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Dun & Bradstreet Reports Third Quarter 2016 Results and Reaffirms Guidance

Short Hills, N.J. – November 1, 2016 – Dun & Bradstreet (NYSE: DNB) reported results for the third quarter ended September 30, 2016 of GAAP revenue up 2% year over year, after the effect of foreign exchange (up 3% before the effect of foreign exchange). As Adjusted and organic revenue both flat year over year, after the effect of foreign exchange (up 1% before the effect of foreign exchange).

“We are continuing to execute against our strategy and are leveraging our multi-channel go-to-market approach to drive adoption of our more modern, as-a-service offerings” said Bob Carrigan, CEO of Dun & Bradstreet. “We remain focused on providing our leading commercial data and analytics to our customers when and where they need them, while driving long-term, sustainable growth for the Company.”

	Quarter Ended September 30,		AFX	BFX
	2016	2015	% Change Fav (Unfav)	% Change Fav (Unfav)
<i>(Amounts in millions, except per share data)</i>				
GAAP Revenue	\$ 412.8	\$ 406.2	2%	3%
As Adjusted Revenue	\$ 412.8	\$ 414.2	0%	1%
Organic Revenue	\$ 412.8	\$ 414.2	0%	1%
GAAP Operating Income ⁽¹⁾	\$ 96.8	\$ 85.0	14%	
As Adjusted Operating Income	\$ 107.3	\$ 106.0	1%	
GAAP Diluted Earnings (Loss) Per Share ⁽²⁾	\$ (0.80)	\$ 1.62	N/M	
As Adjusted Diluted Earnings (Loss) Per Share	\$ 1.79	\$ 1.84	(3)%	
Year-To-Date				
	Sept 30, 2016	Sept 30, 2015		
Net Cash Provided By Operating Activities - Continuing Operations (GAAP)	\$ 280.0	\$ 283.5		
Free Cash Flow	\$ 232.1	\$ 240.1		

⁽¹⁾ Quarter ended September 30, 2015 includes the writedown of \$8 million in deferred revenue from acquisitions completed in 2015.

⁽²⁾ Quarter ended September 30, 2016 includes a \$2.43 non-cash loss associated with the sale of operations in Benelux and Latin America.

GAAP net income for the third quarter ended September 30, 2016 included a non-cash loss of \$89.6 million associated with the conversion of our Latin America and Benelux operations into Worldwide Network partnerships. The non-cash loss was driven almost entirely by accumulated currency translation.

See attached Schedules 5 and 6 for a reconciliation of As Adjusted metrics to GAAP results, as well as the definitions of the non-GAAP financial measures that the Company uses to evaluate the business.

Deferred revenue for the Company as of September 30, 2016 was \$580.5 million, flat year over year; Americas was \$520.2 million, up 6% year over year and Non-Americas was \$60.3 million, down 33% year over year. After adjusting for the effect of foreign exchange, dispositions of our Benelux and Latin America operations and the impacts of the write-down of deferred revenue due to purchase accounting, total Company deferred revenue was up 3%, Americas was up 4% and Non-Americas was down 4%, each as compared to last year.

Third Quarter 2016 Segment Results

Americas

- GAAP revenue of \$338.8 million, up 3% year over year both after and before the effect of foreign exchange; As Adjusted and organic revenue of \$338.8 million, up 1% year over year both after and before the effect of foreign exchange;
- GAAP operating income of \$100.6 million, up 16% year over year; As Adjusted operating income of \$107.2 million, up 6% year over year. GAAP operating income growth reflects the impact of \$8 million in acquisition-related deferred revenue adjustments incurred in the third quarter of 2015.

Non-Americas

- GAAP revenue, As Adjusted revenue, and organic revenue of \$74.0 million, down 5% year over year after the effect of foreign exchange (up 2% before the effect of foreign exchange);
- GAAP operating income of \$20.0 million, down 12% year over year. As Adjusted operating income of \$20.1 million, down 11% year over year.

See attached Schedules 3, 4, 5, and 6 for additional detail.

Full Year 2016 Guidance

Dun & Bradstreet today reaffirmed its financial guidance for the full year 2016:

- As Adjusted organic revenue growth of 1½% to 3½%, before the effect of foreign exchange;
- As Adjusted revenue growth of 4% to 6%, before the effect of foreign exchange;
- As Adjusted operating income growth of 1% to 5%;
- As Adjusted diluted EPS of (2%) to 3% versus prior year; and
- Free cash flow of \$255 million to \$285 million, which excludes the impact of legacy tax matters and any potential regulatory fines associated with our China operations.

Dun & Bradstreet does not provide guidance on a GAAP basis because Dun & Bradstreet is unable to predict, with reasonable certainty, the future movement of foreign exchange rates or the future impact of: (i) non-core gains and charges, (ii) acquisition and divestiture-related fees; and (iii) purchase accounting fair value adjustments to deferred revenue. These items are uncertain and will depend on several factors, including industry conditions, and could be material to Dun & Bradstreet's results computed in accordance with GAAP.

Use of Non-GAAP Financial Measures

In addition to reporting generally accepted accounting principles in the United States of America (“GAAP”) results, the Company evaluates performance and reports on a total company basis and on a business segment level basis its results (such as revenue, operating income, operating income growth, operating margin, net income, tax rate and diluted earnings per share) on an “As Adjusted” basis. The term “As Adjusted” refers to the following: the elimination of the effect on revenue due to purchase accounting fair value adjustments to deferred revenue; restructuring charges; other non-core gains and charges that are not in the normal course of our business (such as gains and losses on sales of businesses, impairment charges and material tax and legal settlements); acquisition and divestiture-related fees (such as costs for bankers, legal fees, diligence costs and retention payments); and acquisition-related intangible amortization expense. A recurring component of our “As Adjusted” basis is our restructuring charges, which we believe do not reflect our underlying business performance. Such charges are variable from period to period based upon actions identified and taken during each period. Additionally, our “As Adjusted” results exclude the results of Discontinued Operations.

We also isolate the effects of changes in foreign exchange rates on our revenue growth because we believe it is useful for investors to be able to compare revenue from one period to another, both after and before the effects of foreign exchange. The change in our operating performance attributable to foreign currency rates is determined by converting both our prior and current periods by a constant rate. As a result, we monitor our “As Adjusted” revenue growth both after and before the effects of foreign exchange.

We also analyze “As Adjusted” revenue growth on an organic basis because management believes this information provides important insight into the underlying/ongoing performance of the business. Organic revenue excludes: (1) revenue from acquired businesses for one year from the date of the acquisition and (2) net divested revenue which we define as the historical revenues from the divested businesses net of the annual ongoing future revenue streams resulting from the commercial arrangements entered into in connection with such divestitures.

We may from time to time use the term “sales”, which we define as the value of committed customer contracts. This term is often referred to as “bookings” or “commitments” by other companies.

We also monitor free cash flow as a measure of our business. We define free cash flow as net cash provided by operating activities minus capital expenditures and additions to computer software and other intangibles. Free cash flow measures our available cash flow for potential debt repayment, acquisitions, stock repurchases, dividend payments and additions to cash, cash equivalents and short-term investments. We believe free cash flow to be relevant and useful to our investors as this measure is used by our management in evaluating the funding available after supporting our ongoing business operations and our portfolio of investments.

We also monitor deferred revenue after adjusting for the effect of foreign exchange, dispositions, acquisitions and the impacts of the write-down of deferred revenue due to purchase accounting.

We believe that the use of our non-GAAP financial measures provides useful supplemental information to our investors. Non-GAAP results are presented only as a supplement to the financial statements presented in accordance with GAAP. The non-GAAP financial information is provided to enhance the reader’s understanding of our underlying financial performance. These non-GAAP financial measures should be reviewed in conjunction with the relevant GAAP financial measures and are not presented as an alternative measure of revenue,



operating income, operating margin, net income, diluted EPS or net cash provided by operating activities as determined in accordance with GAAP.

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures and related notes are presented and defined in Schedules 5 and 6 attached to this press release.

Third Quarter 2016 Teleconference

As previously announced, Dun & Bradstreet will review its third quarter 2016 results in a conference call with the investment community on Wednesday, November 2, 2016, at 8 a.m. ET. Live audio, as well as a replay of the conference call will be accessible on Dun & Bradstreet's Investor Relations Web site at <http://investor.dnb.com>.

About Dun & Bradstreet®

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect our customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics. For more about Dun & Bradstreet, visit DNB.com. Twitter: @DnBUS

Forward-Looking and Cautionary Statements

We may from time-to-time make written or oral “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements contained in filings with the Securities and Exchange Commission, in reports to shareholders and in press releases and investor Web casts. These forward-looking statements include, without limitation, any statements related to financial guidance or strategic goals. These forward-looking statements can also be identified by the use of words like “anticipates,” “aspirations,” “believes,” “commits,” “continues,” “estimates,” “expects,” “goals,” “guidance,” “intends,” “plans,” “projects,” “strategy,” “targets,” “will” and other words of similar meaning.

They can also be identified by the fact that they do not relate strictly to historical or current facts.

We cannot guarantee that any forward-looking statement will be realized. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements and whether to invest in, or remain invested in, our securities.

In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, we are identifying the following important factors that, individually or in the aggregate, could cause actual results to differ materially from those contained in any forward-looking statements made by us; any such statement is qualified by reference to the following cautionary factors: (i) reliance on third parties to support critical components of our business model; (ii) our ability to protect our information technology infrastructure against cyber-attack and unauthorized access; (iii) risks associated with potential violations of the Foreign Corrupt Practices Act and similar laws; (iv) customer demand for our products; (v) the successful implementation of our business strategy; (vi) the integrity and security of our global database and data centers; (vii) our ability to maintain the integrity of our brand and reputation; (viii) our ability to renew large contracts and the related revenue recognition and timing thereof; (ix) the impact of macro-economic challenges on our customers and vendors; (x) future laws or regulations with respect to the collection, compilation, storage, use, cross-border transfer and/or publication of information and adverse publicity or litigation concerning the commercial use of such information; (xi) our ability to acquire and successfully integrate other businesses, products and technologies; (xii) adherence by third-party members of our Dun & Bradstreet Worldwide Network, or other third parties who license and sell under the Dun & Bradstreet name, to our quality standards and to the renewal of their agreements with Dun & Bradstreet; (xiii) the effects of foreign and evolving economies, exchange rate fluctuations, legislative or regulatory requirements and the implementation or modification of fees or taxes to collect, compile, store, use, transfer cross-border and/or publish data; and (xiv) the other factors described under the headings “Risk Factors,” “Management’s Discussion and Analysis,” “Legal Proceedings” and elsewhere in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and the Company’s other reports or documents filed or furnished with the Securities and Exchange Commission.

It should be understood that it is not possible to predict or identify all risk factors. Consequently, the above list of important factors and the Risk Factors discussed

in Item 1A. of our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q should not be considered to be a complete discussion of all of our potential trends, risks and uncertainties. Except as otherwise required by federal securities laws, we do not undertake any obligation to update any forward-looking statement we may make from time-to-time.