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## **Dun & Bradstreet Reports First Quarter 2016 Results; Reaffirms Guidance and Declares Quarterly Dividend**

Short Hills, N.J. – May 9, 2016 – Dun & Bradstreet (NYSE: DNB) reported results for the first quarter ended March 31, 2016 of As Adjusted revenue up 7% before the effect of foreign exchange (up 6% after the effect of foreign exchange) with organic revenue flat year over year. First quarter 2016 GAAP revenue increased 7% before the effect of foreign exchange (up 5% after the effect of foreign exchange).

“Dun & Bradstreet’s first quarter results came in at the high end of our expectations and we are starting the year off on the right foot” said Bob Carrigan, CEO of Dun & Bradstreet. “We are gaining traction on our strategy and believe we are well positioned for long-term sustainable growth.”

### **First Quarter 2016 Highlights**

- As Adjusted operating income of \$73.6 million, down 4% year over year and GAAP operating income of \$53.2 million, down 18% year over year; GAAP results were negatively impacted by acquisition-related expenses such as amortization of intangibles;
- Deferred revenue for the Company as of March 31, 2016 was \$661.1 million, up 11% year over year; Americas was \$569.8 million, up 16% year over year and Non-Americas was \$91.3 million, down 12% year over year. After adjusting for the effect of foreign exchange and the acquisition of Dun & Bradstreet Credibility Corp., total Company deferred revenue was up 1% compared to last year, Americas was up 2% and Non-Americas was down 6%. Committed sales through Alliance partners would have added one point of growth to total Company and Americas deferred revenue;
- Free cash flow for the first three months of 2016 was \$114.9 million, down 20% compared to \$143.3 million for the first three months of 2015; net cash provided by operating activities for the first three months of 2016 was \$130.5 million, down 17% compared to \$156.3 million for the first three months of

2015. Free cash flow and net cash provided by operating activities were negatively impacted by higher payments associated with restructuring activities the Company engaged in during the second half of 2015 compared to the second half of 2014.

## **First Quarter 2016 Segment Results**

### **Americas**

- As Adjusted revenue of \$309.6 million, up 10% year over year both before and after the effect of foreign exchange; organic revenue increased 1% before the effect of foreign exchange; GAAP revenue of \$307.0 million, up 10% year over year before the effect of foreign exchange (up 9% after the effect of foreign exchange);
- As Adjusted operating income of \$79.7 million, up 12% year over year, GAAP operating income was \$69.6 million, up 3% year over year. GAAP results were negatively impacted by acquisition-related expenses such as amortization of intangibles.

### **Non-Americas**

- As Adjusted revenue, organic revenue and GAAP revenue of \$68.0 million, down 5% year over year before the effect of foreign exchange (down 10% after the effect of foreign exchange);
- As Adjusted and GAAP operating income of \$13.0 million, down 41% year over year. The operating income decline was driven primarily by the decline in revenue.

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

Schedule 6 provides a reconciliation to GAAP, as well as the definitions of the non-GAAP financial measures that the Company uses to evaluate the business.

## **Declares Quarterly Dividend**

Dun & Bradstreet today announced that it has declared a quarterly cash dividend of \$0.4825 per share. This quarterly cash dividend is payable on June 10, 2016 to shareholders of record at the close of business on May 25, 2016.

## **Full Year 2016 Guidance**

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

- As Adjusted revenue growth of 4% to 6%, before the effect of foreign exchange;
- As Adjusted operating income of flat to 4%;
- As Adjusted diluted EPS of (3%) to 2%; 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 (such as gains and losses on sales of businesses, impairment charges and tax 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 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.

From time to time we have analyzed and we may continue to further analyze “As Adjusted” revenue growth before the effects of foreign exchange among two components, “organic revenue growth” and “revenue growth with acquisitions.” We analyze “organic revenue growth” and “revenue growth with acquisitions” because management believes this information provides important insight into the underlying health of our business. Organic revenue excludes revenue from acquired businesses for one year from the date of the acquisition in order to understand the growth of our existing business. When acquired businesses are merged with our existing businesses, we may need to approximate organic growth.

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 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 Schedule 6 attached to this press release.

### **First Quarter 2016 Teleconference**

As previously announced, Dun & Bradstreet will review its first quarter 2016 results in a conference call with the investment community on Tuesday, May 10,



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>.

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## **About Dun & Bradstreet® (D&B)**

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect 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](http://DNB.com).

## **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.