeited	889,250	(889,250)	7.93
Balance at November 30, 2004:			
(3,198,700 exercisable)	981,100	7,310,700	7.91
Options exchanged as part of the Offer (see Note 17)	(981,100)	(7,310,700)	7.91
Balance at November 30, 2005:			
(none exercisable)			$

The March 2004 stock options of IHS Group Inc. were issued with an exercise price of $9.00 per share. This estimated price per share was determined by the Valuation Committee of the Board. The Committee utilized a discounted net cash flow analysis prepared by the Company's Chief Financial Officer to set this value. This analysis supported an estimated fair market value of IHS Group Inc. of $8.75 - $9.25 per share on a fully diluted basis. As a means of validating the discounted net cash flow analysis, the Committee reviewed an internally prepared comparable company valuation analysis, which provided the Committee with market confirmation that the values derived from the discounted net cash flow analysis were reasonable. This comparable company analysis yielded a range of values from $8.75 - $9.65 per share. In light of the comparability of the results of the above procedures, the Committee determined the fair value of the IHS Group Inc. shares to be in the range of $8.75 - $9.25 per share on a fully diluted basis, consistent with the discounted cash flow analysis referenced above. In order to select a specific per share amount, the Committee opted to set the Fair Market Value of the IHS Group Inc. common stock at the mid-point of the range, or $9.00 per share.

Certain of IHS Group Inc.'s stock options were originally granted to our former Chief Executive Officer with a feature that guaranteed that the option would have a minimum value of $3.00 per option. This feature required IHS Group Inc. to record compensation expense at an amount equal to the difference between the fair value of IHS Group Inc.'s stock and the exercise price, subject to the $3.00 minimum value, over the three-year vesting period. IHS Group Inc. issued 1,000,000 options with this guarantee during 2001 and 250,000 options in 2002. IHS Group Inc. was required to issue an additional 250,000 options with this guarantee over each of the next two years. During 2002, these options were cancelled, in exchange for a deferred cash award equal to the minimum value, and a commitment to issue a similar number of new options during 2003 and 2004. IHS Group Inc. recorded in selling, general and administrative expenses approximately $1.8 million and $0.8 million of compensation expense associated with this deferred cash award for 2003 and 2004, respectively.

We settled all of these options at $9.42 after November 30, 2004 (see Note 17).

Options granted to employees were recorded in accordance with APB 25. Therefore, since the exercise price of the employee stock options equaled the fair value of the underlying stock on the date of grant, no compensation expense was recognized.

Additional information regarding equity-based grants for the year ended November 30, 2004 follows:

Grant Type	Grant Date	Number of Options/Shares	Exercise Price	Fair Value	Intrinsic Value
Subsidiary options	March 2004	1,589,500(a)	$ 9.00	$ 9.00(b)	$
Subsidiary options	March 2004	250,000	$ 12.00	$ 9.00(b)	$
Subsidiary options	September 2004	75,000	$ 9.42	$ 9.42(b)	$

(a) Net of same-year forfeitures of 106,500 shares.

(b) Fair value was determined contemporaneously by the Company's valuation committee, a subcommittee of the board of directors.

19. Employee Retirement Benefits

We sponsor a non-contributory, defined-benefit retirement plan for all of the U.S. salaried employees of our Engineering segment. We also have a defined-benefit pension plan that covers certain employees of a subsidiary of our Engineering segment based in the United Kingdom (U.K.). We account for our participation in these plans in accordance with SFAS No. 87, *Employers' Accounting for Pensions*. Benefits for both plans are generally based on years of service and average base compensation. Plan funding strategies are influenced by employee benefit laws and tax laws. Our U.K. plan includes provision for employee contributions and inflation-based benefit increases for retirees.

On November 30, 2004, our U.S. plan was spun off. Previously, it was a part of a single-employer plan, which included operating companies that we did not own nor consolidate, sponsored by our consolidated subsidiary. As a consequence of the spin-off of our plans, and the transfer of the previously consolidated sponsor subsidiary to a related party owned by TBG, our net pension asset was reduced by the $25.4 million value of the prepaid pension asset attributable to the non-IHS Inc. plans and recorded as a charge to equity.

The decrease in pension income from 2003 to 2004 was primarily due to the decline in the market value of plan investments that occurred from 2000 through 2002. Although pension investment returns were significant in 2003 and 2004, the impact of the three previous years' returns and a continued decline in interest rates reduced the funded positions of the plans to a level that resulted in the amortization of previously unrecognized actuarial losses. In addition, service cost for the U.K. plan in U.S. dollars increased due to the appreciation of the British Pound Sterling against the dollar. The decrease in pension income from 2004 to 2005 was primarily due to the spin-off discussed above. The underfunded position of our U.K. plan resulted in the recognition of an additional minimum liability in 2003, 2004 and 2005.

Both U.S. and U.K. plan assets consist primarily of equity securities with smaller holdings of bonds and real estate. Equity assets are diversified between international and domestic investments, with additional diversification in the domestic category through allocations to large-cap, small-cap, and growth and value investments.

The U.S. plan's established investment policy seeks to balance the need to maintain a viable and productive capital base and yet achieve investment results superior to the actuarial rate consistent with our funds' investment objectives. Beginning January 2005, the U.K. plan's established investment policy is to match the liabilities for active and deferred members with equity investments and match the liabilities for pensioner members with gilts and bonds. Such an investment policy lends itself to a new asset allocation of approximately 50% investment in equities and property and 50% investment in debt securities. Asset allocations are subject to ongoing analysis and possible modification as basic capital market conditions change over time (interest rates, inflation, etc.).

The following compares target asset allocation percentages as of the beginning of 2005 with actual asset allocations at the end of the 2005:

	U.S. Plan Assets		U.K. Plan Assets	
	Target Allocations	Actual Allocations	Target Allocations	Actual Allocations
Equities	30-85%	68%	0-50%	57%
Fixed Income	10-50	11	50	33
Real Estate	0-15	4	0-50	
Other	0-40	17(a)		10

(a) Primarily comprised of cash.

Investment return assumptions for both plans have been determined by obtaining independent estimates of expected long-term rates of return by asset class and applying the returns to assets on a weighted-average basis.

We do not expect any required contributions to the U.S. plan during 2006. However, we expect to contribute approximately $0.8 million to the U.K. plan during 2006.

The following table provides the expected benefit payments from our trustees for our pension plans:

	U.S. Plan	U.K. Plan	Total
		(In thousands)	
2006	$ 10,553	$ 730	$ 11,283
2007	10,447	752	11,199
2008	10,377	775	11,152
2009	10,466	797	11,263
2010	10,527	822	11,349
2011-2015	58,231	4,492	62,723

We recognized approximately $12.8 million, $10.5 million and $6.5 million of net periodic pension benefit income in 2003, 2004, and 2005, respectively. The net periodic pension benefit income was based upon actuarial estimates. Net periodic pension benefit income in 2003 and 2004 includes the results from the multi-employer plan from which IHS's retirement plan was spun off effective November 30, 2004. The following table provides the components of the net periodic pension benefit income, for the years ended November 30:

	2003			2004			2005		
	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total
					(In thousands)				
Service costs incurred	$ 3,601	$ 567	$ 4,168	$ 4,052	$ 700	$ 4,752	$ 2,768	$ 752	$ 3,520
Interest costs on projected benefit obligation	15,173	1,105	16,278	14,580	1,390	15,970	10,927	1,483	12,410
Expected return on plan assets	(31,603)	(1,217)	(32,820)	(29,537)	(1,503)	(31,040)	(21,329)	(1,316)	(22,645)
Amortization of prior service cost	165		165	192		192	87		87
Amortization of actuarial loss		135	135		440	440		727	727
Amortization of transitional obligation/(asset)	(773)		(773)	(772)		(772)	(568)		(568)
Net periodic pension benefit (income) expense	$ (13,437)	$ 590	$ (12,847)	$ (11,485)	$ 1,027	$ (10,458)	$ (8,115)	$ 1,646	$ (6,469)

The changes in the projected benefit obligation and fair value of plan assets were as follows, for the years ended November 30:

	2004			2005		
	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total
	(In thousands)					
Actuarial present value of accumulated benefit obligation	$ 172,753	$ 27,755	$ 200,508	$ 183,381	$ 28,092	$ 211,473
Change in projected benefit obligation						
Net benefit obligation at beginning of year	$ 256,643	$ 20,657	$ 277,300	$ 187,916	$ 28,898	$ 216,814
Service costs incurred	4,052	700	4,752	2,768	752	3,520
Employee contributions		258	258		247	247
Interest costs on projected benefit obligation	14,580	1,390	15,970	10,927	1,483	12,410
Actuarial loss (gain)	(6,707)	4,229	(2,478)	6,491	1,470	7,961
Gross benefits paid	(15,345)	(719)	(16,064)	(12,366)	(709)	(13,075)
Plan amendment	308		308	252		252
Foreign currency exchange rate change		2,383	2,383		(3,061)	(3,061)
Effect of spin-off	(65,615)		(65,615)			
Net benefit obligation at end of year	$ 187,916	$ 28,898	$ 216,814	$ 195,988	$ 29,080	$ 225,068
Change in plan assets						
Fair value of plan assets at beginning of year	$ 294,992	$ 15,693	$ 310,685	$ 238,426	$ 20,224	$ 258,650
Actual return on plan assets	40,091	2,323	42,414	24,722	2,755	27,477
Employer contributions (distributions)	(1,727)	858	(869)	(842)	785	(57)
Employee contributions		258	258		247	247
Gross benefits paid	(15,345)	(719)	(16,064)	(12,366)	(709)	(13,075)
Foreign currency exchange rate change		1,811	1,811		(2,036)	(2,036)
Effect of spin-off	(79,585)		(79,585)			
Fair value of plan assets at end of year	$ 238,426	$ 20,224	$ 258,650	$ 249,940	$ 21,266	$ 271,206

The funded status is as follows for the years ended November 30:

	2004			2005		
	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total
	(In thousands)					
Reconciliation of funded status						
Over/(under)funded status	$ 50,510	$ (8,674)	$ 41,836	$ 53,952	$ (7,814)	$ 46,138
Unrecognized net transition asset	(2,499)		(2,499)	(1,931)		(1,931)
Unrecognized prior service costs	397		397	562		562
Unrecognized net loss	32,834	9,672	42,506	35,933	7,965	43,898
Prepaid asset recognized in balance sheets	$ 81,242	$ 998	$ 82,240	$ 88,516	$ 151	$ 88,667

The amounts recognized in the balance sheet consist of the following as of November 30:

	2004			2005		
	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total
	(In thousands)					
Prepaid asset	$ 81,242	$ 998	$ 82,240	$ 88,516	$ 151	$ 88,667
Accumulated other comprehensive loss		(8,529)	(8,529)		(6,975)	(6,975)
Net amount recognized at year end	$ 81,242	$ (7,531)	$ 73,711	$ 88,516	$ (6,824)	$ 81,692

Pension expense is actuarially calculated annually based on data available at the beginning of each year. Assumptions used in the actuarial calculation include the discount rate selected and disclosed at the end of the previous year as well as other assumptions detailed in the table below, for the years ended November 30:

	U.S. Plan		U.K. Plan	
	2004	2005	2004	2005
Weighted-average assumptions as of year end				
Discount rate	6.0%	5.8%	5.3%	5.0%
Average salary increase rate	4.5	4.5	4.3	4.2
Expected long-term rate of return on assets	8.5	8.3	6.7	6.5

Employees of certain subsidiaries of both the Energy and Engineering segments may participate in defined contribution plans. Benefit expense relating to these plans was approximately $2.2 million, $2.4 million, and $2.7 million for 2003, 2004 and 2005, respectively.

We have a Supplemental Income Plan, which is a non-qualified pension plan, for certain company executives. Benefit expense recognized under this plan was approximately $0.2 million, $0.7 million, and $0.7 million for 2003, 2004 and 2005, respectively. Additionally, as of November 30, 2005, the related accrued liability was $3.5 million, the related unrecognized net loss was $1.7 million, and the related accumulated other comprehensive loss was $0.9 million. As of November 30, 2004, the related accrued liability was $2.6 million and the related unrecognized net loss was $1.0 million, and the related accumulated other comprehensive loss was immaterial.

20. Post-retirement Benefits

We sponsor a non-contributory, defined-benefit post-retirement plan, which provides certain health care benefits, for all U.S. salaried employees of our Engineering segment who also participate in the U.S. pension plan. We account for the plan pursuant to SFAS No. 106, *Employers' Accounting for Post-retirement Benefits Other Than Pensions*. Substantially all of our employees of our Engineering segment may become eligible for these benefits if they reach normal retirement age while working for us.

We recognized approximately $4.3 million, $4.7 million and $2.4 million of net periodic post-retirement benefit expense in 2003, 2004, and 2005, respectively, based upon actuarial estimates. Net periodic post-retirement benefit expense for 2003 and 2004 includes the results from the multi-employer plan from which the IHS post-retirement plan was spun off effective November 30, 2004.

On November 30, 2004, our U.S. pension plan and our post-retirement benefit plan were spun off. Previously, they were a part of a single-employer plan, which included operating companies that we did not own nor consolidate, sponsored by our consolidated subsidiary. As a consequence of the spin-off of our plans, our prepaid pension asset and our accrued post-retirement benefit liability were reduced for the prepaid pension asset and accrued post-retirement benefit liability attributable to the non-IHS Inc. plans and recorded as a $6.0 million net charge to equity. We expect that our net periodic pension and post-retirement benefit income will be reduced as a result of the spin-off in the future. The net amount of income has been declining over the last three years primarily due to the amortization of actuarial losses resulting from lower than expected asset returns from 2000 through 2002. We expect that the net amount of this income will continue to decline for the foreseeable future.

The obligation under our plan was determined by the application of the terms of medical and life insurance plans together with relevant actuarial assumptions and health care cost trend rates ranging ratably from 9.75% in 2006 to 5.00% in 2012. We have not measured the impact of the prescription drug coverage under the Medicare Modernization Act because our plans are fully insured plans and the savings are dependent upon outside vendors. The discount rate used in determining the accumulated post-retirement benefit obligation was 6.0%, 6.0%, and 5.75% at November 30, 2003, 2004, and 2005, respectively.

The following table provides the components of the net periodic post-retirement benefit expense for the years ended November 30:

	2003	2004	2005
	(In thousands)		
Service costs incurred	$ 1,294	$ 1,481	$ 888
Interest costs	2,556	2,641	1,353
Amortization of net actuarial loss	439	545	137
Net periodic post-retirement benefit expense	$ 4,289	$ 4,667	$ 2,378

The following table provides the components in the changes in the accumulated post-retirement benefit plan obligation for the years ended November 30:

	2004	2005
	(In thousands)	
Post-retirement benefit obligation at beginning of year	$ 43,438	$ 24,852
Service costs	1,481	888
Interest costs	2,641	1,353
Actuarial loss	(100)	(106)
Benefits paid	(1,726)	(842)
Effect of spin-off	(20,882)	
Post-retirement benefit obligation at end of year	$ 24,852	$ 26,145

The following table provides the reconciliation of funded status for the years ended November 30:

	2004	2005
	(In thousands)	
Under-funded status	$ (24,852)	$ (26,145)
Unrecognized net actuarial loss	6,112	5,867
Accrued post-retirement benefit liability at end of year	(18,740)	(20,278)

In accordance with IRS Code Section 420, the cost of coverage provided to the retirees under the retiree medical plan may be paid through a transfer of excess assets of the IHS Retirement Income Plan. We elected to make such qualified transfers in 2004 and 2005. Employer contributions to the post-retirement benefit plan expected to be paid during the year ending November 30, 2006, are approximately $0.9 million.

The following table provides the expected cash flows for our post-retirement benefit plan (in thousands):

2006	$ 859
2007	942
2008	1,042
2009	1,126
2010	1,234
2011-2015	7,956

Assumed health-care cost trend rates have a significant effect on the amounts reported for the health-care plans. A one-percentage-point change in assumed health-care cost trend rates would have the following effects:

	One-percentage-point increase	One-percentage-point decrease
	(In thousands)	
Effect on total of service and interest cost for the year ended November 30, 2005	$ 454	$ (357)
Effect on post-retirement benefit obligation as of November 30, 2005	4,604	(3,698)

21. Long-Term Leases, Commitments and Contingencies

Rental charges in 2003, 2004 and 2005 approximated $10.8 million, $12.7 million, and $14.5 million, respectively. Minimum rental commitments under non-cancelable operating leases in effect at November 30, 2005 are as follows (in thousands):

2006	12,802
2007	10,421
2008	9,586
2009	6,473
2010	4,515
2011 and thereafter	2,416
Total	46,213

We have certain unconditional purchase obligations for internet service, telecom services, software licenses and the similar items. None of the obligations as of November 30, 2005 extend more than three years.

We had outstanding letters of credit in the aggregate amount of approximately $1.7 million and $1.9 million at November 30, 2004 and 2005, respectively.

From time to time, we are involved in litigation, most of which is incidental to our business. In our opinion, no litigation to which we currently are a party is likely to have a material adverse effect on our results of operations or financial condition.

22. Supplemental Cash Flow Information

Net cash provided by operating activities reflects cash payments for interest and income taxes as shown below, for the years ended November 30:

	2003	2004	2005
		(In thousands)	
Interest paid	$ 839	$ 127	$ 755
Income tax payments, net	$ 10,204	$ 16,651	$ 12,833

In 2004, we distributed a preferred stock investment with a fair value of approximately $4.3 million to an affiliate.

Cash and cash equivalents amounting to approximately $132.4 million reflected on the consolidated balance sheets at November 30, 2005, are maintained primarily in U.S. Dollars, Canadian Dollars, British Pound Sterling, and Swiss Francs, and are subject to fluctuation in the current exchange rate.

23. Segment Information

We have two reportable segments: Energy and Engineering. Our Energy segment develops and delivers critical oil and gas industry data on exploration, development, production, and transportation activities to major global energy producers and national and independent oil companies. Our Energy segment also provides operational, research, and strategic advisory services to these customers, as well as to utilities and transportation, petrochemical, coal, and

power companies. Our Engineering segment provides solutions incorporating technical specifications and standards, regulations, parts data, design guides, and other information to customers in its targeted industries. Both segments primarily derive their revenue from subscriptions.

Information as to the operations of our two segments is set forth below based on the nature of the offerings. Our Chairman and Chief Executive Officer and their direct reports represent our chief operating decision maker, and they evaluate segment performance based primarily on revenue and operating profit. The accounting policies of our segments are the same as those described in the summary of significant accounting policies (see Note 2).

No single customer accounted for 10% or more of our total revenue for 2003, 2004, or 2005. There are no intersegment revenues for any period presented.

As shown below, certain corporate transactions are not allocated to the reportable segments. Amounts not allocated include corporate-level restructuring and offering charges, stock-based compensation expense, net periodic pension and post-retirement benefits income, corporate-level impairments, gain on sales of corporate assets, and gain on sale of investment in affiliate.

	Energy	Engineering	Segment Totals	Amounts not Allocated	Consolidated Total
			(In thousands)		
2003					
Revenue	$ 156,151	$ 189,689	$ 345,840	$	$ 345,840
Segment operating income	29,854	28,190	58,044	8,558	66,602
Depreciation and amortization	4,447	4,493	8,940		8,940
Assets	229,211	192,258	421,469	198,644	620,113
Goodwill	170,005	59,413	229,418		229,418
2004					
Revenue	$ 185,792	$ 208,177	$ 393,969	$	$ 393,969
Segment operating income	35,225	32,984	68,209	(15,298)	52,911
Depreciation and amortization	5,527	4,115	9,642		9,642
Assets	307,366	224,059	531,425	221,219	752,644
Goodwill	220,428	81,452	301,880		301,880
2005					
Revenue	$ 242,312	$ 233,805	$ 476,117	$	$ 476,117
Segment operating income	53,003	17,993	70,996	(9,144)	61,852
Depreciation and amortization	6,909	4,510	11,419		11,419
Assets	329,365	235,287	564,652	242,504	807,156
Goodwill	213,941	82,453	296,394		296,394

The following is a schedule of revenue by major product and service:

	2003	2004	2005
		(In thousands)	
Critical information	$ 273,310	$ 308,161	$ 339,815
Decision-support tools	38,292	44,206	56,015
Services	34,238	41,602	80,287
Total revenue	$ 345,840	$ 393,969	$ 476,117

The following is a schedule of revenue and long-lived assets by geographic location:

	2003		2004		2005	
	Revenue	Long-lived assets	Revenue	Long-lived assets	Revenue	Long-lived assets
			(In thousands)			
United States	$ 180,307	$ 160,038	$ 196,090	$ 218,653	$ 245,187	$ 217,351
United Kingdom	68,541	21,314	56,404	33,763	78,660	34,524
Canada	32,798	53,010	41,747	73,176	47,812	73,612
Switzerland	30,757	38,050	61,647	42,134	64,840	36,040
Rest of world	33,437	9,941	38,081	10,566	39,618	8,903
Total	$ 345,840	$ 282,353	$ 393,969	$ 378,292	$ 476,117	$ 370,430

Revenue by geographic area is generally based on the location of our subsidiary that receives credit for the sale (which may not correspond to either the billing address of the customer to which it was shipped or the foreign currency in which it was billed). Long-lived assets include property and equipment, net; intangible assets, net; and goodwill.

24. Quarterly Results of Operations (Unaudited)

The following summarizes certain quarterly results of operations:

	Three Months Ended			
	February 28	**May 31**	**August 31**	**November 30**
	(In thousands)			
2004				
Revenue	$ 91,345	$ 90,042	$ 94,142	$ 118,440
Income from continuing operations	13,083	10,718	11,631	27,851
Net income	12,729	10,423	11,231	26,931
Earnings per share (Class A and Class B):				
Basic	$ 0.23	$ 0.19	$ 0.20	$ 0.49
Diluted	$ 0.23	$ 0.19	$ 0.20	$ 0.49
2005				
Revenue	$ 116,983	$ 115,145	$ 117,957	$ 126,032
Income from continuing operations	13,576	9,328	4,187(a)	16,956
Net income	13,133	8,646	3,660(a)	16,358
Earnings per share (Class A and Class B):				
Basic	$ 0.24	$ 0.16	$ 0.07(a)	$ 0.30
Diluted	$ 0.23	$ 0.15	$ 0.07(a)	$ 0.29

(a) Includes the impact of the third-quarter restructuring charge of $8.3 million and the write-off of previously capitalized initial public offering costs of $4.1 million.

IHS INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands except share data)

	As of August 31, 2006	As of November 30, 2005
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 161,631	$ 132,365
Short-term investments	6,516	27,223
Accounts receivable, net	97,486	136,950
Deferred subscription costs	29,239	27,918
Deferred income taxes	8,956	11,351
Other	7,859	10,638
Total current assets	311,687	346,445
Non-current assets:		
Property and equipment, net	51,698	46,580
Intangible assets, net	60,751	27,456
Goodwill, net	355,120	296,394
Prepaid pension asset	93,659	88,516
Other	3,828	1,765
Total non-current assets	565,056	460,711
Total assets	$ 876,743	$ 807,156
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 20,610	$ 41,625
Accrued compensation	22,956	20,135
Accrued royalties	16,285	26,139
Other accrued expenses	33,908	34,975
Income tax payable	7,347	7,726
Deferred subscription revenue	177,503	149,552
Risk management liabilities		2,705
Total current liabilities	278,609	282,857
Long-term debt	573	262
Accrued pension liability	8,060	6,824
Accrued post-retirement benefits	18,895	20,278
Deferred income taxes	13,300	15,044
Other liabilities	6,568	4,402
Minority interests	385	309
Commitments and contingencies		
Stockholders' equity:		
Class A common stock, $0.01 par value per share, 80,000,000 shares authorized, 45,547,210 and 44,078,231 issued and outstanding at August 31, 2006 and November 30, 2005, respectively	455	441
Class B common stock, $0.01 par value per share, 13,750,000 shares authorized, issued and outstanding at August 31, 2006 and November 30, 2005	138	138
Additional paid in capital	163,143	168,196
Retained earnings	386,156	343,684
Accumulated other comprehensive income (loss)	461	(10,486)
Unearned compensation		(24,793)
Total stockholders' equity	550,353	477,180

	As of August 31, 2006	As of November 30, 2005
Total liabilities and stockholders' equity	$ 876,743	$ 807,156

See accompanying notes.

IHS INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands except per-share amounts)

	Nine Months Ended August 31,	
	2006	**2005**
	(Unaudited)	
Revenue:		
Products	$ 334,265	$ 291,343
Services	68,379	58,742
Total revenue	402,644	350,085
Operating expenses:		
Cost of revenue:		
Products	141,395	132,274
Services	46,956	37,724
Total cost of revenue (includes stock-based compensation expense of $2,558 and $227 for the nine months ended August 31, 2006 and 2005, respectively)	188,351	169,998
Selling, general and administrative (includes stock-based compensation expense of $9,907 and $3,318 for the nine months ended August 31, 2006 and 2005, respectively)	143,924	126,079
Depreciation and amortization	10,930	8,539
Restructuring and offering charges	2	12,397
Loss (gain) on sales of assets, net	53	(1,331)
Net periodic pension and post-retirement benefits	(3,212)	(2,781)
Earnings in unconsolidated subsidiaries	(180)	(78)
Other expense (income), net	1,024	(481)
Total operating expenses	340,892	312,342
Operating income	61,752	37,743
Interest income	4,161	2,553
Interest expense	(272)	(693)
Non-operating income, net	3,889	1,860
Income from continuing operations before income taxes and minority interests	65,641	39,603
Provision for income taxes	(21,079)	(12,498)
Income from continuing operations before minority interests	44,562	27,105
Minority interests	(170)	(14)
Income from continuing operations	44,392	27,091
Discontinued operations:		
Loss from discontinued operations, net	(1,920)	(1,652)
Net income	$ 42,472	$ 25,439
Income from continuing operations per share:		
Basic (Class A common stock and Class B common stock)	$ 0.79	$ 0.49
Diluted (Class A common stock and Class B common stock)	$ 0.79	$ 0.49

	Nine Months Ended August 31,	
Loss from discontinued operations per share:		
Basic (Class A common stock and Class B common stock)	$ (0.04)	$ (0.03)
Diluted (Class A common stock and Class B common stock)	$ (0.04)	$ (0.03)
Net income per share:		
Basic (Class A common stock and Class B common stock)	$ 0.75	$ 0.46
Diluted (Class A common stock and Class B common stock)	$ 0.75	$ 0.46
Weighted average shares:		
Basic (Class A common stock)	42,568	41,316
Basic (Class B common stock)	13,750	13,750
Diluted (Class A common stock)	56,433	55,838
Diluted (Class B common stock)	13,750	13,750

See accompanying notes.

IHS INC.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

(In thousands)

	Shares of Class A Common Stock	Class A Common Stock	Shares of Class B Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Unearned Compensation	Total
Balance at November 30, 2005	44,078	$ 441	13,750	$ 138	$ 168,196	$ 343,684	$ (10,486)	$ (24,793)	$ 477,180
Adoption of SFAS No. 123(R)					(24,793)			24,793	
Stock-based award activity	1,469	14			12,357				12,371
Tax benefit on vested shares					7,383				7,383
Net income						42,472			42,472
Other comprehensive income:									
Foreign currency translation adjustments							8,648		8,648
Minimum pension liability adjustment, net of tax							(323)		(323)
Unrealized gains on short-term investments, net of tax							25		25
Unrealized gains on foreign-currency hedges, net of tax							2,597		2,597
Comprehensive income, net of tax									53,419
Balance at August 31, 2006	45,547	$ 455	13,750	$ 138	$ 163,143	$ 386,156	$ 461	$	$ 550,353

See accompanying notes.

IHS INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Nine Months Ended August 31,	
	2006	**2005**
	(Unaudited)	
Operating activities		
Net income	$ 42,472	$ 25,439
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	10,930	8,716
Stock-based compensation expense (non-cash portion)	12,720	3,545
(Gain) loss on sales of assets, net	53	(1,331)
Impairment of assets of discontinued operations	1,012	
Net periodic pension and post-retirement benefits	(3,212)	(2,781)
Minority interests	49	14
Deferred income taxes	569	59
Change in assets and liabilities:		
Accounts receivable, net	51,148	33,614
Other current assets	3,273	(794)
Accounts payable	(26,679)	(20,530)
Accrued expenses	(10,772)	(20,076)
Income taxes	(971)	2,055
Deferred subscription revenue	13,560	8,275
Other liabilities		614
Net cash provided by operating activities	94,152	36,819
Investing activities		
Capital expenditures on property and equipment	(8,047)	(3,965)
Intangible assets acquired	(3,300)	
Change in other assets	289	1,524
Purchase of investments	(5,353)	(18,871)
Sales and maturities of investments	26,671	1,100
Acquisitions of businesses, net of cash acquired	(84,454)	(2,967)
Proceeds from sales of assets	400	1,334
Net cash used in investing activities	(73,794)	(21,845)
Financing activities		
Net payments on debt	(210)	(390)
Tax benefit from equity compensation plans	7,383	
Net cash provided by (used in) financing activities	7,173	(390)
Foreign exchange impact on cash balance	1,735	(1,269)
Net increase in cash and cash equivalents	29,266	13,315
Cash and cash equivalents at the beginning of the period	132,365	124,452
Cash and cash equivalents at the end of the period	$ 161,631	$ 137,767

See accompanying notes.

IHS INC.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation and Significant Accounting Policies

Nature of Operations

IHS Inc. (IHS, the Company, we, our, or us) is a publicly traded Delaware corporation. We are one of the leading global providers of critical technical information, decision-support tools and services to customers in the energy, defense, aerospace, construction, electronics, and automotive industries.

Consolidation Policy

The consolidated financial statements include the accounts of all wholly owned and majority-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Unaudited Condensed Consolidated Financial Statements

The accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring accruals, which are necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented. The accompanying condensed consolidated financial statements include our accounts and the accounts of our majority-owned domestic and foreign subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended November 30, 2005. The results of operations for the nine months ended August 31, 2006, are not necessarily indicative of the results that may be achieved for the full fiscal year and cannot be used to indicate financial performance for the entire year.

The year-end condensed consolidated balance sheet data was derived from the audited November 30, 2005, balance sheet.

Results Subject to Seasonal Variations

Although our business model is broadly subscription based resulting in recurring revenue and cash flow, our business does have seasonal aspects. For example, certain sales of non-deferred subscriptions occur most frequently in our first and fourth quarters. Consequently, we generally recognize a greater percentage of our revenue and income from operations in those quarters. Also, our first quarter benefits from the inclusion of the results from CERAWeek, an annual energy executive gathering.

Subscriptions are generally paid in full within one-to-two months after the subscription period commences. As a result, the timing of our cash flows generally precedes the recognition of revenue and income from operations. Due to the historical timing and alignment of our sales to correspond to certain of our customers' budget and funding cycles, our cash flow provided by operating activities tends to be higher in the first half of our fiscal year as we receive subscription payments.

Use of Estimates

The preparation of interim condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ materially from these estimates. On an ongoing basis, we evaluate our estimates, including those related to the allowances for doubtful accounts,

fair value of marketable securities and investments, fair value of acquired intangible assets and goodwill, useful lives of intangible assets and property and equipment, and income taxes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities.

Income Taxes

Our effective quarterly tax rate is estimated based upon the effective tax rate expected to be applicable for the full fiscal year. Our effective tax rate for the nine months ended August 31, 2006 was 32.1% compared to 31.6% for the prior-year period.

Earnings per Share

Earnings per common share (EPS) are computed in accordance with SFAS No. 128, *Earnings Per Share*. Basic EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common shares.

Our authorized capital stock consists of 80,000,000 shares of Class A common stock and 13,750,000 shares of Class B common stock. These classes have equal dividend rights and liquidation rights. However, the holders of our Class A common stock are entitled to one vote per share and holders of our Class B common stock are entitled to ten votes per share on all matters to be voted upon by the stockholders. Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock and will automatically convert, without any action by the holder, upon the earlier of the occurrence of specified events or November 16, 2009.

We use the two-class method for computing basic and diluted EPS amounts. We calculated undistributed earnings as follows:

	Nine Months Ended August 31,	
	2006	**2005**
	(In thousands)	
Net income	$ 42,472	$ 25,439
Less: dividends		
Undistributed earnings	$ 42,472	$ 25,439

Weighted average common shares outstanding were calculated as follows:

	Nine Months Ended August 31,			
	2006		2005	
	Class A	Class B	Class A	Class B
	(In thousands)			
Weighted average common shares outstanding:				
Shares used in basic per-share calculation	42,568	13,750	41,316	13,750
Effect of dilutive securities:				
Deferred stock units	68		675	
Restricted shares	46		97	
Stock options	1			
Assumed conversion of Class B shares	13,750		13,750	
Shares used in diluted per-share calculation	56,433	13,750	55,838	13,750

Undistributed earnings and basic and diluted EPS amounts were calculated as follows:

	Nine Months Ended August 31,			
	2006		2005	
	Class A	Class B	Class A	Class B
	(In thousands)			
Basic				
Weighted average shares outstanding	42,568	13,750	41,316	13,750
Divided by: Total weighted average shares outstanding (Class A and Class B)	56,318	56,318	55,066	55,066
Multiplied by: Undistributed earnings	$ 42,472	$ 42,472	$ 25,439	$ 25,439
Subtotal	$ 32,102	$ 10,370	$ 19,087	$ 6,352
Divided by: Weighted average shares outstanding	42,568	13,750	41,316	13,750
Earnings per share	$ 0.75	$ 0.75	$ 0.46	$ 0.46
Diluted				
Weighted average shares outstanding	56,433	13,750	55,838	13,750
Divided by: Total weighted average shares outstanding (Class A and Class B)	56,433	56,433	55,838	55,838
Multiplied by: Undistributed earnings	$ 42,472	$ 42,472	$ 25,439	$ 25,439
Subtotal	$ 42,472	$ 10,348	$ 25,439	$ 6,264
Divided by: Weighted average shares outstanding	56,433	13,750	55,838	13,750
Earnings per share	$ 0.75	$ 0.75	$ 0.46	$ 0.46

Capital Structure

For the nine months ended August 31, 2006, our capital structure changed as follows:

	Class A common shares	Nonvested Restricted shares	Nonvested Performance shares	Total Class A common shares
Balances, November 30, 2005	41,537	2,187	354	44,078
Granted		72	183	255
Vested equity awards(a)	1,818	(548)		1,270
Forfeited		(52)	(4)	(56)
Balances, August 31, 2006	43,355	1,659	533	45,547

(a) Vested equity awards were primarily comprised of approximately 1.3 million deferred stock units, which represented rights to shares of our Class A common stock but not actual Class A shares prior to vesting and delivery.

There was no change to the number of Class B common shares outstanding during the nine months ended August 31, 2006.

Derivatives

We follow the provisions of SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* (SFAS 133). SFAS 133 requires every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in our condensed consolidated balance sheet as either a risk management asset or risk management liability measured at its fair value, with changes in the fair value of qualifying hedges recorded in other comprehensive income. SFAS 133 requires that changes in a derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Accounting for qualifying hedges allows a derivative's gains and losses to offset the related results of the hedged item and requires us to formally document, designate and assess the effectiveness of transactions that receive hedge accounting treatment. Based on the criteria established by SFAS 133, all of our qualifying hedges, consisting of foreign-currency forward contracts, are deemed effective. While we expect that our derivative instruments will continue to meet the conditions for hedge accounting, if the hedges did not qualify as effective or if we did not believe that forecasted transactions would occur, the changes in the fair value of the derivatives used as hedges would be reflected in earnings. We do not believe we are exposed to more than a nominal amount of credit risk in our hedging activities, as our counter party is an established, well-capitalized financial institution.

Our Swiss subsidiary's local currency is its functional currency. The functional currency is used to pay labor and other operating costs, and it also has certain other operating costs which are denominated in British Pound Sterling. However, this subsidiary bills and collects principally in U.S. dollars. Beginning January 2005, to hedge our Swiss subsidiary's foreign-currency risk, we effectively converted a portion of our Swiss subsidiary's calendar-year 2005 sales and operating expenses which are denominated in foreign currencies into the local currency using forward contracts. We have not entered into similar contracts to hedge our Swiss subsidiary's calendar-year 2006 sales and operating expenses. Our Swiss subsidiary's revenue transactions are subscription-based and, consequently, they are deferred initially and recognized ratably into earnings over the course of the subscription period, generally twelve months. Accordingly, our related hedges are accounted for in the same fashion. As a result, we expect all of the $0.8 million unrealized loss on

foreign currency hedges in accumulated other comprehensive income at August 31, 2006 will be recognized in our operating results by the end of November 2006.

During the nine months ended August 31, 2006, we recorded losses of $3.1 million in revenue and gains of $0.1 million in cost of revenue in the accompanying condensed consolidated statements of operations for settled forward-exchange contracts. During the nine months ended August 31, 2005, we recorded losses of $0.2 million in revenue and gains of $0.4 million in cost of revenue in the accompanying condensed consolidated statement of operations for settled forward exchange contracts.

As of August 31, 2006, we had no risk management assets or liabilities associated with foreign exchange contracts on our condensed consolidated balance sheet as all such transactions had settled early in the first quarter of 2006. As of November 30, 2005, we had current risk management liabilities of $2.7 million and current risk management assets of $0.1 million associated with foreign-exchange contracts, consisting of the fair market value of forward-exchange contracts.

Additionally, for our Swiss subsidiary, we effectively converted a portion of its U.S.-dollar-denominated accounts receivable to its local currency. As of August 31, 2006, the notional amount of this contract was $13.3 million. As of November 30, 2005, the notional amount of this contract was $7.2 million. During the nine months ended August 31, 2006 and 2005, we recorded a gain of approximately $0.3 million and a loss of $1.0 million, respectively, in other (income) expense, net for settled foreign exchange contracts. Our accounts receivable hedges do not qualify for hedge accounting.

Recent Accounting Pronouncement

In July 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109* (FIN 48), which provides clarification related to the process associated with accounting for uncertain tax positions recognized in consolidated financial statements. FIN 48 prescribes a more-likely-than-not threshold for financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. FIN 48 also provides guidance related to, among other things, classification, accounting for interest and penalties associated with tax positions, and disclosure requirements. We are required to adopt FIN 48 on December 1, 2007, although early adoption is permitted. We are currently evaluating the impact of adopting FIN 48 on our consolidated financial statements.

2. Acquisitions

To date in 2006, we have acquired four separate businesses: the assets of Canadian Hydrodynamics Ltd. (CHD), the assets of GeoPLUS Corporation (GeoPLUS), the shares of Construction Research Communications Limited (CRC), and certain assets of i2 Technologies, Inc.'s content-and-data-services (CDS) business.

CHD

During July 2006, we acquired the assets of Calgary, Canada-based CHD for approximately $3.5 million using existing cash on hand. CHD is a leading provider of comprehensive drillstem test information for the Western Canadian Sedimentary Basin. The CHD database has been available

exclusively through IHS AccuMap, one of our Energy product offerings, as a partner dataset since 1995.

GeoPLUS

In June 2006, we acquired the assets of GeoPLUS of Tulsa, Okla., for approximately $42.1 million using existing cash on hand. GeoPLUS has a PC-based software family, PETRA®, which is a popular platform used by oil and gas companies to analyze subsurface data from existing oil and gas wells.

CRC

Within our Engineering segment, we acquired CRC Limited, of London, U.K., during June 2006 for approximately $5.8 million, net of acquired cash, using existing cash on hand. CRC was created by the Building Research Establishment (BRE) and Emap Construct to deliver a wide range of BRE products relating to the construction industry, ranging from environmental issues to fire safety.

CDS

On December 1, 2005, we acquired the assets of a content-and-data-services business for approximately $33.0 million that serves several of the industries targeted by our Engineering segment. The core product of this business is an extensive database that includes technical attributes and alternatives for, and obsolescence and environmental data on, electronic component parts.

Each acquisition was accounted for using the purchase method of accounting. Our unaudited condensed consolidated financial statements include all the assets and liabilities acquired and the results of operations from the applicable date of acquisition. Pro forma results of the acquired businesses have not been presented as they did not have a material impact on our results of operations.

The purchase prices for these acquisitions, excluding acquired cash, were initially allocated as follows (in thousands):

	CHD	GeoPLUS	CRC	CDS	Total
Assets:					
Current assets	$ 317	$ 2,052	$ 591	$	$ 2,960
Property and equipment		25		250	275
Intangible assets	1,949	19,380	1,844	15,420	38,593
Goodwill	1,586	23,576	3,635	21,685	50,482
Deferred tax assets			2		2
Total assets	3,852	45,033	6,072	37,355	92,312
Liabilities:					
Current liabilities	317	2,919	243	4,379	7,858
Long-term liabilities					
Total liabilities	317	2,919	243	4,379	7,858
Purchase price	$ 3,535	$ 42,114	$ 5,829	$ 32,976	$ 84,454

3. Restructuring and Offering Charges

A summary of the restructuring and offering charges follows (in thousands):

	Nine Months Ended August 31,	
	2006	**2005**
Restructuring charge	$ (18)	$ 8,277
Offering costs	20	4,120
Total	$ 2	$ 12,397

During the third quarter of 2005, we executed a restructuring initiative affecting our Engineering segment and certain unallocated corporate costs. This initiative was undertaken to reduce costs, further the integration of operations from previous acquisitions, streamline our data delivery processes, and realign the marketing function to support core product initiatives. During the course of the restructuring, we reduced our aggregate workforce by over 100 employees and closed certain offices.

The restructuring charge was incurred in its entirety during the third quarter of 2005. Approximately $4.4 million and $3.8 million of the restructuring charge related to our Engineering segment and certain unallocated corporate costs, respectively. Our Energy segment did not have a restructuring charge. The restructuring charge was comprised of the following (in thousands):

Employee severance and other termination benefits	$ 5,947
Accelerated vesting of restricted stock	2,130
Contract-termination costs	167
Total	$ 8,244

A reconciliation of the related accrued restructuring liability from November 30, 2005 to August 31, 2006 was as follows:

	Employee Severance and Other Termination Benefits	**Accelerated Vesting of Restricted Shares**	**Contract Termination Costs**	**Total**
	(In thousands)			
Beginning balance	$ 399	$	$	$ 399
Add: Restructuring costs incurred				
Less: Amount reversed during the nine months ended August 31, 2006	(18)			(18)
Less: Amount paid during the nine months ended August 31, 2006	(191)			(191)
Ending balance	$ 190	$	$	$ 190

4. Discontinued Operations

During the third quarter of 2005, a business in our Energy segment was classified as being held for sale. We continually evaluate opportunities to align our business activities within core operations. The business held for sale was a manufacturing operation, which is not a part of our core operations.

During the first quarter of 2006, we revised our estimate, and wrote down the value, of the assets of the discontinued operation $1.0 million based on what we had experienced to date in the sales process. During the third quarter of 2006, we sold the business to an unrelated third party for approximately $0.4 million and recognized a loss of less than $0.1 million on the sale of the business. The loss on sale of discontinued operations is included in the loss on discontinued operations, net line item on our condensed consolidated statement of operations.

For all of the periods presented, the related results of operations are shown as a discontinued operation, net of tax, in our condensed consolidated statements of operations and cash flows.

The carrying amounts of the major classes of related assets and liabilities were as follows:

	August 31, 2006	November 30, 2005
	(In thousands)	
Assets		
Accounts receivable, net	$	$ 85
Inventories		774
Property and equipment, net		104
Intangible assets	93	665
Deferred tax asset		304
Liabilities		
Accounts payable	$ 1	$ 141
Accrued expenses	135	209

Operating results of the discontinued operations for the nine months ended August 31, 2006 and 2005 were as follows:

	Nine Months Ended August 31,	
	2006	2005
Revenue	$ 399	$ 312
Loss from discontinued operations	$ (2,766)	$ (2,577)
Tax benefit	846	925
Loss from discontinued operations, net	$ (1,920)	$ (1,652)

5. Marketable Securities

At August 31, 2006, we owned short-term investments which were classified as available-for-sale securities and reported at fair value as follows:

	Gross Amortized Cost	Unrealized Holding Losses	Estimated Fair Value
		(In thousands)	
Municipal securities	$ 6,495	$ (2)	$ 6,493
Other	23		23
Total	$ 6,518	$ (2)	$ 6,516

We use the specific-identification method to account for gains and losses on securities. Realized gains on sales of marketable securities included within other (income) expense were immaterial for the nine months ended August 31, 2006 and 2005.

We review all marketable securities to determine if any decline in value is other than temporary. We have concluded that the decline in value as of August 31, 2006 is temporary.

6. Commitments and Contingencies

We are a party to various legal proceedings that arise in the ordinary course of business. In the opinion of management, none of these actions, either individually or in the aggregate, is expected to have a material adverse affect on our financial condition, liquidity or results of operations.

7. Other Comprehensive Income (Loss)

Our comprehensive income (loss) for the nine months ended August 31, 2006 and 2005 was as follows:

	Nine Months Ended August 31,	
	2006	2005
	(In thousands)	
Net income	$ 42,472	$ 25,439
Other comprehensive income (loss):		
Foreign currency translation adjustment	8,648	(3,773)
Minimum pension liability adjustment	(323)	
Unrealized gains (losses) on foreign currency hedges, net of tax	2,597	(2,717)
Unrealized gains on short-term investments, net of tax	25	(6)
Total other comprehensive income, net of tax	$ 53,419	$ 18,943

8. Employee Retirement Plans

Our net periodic pension (income) expense was comprised of the following:

	Nine Months Ended August 31, 2006			Nine Months Ended August 31, 2005		
	U.S. Plan	U.K. Plan	Total	U.S. Plan	U.K. Plan	Total
	(In thousands)					
Service costs incurred	$ 3,483	$ 661	$ 4,144	$ 2,076	$ 604	$ 2,680
Interest costs on projected benefit obligation	8,013	1,155	9,168	8,195	1,122	9,317
Expected return on plan assets	(15,181)	(1,101)	(16,282)	(15,996)	(995)	(16,991)
Amortization of prior service cost	(262)		(262)	65		65
Amortization of actuarial loss	699	441	1,140		548	548
Amortization of transitional obligation/(asset)	(426)		(426)	(426)		(426)
Net periodic pension benefit (income) expense	$ (3,674)	$ 1,156	$ (2,518)	$ (6,086)	$ 1,279	$ (4,807)

We have a Supplemental Income Plan (SIP), which is non-qualified pension plan, for certain company executives. We also incurred approximately $0.6 million of expense related to our SIP for the nine months ended August 31, 2006. We incurred approximately $0.8 million of expense related to our SIP for the nine months ended August 31, 2005.

Our net periodic post-retirement benefit expense was comprised of the following:

	Nine Months Ended August 31,	
	2006	2005
	(In thousands)	
Service costs incurred	$ 254	$ 698
Interest costs	583	1,116
Amortization of prior service cost	(1,883)	
Amortization of net actuarial loss	352	212
Net periodic post-retirement benefit (income) expense	$ (694)	$ 2,026

During the first quarter of 2006, the human resources committee of our board of directors amended our retiree-medical plan. The new plan design does not cover prescription drug coverage post-Medicare so there is no additional impact from the Medicare Modernization Act.

During the first quarter of 2006, we notified our employees of certain changes adopted by the human resources committee of our board of directors regarding our U.S. pension and post-retirement benefit plans. These changes took effect May 1, 2006. However, we began recording the effect of these changes as of February 1, 2006, the approximate date the changes were communicated to our employees.

9. Segment Information

We have two reportable segments: Energy and Engineering. Our Energy segment develops and delivers critical oil and gas industry data on exploration, development, production, and transportation activities to major global energy producers and national and independent oil companies. Our Energy segment also provides operational, research, and strategic advisory services to these customers, as well as to utilities and transportation, petrochemical, coal, and power companies. Our Engineering segment provides solutions incorporating technical specifications and standards, regulations, parts data, design guides, and other information to customers in its targeted industries. Both segments primarily derive their revenue from subscriptions.

Information as to the operations of our two segments is set forth below based on the nature of the offerings. Our Chairman, and Chief Executive Officer and his direct reports collectively represent our chief operating decision maker, and they evaluate segment performance based primarily on revenue and operating profit. The accounting policies of our segments are the same as those described in the summary of significant accounting policies (see Note 2 to our 2005 Form 10-K).

No single customer accounted for 10% or more of our total revenue for the nine months ended August 31, 2006 or 2005. There are no material inter-segment revenues for any period presented.

As shown below, certain corporate transactions are not allocated to the reportable segments. Amounts not allocated include corporate-level restructuring and offering charges, compensation expense related to equity awards, net periodic pension and post-retirement benefits income, corporate-level impairments, and gains on sales of corporate assets.

	Energy	Engineering	Segment Totals	Amounts not Allocated	Consolidated Total
			(In thousands)		
Nine Months Ended August 31, 2006					
Revenue	$ 214,461	$ 188,183	$ 402,644	$	$ 402,644
Segment operating income	49,449	21,576	71,025	(9,273)	61,752
Depreciation and amortization	6,497	4,433	10,930		10,930
Nine Months Ended August 31, 2005					
Revenue	$ 178,917	$ 171,168	$ 350,085	$	$ 350,085
Segment operating income	38,788	6,376	45,164	(7,421)	37,743
Depreciation and amortization	5,202	3,337	8,539		8,539

10. Stock-Based Compensation

We adopted Statement of Financial Accounting Standards (SFAS) No. 123 (revised 2004), *Share-Based Payment*, effective December 1, 2005, the first day of our 2006 fiscal year. SFAS 123(R) is a revision of SFAS No. 123. SFAS 123(R) supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows.*Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure is no longer an alternative. In March 2005, the Securities and Exchange

Commission issued Staff Accounting Bulletin No. 107, *Share-Based Payment*, (SAB 107) related to SFAS 123(R). We have applied the provisions of SAB 107 in our adoption of SFAS 123(R).

We adopted SFAS 123(R) using the modified prospective transition method, and, consequently, it applies to all of our outstanding nonvested share-based payment awards as of December 1, 2005, and all prospective awards. At December 1, 2005, we had no stock options issued or outstanding.

On August 31, 2006, we had two share-based compensation plans: the Amended and Restated IHS Inc. 2004 Long-Term Incentive Plan and the IHS Inc. 2004 Directors Stock Plan. The 2004 Long-Term Incentive Plan provides for the grant of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, performance units and performance shares, cash-based awards, other stock-based awards and covered employee annual incentive awards. The 2004 Directors Stock Plan provides for the grant of restricted stock and restricted stock units. We believe that such awards better align the interests of our employees and non-employee directors with those of our shareholders.

We have authorized a maximum of 7 million shares, minus the number of shares relating to any award granted and outstanding as of, or subsequent to, the effective date under any other of our equity compensation plans, unless shares used to satisfy such award are shares repurchased from the open market. As of August 31, 2006, the number of such shares granted under such equity compensation plans was approximately 2.9 million, consisting of performance units and performance shares, restricted shares, restricted stock awards and stock options. Subject to the plan, the maximum number of shares that may be available for grant pursuant to incentive stock options is 1.9 million. As of August 31, 2006, there were 99,000 stock options outstanding under the plan.

Stock-based compensation expense that has been charged against income for those plans was as follows:

	Nine Months Ended August 31,	
	2006	**2005**
	(In thousands)	
Cost of revenue	$ 2,558	$ 227
Selling, general and administrative	9,907	3,318
Stock-based compensation expense	$ 12,465	$ 3,545

No compensation cost was capitalized during the nine months ended August 31, 2006 and 2005.

SFAS 123(R) requires forfeitures to be estimated at the grant date. Accordingly, compensation cost is recognized based on the number of awards expected to vest. There may be adjustments in future periods if actual forfeitures differ from our estimates. Our forfeiture rate is based upon historical experience as well as anticipated employee turnover considering certain qualitative factors.

Total compensation expense related to nonvested awards, both share awards and stock options, not yet recognized was $34.6 million as of August 31, 2006, with a weighted-average recognition period of two years.

Prior to adopting SFAS 123(R) on December 1, 2005, the fair value of an equity award grant was recorded to additional paid-in capital with the offsetting entry posted to unearned compensation, also an equity account. The unearned compensation was then amortized to compensation expense related to equity awards over the vesting period using the straight-line method. With the adoption of SFAS 123(R), we reclassified $24.8 million of unearned compensation to additional paid-in capital.

Nonvested Stock. Share awards vest from six months to four years. Share awards are generally subject to graded vesting but we do have a limited number of share awards subject to cliff vesting. The fair value of nonvested stock is based on the fair value of our common stock on the date of grant. We amortize the value of share awards to expense over the vesting period on a straight-line basis. For awards with performance conditions, an evaluation is made each quarter as to the likelihood of the performance criteria being met. Compensation expense is then adjusted to reflect the number of shares expected to vest and the cumulative vesting period met to date.

A summary of the status of our nonvested shares as of August 31, 2006, and changes during the nine months ended August 31, 2006 was as follows:

	Shares	Weighted-Average Grant Date Fair Value
	(in thousands)	
Balances, November 30, 2005	3,861	$ 10.89
Granted	779	$ 27.91
Vested	(1,819)	$ 9.99
Forfeited	(63)	$ 14.37
Balances, August 31, 2006	2,758	$ 16.21

The total fair value of nonvested stock that vested during the nine months ended August 31, 2006 was $41.7 million based on the weighted-average fair value on the vesting date and $18.2 million based on the weighted-average fair value on the date of grant.

Stock Options. Option awards are generally granted with an exercise price equal to the fair market value of our stock at the date of grant. Options outstanding as of August 31, 2006 cliff vest after 4 years of continuous service and have 8-year contractual terms. Certain option and share awards provide for accelerated vesting if there is a change in control (as defined in the plans).

The fair value of each option award is estimated on the date of grant using the Black-Scholes pricing model that uses the assumptions noted in the following table:

	Nine Months Ended August 31, 2006
Dividend yield	0.0%
Expected volatility	27.8%
Risk-free interest rate	5.0%
Expected term (in years)	6.0
Weighted average fair value of stock options granted	$ 11.77

We had no options outstanding during the nine months ended August 31, 2005. Our dividend yield is 0.00% since we have no history of paying dividends and currently have no plan to do so. Our expected volatility is determined annually using a basket of peer company historical volatility rates until such time our stock history is equal to our contractual terms. Our risk-free interest rate is the treasury-bill rate for the period equal to the expected term based on the Treasury note strip principal rates as reported in well-known and widely used financial sources. Our expected term is the average of the contractual term of the option and the vesting period (i.e., the "shortcut method.").

The following table summarized changes in outstanding stock options during the nine months ended August 31, 2006, as well as options that are vested and expected to vest and stock options exercisable at August 31, 2006:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in thousands)			(in thousands)
Outstanding at November 30, 2005				
Granted	99	$ 30.80		
Exercised				
Forfeited				
Outstanding at August 31, 2006	99	$ 30.80	5.9	$
Vested and expected to vest at August 31, 2006	99	$ 30.80	5.9	$
Exercisable at August 31, 2006				$

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of our common stock on August 31, 2006, which was $30.01, and the exercise price, multiplied by the number of in-the-money stock options as of the same date. This represents the amount that would have been received by the stock option holders if they had all exercised their stock options on August 31, 2006. In future periods, this amount will change depending on fluctuations in our stock price. The total intrinsic value of stock options exercised during the nine months ended August 31, 2006 was $0.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

TABLE OF CONTENTS

Prospectus Summary
Risk Factors
Special Note Regarding Forward-Looking Statements
Use of Proceeds
Dividend Policy
Price Range of Common Stock
Capitalization
Selected Historical Condensed Consolidated Financial Data
Management's Discussion and Analysis of Financial Condition and Results of Operations
Business
Management
Principal and Selling Stockholders
Certain Relationships and Related Transactions
Description of Capital Stock
Shares Eligible For Future Sale
Material United States Federal Tax Considerations For Non-U.S. Holders of Common Stock
Underwriting
Validity of Class A Common Stock
Experts
Where You Can Find More Information
Index to Consolidated Financial Statements

Shares

IHS Inc.

Class A Common Stock

Joint Book-Running Managers

Goldman, Sachs & Co.

Citigroup

Joint Lead Manager

Morgan Stanley

KeyBanc Capital Markets

Piper Jaffray

Representatives of the Underwriters

Part II
Information Not Required in Prospectus

Item 13. Other Expenses of Issuance and Distribution.

	Amount
SEC registration fee	$ 32,100
NASD filing fee	30,500
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous	*
Total	

* To be included in a future amendment.

Each of the amounts set forth above, other than the SEC registration fee and the NASD filing fee is an estimate. These expenses will be borne by the Registrant.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the Registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The Registrant's amended and restated certificate of incorporation provides for indemnification by the Registrant of its directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law.

The Registrant has entered into indemnification agreements with each of its current and future directors to provide such directors with contractual assurances regarding the scope of indemnification set forth in the Registrant's amended and restated certificate of incorporation, and to provide additional procedural protections. At present, there is no pending litigation or proceeding involving a director, officer, or employee of the Registrant regarding which indemnification is sought, nor is the Registrant aware of any threatened litigation that may result in claims for indemnification.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or (iv) for any transaction from which the director derived an improper personal benefit. The Registrant's Certificate of Incorporation provides for such limitation of liability.

The Registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the Registrant with respect to payments which may be made by the

Registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of Underwriting Agreement will provide for indemnification of directors and officers of the Registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

Since October 2004, the Registrant issued the following securities:

1,286,667 restricted shares of Class A common stock and deferred stock units representing 1,301,801 shares of Class A common stock to certain employees pursuant to the 2004 Offer Under the Non-Qualified Stock Option Plan and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc.; and

597,000, 59,500, and 94,667 restricted shares of Class A common stock to certain senior executives, non-employee directors, and new hires, respectively, pursuant to the Registrant's 2004 Long-Term Incentive Plan.

The issuances of the securities described in the transactions above were deemed to be exempt from registration under the Securities Act of 1933 in reliance on Rule 701 promulgated under the Securities Act as transactions pursuant to a compensatory benefit plan or a written contract related to compensation.

In November 2005, the Registrant sold shares of its Class A common stock to three investment entities affiliated with General Atlantic LLC for an aggregate purchase price of $75 million. This issuance was deemed to be exempt from registration under the Securities Act of 1933 in reliance on Section 4(2) thereof.

Item 16. Exhibits and Financial Statement Schedules.

(a) The following exhibits are filed as part of this Registration Statement:

Exhibit Number	Description
1*	Form of Underwriting Agreement
3.1	Form of Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
3.2	Form of Amended and Restated By-Laws (incorporated by reference to Exhibit 3.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
4.1	Form of Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
4.2	Form of Registration Rights Agreement among IHS Inc. and Urvanos Investments Limited and Urpasis Investments Limited (incorporated by reference to Exhibit 4.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
4.3	Form of Rights Agreement between IHS Inc. and Computershare Trust Company, Inc., as Rights Agent. (incorporated by reference to Exhibit 4.3 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
5*	Opinion of Davis Polk & Wardwell

10.1	Amended and Restated Credit Agreement among IHS Inc., Information Handling Services Group Inc., Information Handling Services Inc., IHS Energy Group Inc., IHS Engineering Group U.K. Ltd., Petroconsultants S.A., KeyBank National Association, U.S. Bank National Association, Wells Fargo Bank, National Association, and the other lenders party thereto, dated as of January 6, 2005 (incorporated by reference to Exhibit 10.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on March 18, 2005).
10.2	Amended and Restated Stock Purchase Agreement by and among Urpasis Investments Limited, Urvanos Investments Limited, IHS Inc., General Atlantic Partners 82, L.P., GAP Coinvestments III, LLC and GAP Coinvestments IV, LLC, dated as of October 6, 2005. (incorporated by reference to Exhibit 10.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on October 6, 2005).
10.3	Employment Agreement by and between IHS Inc. and Charles A. Picasso, dated as of October 15, 2004 (incorporated by reference to Exhibit 10.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.4	Separation Agreement by and between IHS Inc. and Charles A. Picasso dated as of September 20, 2006 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended August 31, 2006).
10.5	Employment Agreement by and between IHS Inc. and Stephen Green, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.3 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.6	Employment Agreement by and between IHS Inc. and Michael J. Sullivan, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.4 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.7	Employment Agreement by and between IHS Inc. and H. John Oechsle, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.5 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.8	Termination Agreement by and between Robert R. Carpenter and Information Handling Services Group Inc., dated as of August 4, 2004 (incorporated by reference to Exhibit 10.6 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.9	Amendment to Termination Agreement by and between Robert R. Carpenter and Information Handling Services Group Inc., dated as of November 29, 2004 (incorporated by reference to Exhibit 10.7 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.10	Termination Agreement and General Release and Waiver of Claims by and between Randolph A. Weil and Information Handling Services Group Inc., dated as of November 5, 2004 (incorporated by reference to Exhibit 10.8 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.11	Amended and Restated IHS Inc. 2004 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.10 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.12	IHS Inc. 2004 Directors Stock Plan (incorporated by reference to Exhibit 10.10 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.13 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2004 Restricted Stock Award (incorporated by reference to Exhibit 10.12 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.14 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for Charles A. Picasso, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.13 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.15 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for Jerre L. Stead, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.14 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.16 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for H. John Oechsle, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.15 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.17 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Share Award IPO Senior Executive (incorporated by reference to Exhibit 10.16 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.18 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Share Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.17 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.19 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Unit Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.18 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.20 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.19 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.21 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.20 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.22 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO Senior Director and Director Groups (incorporated by reference to Exhibit 10.21 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.23 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO Senior Director and Director Groups (incorporated by reference to Exhibit 10.22 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.24 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO All-Employee Award (incorporated by reference to Exhibit 10.23 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.25	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO All-Employee Award (incorporated by reference to Exhibit 10.24 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.26	Offer Under the Non-Qualified Stock Option Plan (Effective December 1, 1998) and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc., dated as of November 22, 2004 (for senior executives) (incorporated by reference to Exhibit 10.15 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.27	Offer Under the Non-Qualified Stock Option Plan (Effective December 1, 1998) and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc., dated as of November 22, 2004 (for directors and other employees) (incorporated by reference to Exhibit 10.16 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.28	IHS Inc. Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.27 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.29	IHS Supplemental Income Plan (incorporated by reference to Exhibit 10.17 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.30	Summary of Non-Employee Director Compensation Program (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended May 31, 2006).
10.31	Form of Indemnification Agreement between the Company and its Directors (incorporated by reference to Exhibit 10.30 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.32	Letter to Charles Picasso regarding IHS' Cherry Creek Country Club membership, dated February 16, 2005 (incorporated by reference to Exhibit 10.31 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
10.33	Indemnification Agreement by and between TBG Holdings N.V. and IHS Inc., dated as of March 8, 2005 (incorporated by reference to Exhibit 10.32 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
10.34	IHS Executive Relocation Policy (2004) (incorporated by reference to Exhibit 10.20 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on March 18, 2005).
10.35	Amendment No. 1, dated as of May 17, 2005, to Indemnification Agreement by and between TBG Holdings N.V. and IHS Inc., dated as of March 8, 2005 (incorporated by reference to Exhibit 10.34 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.36	Contribution Agreement (incorporated by reference to Exhibit 10.35 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on October 21, 2005).
10.37	IHS Inc. 2004 Long-Term Incentive Plan, 2006 Stock Option Award (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended May 31, 2006).

10.38	Employment Agreement by and between IHS Inc. and Jeffrey Tarr, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended February 28, 2006).
10.39	Employment Agreement by and between IHS Inc. and Ron Mobed, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended February 28, 2006).
21	List of Subsidiaries of the Registrant.
23.1	Consent of Ernst & Young LLP
23.2*	Consent of Davis Polk & Wardwell (included in Exhibit 5)
24	Power of Attorney (included on signature page)

*

To be filed by amendment.

Filed herewith.

(b)

Financial Statement Schedules

All schedules for the Registrant have been omitted since the required information is not present or because the information is included in the financial statements or notes thereto.

Item 17. Undertakings

The undersigned hereby undertakes:

(a) The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this Registration Statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Englewood, State of Colorado, on the 29th day of September 2006.

IHS INC.

By: /s/ JERRE L. STEAD

Name: Jerre L. Stead
Title: Chairman and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jerre L. Stead and Stephen Green, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated on the 29th day of September 2006.

Signature	Title
/s/ JERRE L. STEAD Jerre L. Stead	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
/s/ MICHAEL J. SULLIVAN Michael J. Sullivan	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ HEATHER MATZKE-HAMLIN Heather Matzke-Hamlin	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)
/s/ C. MICHAEL ARMSTRONG C. Michael Armstrong	Director
/s/ ROGER HOLTBACK Roger Holtback	Director
/s/ BALAKRISHNAN S. IYER Balakrishnan S. Iyer	Director
/s/ MICHAEL KLEIN Michael Klein	Director
/s/ RICHARD W. ROEDEL Richard W. Roedel	Director
/s/ MICHAEL V. STAUDT Michael v. Staudt	Director
/s/ STEVEN A. DENNING Steven A. Denning	Director

Exhibit Number	Description
1*	Form of Underwriting Agreement
3.1	Form of Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
3.2	Form of Amended and Restated By-Laws (incorporated by reference to Exhibit 3.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
4.1	Form of Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
4.2	Form of Registration Rights Agreement among IHS Inc. and Urvanos Investments Limited and Urpasis Investments Limited (incorporated by reference to Exhibit 4.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
4.3	Form of Rights Agreement between IHS Inc. and Computershare Trust Company, Inc., as Rights Agent. (incorporated by reference to Exhibit 4.3 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
5*	Opinion of Davis Polk & Wardwell
10.1	Amended and Restated Credit Agreement among IHS Inc., Information Handling Services Group Inc., Information Handling Services Inc., IHS Energy Group Inc., IHS Engineering Group U.K. Ltd., Petroconsultants S.A., KeyBank National Association, U.S. Bank National Association, Wells Fargo Bank, National Association, and the other lenders party thereto, dated as of January 6, 2005 (incorporated by reference to Exhibit 10.1 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on March 18, 2005).
10.2	Amended and Restated Stock Purchase Agreement by and among Urpasis Investments Limited, Urvanos Investments Limited, IHS Inc., General Atlantic Partners 82, L.P., GAP Coinvestments III, LLC and GAP Coinvestments IV, LLC, dated as of October 6, 2005. (incorporated by reference to Exhibit 10.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on October 6, 2005).
10.3	Employment Agreement by and between IHS Inc. and Charles A. Picasso, dated as of October 15, 2004 (incorporated by reference to Exhibit 10.2 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.4	Separation Agreement by and between IHS Inc. and Charles A. Picasso dated as of September 20, 2006 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended August 31, 2006).
10.5	Employment Agreement by and between IHS Inc. and Stephen Green, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.3 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.6	Employment Agreement by and between IHS Inc. and Michael J. Sullivan, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.4 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.7	Employment Agreement by and between IHS Inc. and H. John Oechsle, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.5 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.8 Termination Agreement by and between Robert R. Carpenter and Information Handling Services Group Inc., dated as of August 4, 2004 (incorporated by reference to Exhibit 10.6 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.9 Amendment to Termination Agreement by and between Robert R. Carpenter and Information Handling Services Group Inc., dated as of November 29, 2004 (incorporated by reference to Exhibit 10.7 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.10 Termination Agreement and General Release and Waiver of Claims by and between Randolph A. Weil and Information Handling Services Group Inc., dated as of November 5, 2004 (incorporated by reference to Exhibit 10.8 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.11 Amended and Restated IHS Inc. 2004 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.10 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.12 IHS Inc. 2004 Directors Stock Plan (incorporated by reference to Exhibit 10.10 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).

10.13 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2004 Restricted Stock Award (incorporated by reference to Exhibit 10.12 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.14 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for Charles A. Picasso, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.13 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.15 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for Jerre L. Stead, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.14 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.16 IHS Inc. 2004 Long-Term Incentive Plan, 2004 Restricted Stock Award for H. John Oechsle, dated as of December 23, 2004 (incorporated by reference to Exhibit 10.15 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.17 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Share Award IPO Senior Executive (incorporated by reference to Exhibit 10.16 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.18 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Share Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.17 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.19 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Performance Unit Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.18 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.20 IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.19 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).

10.21	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO Vice President and Senior Vice President Groups (incorporated by reference to Exhibit 10.20 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.22	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO Senior Director and Director Groups (incorporated by reference to Exhibit 10.21 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.23	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO Senior Director and Director Groups (incorporated by reference to Exhibit 10.22 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.24	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Award IPO All-Employee Award (incorporated by reference to Exhibit 10.23 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.25	IHS Inc. 2004 Long-Term Incentive Plan, Form of 2005 Restricted Stock Unit Award IPO All-Employee Award (incorporated by reference to Exhibit 10.24 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 9, 2005).
10.26	Offer Under the Non-Qualified Stock Option Plan (Effective December 1, 1998) and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc., dated as of November 22, 2004 (for senior executives) (incorporated by reference to Exhibit 10.15 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.27	Offer Under the Non-Qualified Stock Option Plan (Effective December 1, 1998) and the 2002 Non-Qualified Stock Option Plan of IHS Group Inc., dated as of November 22, 2004 (for directors and other employees) (incorporated by reference to Exhibit 10.16 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.28	IHS Inc. Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.27 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.29	IHS Supplemental Income Plan (incorporated by reference to Exhibit 10.17 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on February 4, 2005).
10.30	Summary of Non-Employee Director Compensation Program (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended May 31, 2006).
10.31	Form of Indemnification Agreement between the Company and its Directors (incorporated by reference to Exhibit 10.30 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.32	Letter to Charles Picasso regarding IHS' Cherry Creek Country Club membership, dated February 16, 2005 (incorporated by reference to Exhibit 10.31 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).
10.33	Indemnification Agreement by and between TBG Holdings N.V. and IHS Inc., dated as of March 8, 2005 (incorporated by reference to Exhibit 10.32 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on April 12, 2005).

10.34	IHS Executive Relocation Policy (2004) (incorporated by reference to Exhibit 10.20 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on March 18, 2005).
10.35	Amendment No. 1, dated as of May 17, 2005, to Indemnification Agreement by and between TBG Holdings N.V. and IHS Inc., dated as of March 8, 2005 (incorporated by reference to Exhibit 10.34 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on May 20, 2005).
10.36	Contribution Agreement (incorporated by reference to Exhibit 10.35 to the Registrant's registration statement on to Form S-1 (No. 333-122565) filed on October 21, 2005).
10.37	IHS Inc. 2004 Long-Term Incentive Plan, 2006 Stock Option Award (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended May 31, 2006).
10.38	Employment Agreement by and between IHS Inc. and Jeffrey Tarr, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the period ended February 28, 2006).
10.39	Employment Agreement by and between IHS Inc. and Ron Mobed, dated as of November 1, 2004 (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended February 28, 2006).
21	List of Subsidiaries of the Registrant.
23.1	Consent of Ernst & Young LLP
23.2*	Consent of Davis Polk & Wardwell (included in Exhibit 5)
24	Power of Attorney (included on signature page)

* To be filed by amendment.

Filed herewith.