Q3 2016 EARNINGS CONFERENCE CALL

November 2, 2016

Kathy Guinnessey

Thank you. Good morning everyone, and thank you for joining us today. With me on the call this morning are:

Bob Carrigan, our Chief Executive Officer

Rich Veldran, our Chief Financial Officer, and

Josh Peirez, our President and Chief Operating Officer

Here's what you can expect on the call today. Following my brief remarks, Bob will provide an overview of our third quarter results and an update on our strategy. Rich will then take you through the highlights of the quarter. After that we will open the call for your questions.

To help our analysts and investors understand how we view the business, our remarks this morning will include forward-looking statements.

Our Form 10-K and 10-Q filings – as well as the earnings release we issued yesterday – highlight a number of important risk factors that could cause our actual results to differ from these forward-looking statements.

These documents are available on the Investor Relations section of our website. We undertake no obligation to update any forward-looking statements.

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

In addition, we speak from time to time about deferred revenue. As a reminder, deferred revenue is a liability that refers to revenue that has not yet been earned, and represents products or services that are owed to our customers. As the products or services are delivered over time, it is recognized as revenue on the income statement. Deferred revenue is important to management because it provides insight into the health of our future revenues. When we refer to the change in deferred revenue, we mean before foreign exchange, dispositions, acquisitions and the impact of the write-down of deferred revenue due to purchase accounting unless otherwise noted.

During our call today, we will be discussing a number of non-GAAP financial measures which we call “as adjusted” results, as that’s how we manage the business. For example, when we discuss “revenue growth” we’ll be referring to the non-GAAP measure “revenue growth, as adjusted” which is revenue adjusted to eliminate the effect on revenue due to purchase accounting fair value adjustments to deferred revenue, and also before the effect of foreign exchange. Additionally when we discuss "organic revenue growth" we are referring to as adjusted revenue before the impact of acquired and divested businesses.

When we discuss "operating income," "operating margin" and "EPS," these will all be on a non-GAAP basis, which we call "as adjusted". Additionally, our "as adjusted" results exclude the results of Discontinued Operations. When we discuss "free cash flow" this will be on a non-GAAP basis, excluding the impact of legacy tax matters, potential regulatory fines associated with the ongoing China investigation and potential payments for legal and other matters.

You can find the reconciliation between these and other non-GAAP financial measures, and the most directly comparable GAAP measures, in the schedules to our earnings release. They can also be found in a supplemental reconciliation schedule that we post on the Investor Relations section of our website.

We do not provide guidance on a GAAP basis because we are 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 expenses; 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.

Later today, you'll also find a transcript of our prepared remarks on our Investor Relations site. With that, I'll now turn the call over to Bob Carrigan.

Bob Carrigan

Good morning everyone, and thank you, Kathy.

Last night we reported our earnings for the third quarter. Revenue and operating income each grew 1 percent. We continued to see growth in deferred revenue, which was up about 3 1/2 percent overall in the quarter, and 4 1/2 percent in the Americas, which was our largest increase since I have been at Dun & Bradstreet. This growth is due to increased sales of our newer usage and subscription-based products. While deferred revenue was strong, overall, revenue for the third quarter was a little behind our expectations. However, earnings were a little ahead of our expectations.

We continue to expect full year revenue growth of 4 to 6 percent, with 1 ½ to 3 ½ percent organic. As you know, the fourth quarter is our largest quarter and has also been the fastest growing over the past few years – a trend we expect to continue.

As we enter the fourth quarter, let me take a moment to talk about where we are in terms of our strategy and execution. Last month marked my third anniversary at Dun & Bradstreet, and as I reflect on those three years, I'm really proud of the work our team has been doing, but there is still more work to be done. When I started, we set out on a strategy to get growth going at Dun & Bradstreet after years of standing still.

To accomplish that, a big part of our strategy has been making Dun & Bradstreet's crown jewel assets – our data, capabilities, and insights – available through modern channels, *"as-a-service".*

As-a-service delivery includes data as-a-service or Daas, where our data is delivered through APIs, as with D&B Direct, or embedded in our customers solutions through alliance partners. As-a-service also includes cloud delivery of data and services. The benefits of cloud delivery are well documented and include ease of upgrades and maintenance that lead to lower costs over time.

I'm pleased to say that we have just crossed an important threshold, as 20 percent of our total revenue in the Americas over the last 12 months has come from our cloud-based and as-a-service solutions. And, these products are growing at a much faster rate than the rest of the business, which is a very exciting trend and why modernizing delivery is a cornerstone of our strategy.

For our customers, delivering our data as-a-service means more of our data is available in their workflows, across platforms, and updated in real time. It means having our data "always on", in the tools they prefer to use, at the time they need it. That means they have the most up-to-date and accurate data every time they access it, rather than waiting for a monthly update.

For us, as-a-service delivery makes our data more useful and stickier, enhancing the value of the revenue we generate from newer delivery products.

We're making steady progress toward transitioning our legacy products onto newer platforms. DNBi is one example. Earlier this year, we launched D&B Credit – a natural step in the evolution of DNBi into the cloud. D&B Credit is a reimagined DNBi with improved features and functions. Over the second and third quarters, our teams have revved up the sales engine on D&B Credit in both the Americas and the UK, and we are starting to get some traction both converting DNBi customers to D&B Credit and signing new customers.

Reported results for DNBi, which includes both traditional DNBi and D&B Credit, improved in the third quarter in the Americas and showed nice growth in the Non-Americas, which led to better Trade Credit performance overall. DNBi in the Americas was down 2 percent in the quarter after being down about 4 percent through the first half of the year. Stabilizing our legacy trade credit products is an important step in our strategy to get the company to growth.

It's still early days for D&B Credit, but we feel good about the conversations we are having with customers as we gear up for the important renewal season, given that about half of DNBi sales happen between December and March.

D&B Credit is a great example of our moving a major revenue stream to "as-a-service" delivery through the cloud. Data management is another area where we are well positioned to help customers and is also an area that can be energized by our movement to as-a-service. For years now, the focus has been on "big data" – for good reason, as companies rely on having data available to make critical decisions. Companies are capturing vast amounts of data about their customers through their operations. But the challenge companies now face isn't just having the right *quantity* of data; it's ensuring that the data they have is clean and comprehensive. In other words, they need good data management practices to make the data useful.

Our customers' need for clean, structured data is something that we've been talking about since I joined the company. And by organizing around Dun & Bradstreet's crown jewel assets – the world's largest commercial database, the Duns Number, linkage and our identity resolution capabilities – our customers can clean and structure their own data *and* third party data to enhance their decision-making. We feel very good about our "as-a-service" strategy. As I said, 20 percent of our revenue in the Americas is delivered as-a-service, and we are working to move the majority of our solutions to as-a-service over the next few years.

Now let me give you an update on how we're doing with our multi-channel sales approach, in which we go to market in three ways: through our direct sales channel, through alliance partners, and through our emerging businesses channel.

As a reminder, our direct sales channel comprises large strategic accounts and mid-sized national accounts. Generating new business has been a big focus for us this year, and we are getting traction across both channels, but we still see room for improvement. Overall, our strategic accounts channel is growing nicely but our National accounts channel has been a little more challenging. However, we're making progress and results in National accounts have improved every quarter this year.

In our alliances channel, we've rapidly added new partners to expand the reach of our data into the key software platforms that leading businesses use, such as NetSuite, Informatica, Oracle and others. We are starting to gain traction in some of our newer alliances, like Informatica, and through our Audience Solutions products on platforms like Oracle Data Cloud and Adobe Marketing Cloud.

While our sales in these areas are relatively small, they are growing well. Our alliance with Salesforce remained the largest driver of revenue in our alliances channel, though it grew at a slower rate than in the early years of the alliance.

We continue to believe that embedding our data in third party applications is an effective way to grow revenue while ensuring that our customers have the data they need, when they need it. But while some of our partnerships are growing nicely, others have been slower to develop, like our

Compliance solution for the Foreign Account Tax Compliance Act, or FATCA. We have a good pipeline, but deals have been slow to close as the deadline for FATCA compliance has been delayed until the end of the year, which has created a bit of a drag on our growth in Europe. A key lesson learned in the Compliance area is that, when we are working in the world of government regulations, we don't control the timeline.

Turning to Emerging Businesses, we've been really pleased with the progress we've made in serving our small to medium business customers. As you know, we acquired Dun & Bradstreet Credibility Corp. in May of 2015. We have been able to integrate the team quickly, and the combined unit has worked so well that we have expanded what we originally envisioned their responsibilities would be.

As an example, we developed D&B Credit on the Credibility platform to move DNBi to the cloud, which was a significant strategic decision we made for the business with our largest product, and was not originally contemplated when we made the acquisition. Today, the Emerging Businesses platform is supporting the entirety of D&B Credit, including enterprise customers as well.

Our Emerging Businesses channel is playing a major role in the continued modernization of our overall business, and we want to expand the reach of that team and also do much more with their cloud-based platform. I'm happy to be able to say that performance of the business is ahead of our acquisition economics.

When we acquired Credibility, we put an earn-out in place. The structure of the original earn-out narrowly defined the role of the Emerging Businesses team, and as I sadi, we see additional opportunities for the team and their platform. We want the flexibility to adjust course to pursue new market opportunities. So, to better capture all of the capabilities we're leveraging with Emerging Businesses, we decided to evolve the terms of the earn-out. The new earn-out accomplishes two goals: one- to have an agreement that allows us to better leverage the capabilities of the team and platform, and two - to enhance opportunities for growth for key individuals with incentives for them to stay at Dun & Bradstreet.

So in summary, we believe the multi-channel approach is the best way to serve our customers. Each of our channels works collaboratively to sell our products and solutions, and they're incented to sell across all channels so that we can eliminate conflict issues that may get in the way of what is right for the customer.

In closing, I'm pleased with the work we've done in my first three years at Dun & Bradstreet and the progress we are making as we move to modern delivery of our data, capabilities, and insights – as-a-service.

And as we head into the important fourth quarter we are on track to deliver our guidance for the year:

- Organic revenue growth between 1 ½ and 3 ½ percent,
- Total revenue growth between 4 and 6 percent,
- Operating income growth between 1 and 5 percent,
- EPS between -2 and +3 percent versus prior year, and
- Free cash flow in the range of $255 to $285 million.

With that, I'll turn the call over to Rich Veldran, who will discuss our third quarter results in further detail. Rich?

Rich Veldran

Thank you Bob. In my comments this morning I'm going to take you through our results for the third quarter. As a reminder, we anniversaried the acquisition of Credibility Corp in the second quarter, so their third quarter revenue is now in our organic base. In addition, we closed the Latin America partnership deal we announced last quarter on September 30, and we expect to close the Benelux deal in the next week, so revenue from both markets is still included in our organic revenue results for the third quarter.

Our third quarter revenue increased 1% to $413 million, all of which was organic. These results were roughly a point behind our expectations, primarily due to the loss of a government contract. The government business can be lumpy, as most of the contracts are large and subject to funding approvals. While this loss impacted our revenue in the third quarter, growth in the government channel is very strong and ahead of our expectations year-to-date.

Now let me take you through our revenue by segment. Our Americas segment had revenue of $339 million, which represented 82% of revenue in the quarter, and was up 1%. Within the Americas, Risk Management was up 2%, after being down in the low single digits on an organic basis through the first half of the year. Other Enterprise Risk grew 7% in the quarter, driven by growth in credit-on-self solutions, which are now part of our organic base. We also had good growth in data and analytics projects. Revenue in Compliance and Supply was flat, but underlying demand was strong, and helped drive the growth in deferred revenue.

As Bob mentioned, Trade credit was a little better in the third quarter, declining only 1% in the Americas. DNBi, which includes D&B Credit, was down 2%, an improvement over the performance through the first half, as revenue from D&B Credit is starting to offset declines in the core DNBi product. We are pleased with what we are seeing in D&B Credit, especially in the Emerging Businesses division. We had strong sales of D&B Credit, both in upgrading DNBi customers as well as in new customer acquisition. We are updating the solution every few weeks, bringing more advanced functionality to the platform. And, we expect growth from our larger, more sophisticated customers to accelerate as more capabilities come on line.

Revenue in Sales & Marketing was flat in the quarter. Traditional Prospecting was down 6% due to weakness in Hoovers. Hoovers retention has been steady, but growth from new customers has slowed. Similar to what we've been doing in other parts of the business, we plan to update Hoovers to an as-a-service platform to help drive new business.

Revenue in Advanced Marketing solutions was up 2% in the quarter due to growth in our DaaS solution -- D&B Direct -- as well as continued growth in our data integration management tools and DaaS alliances. We had some large deals shift out of the quarter. This was expected, but the shift hurt “in-quarter” performance in Advanced Marketing Solutions by several points. All of the deals in question are shifting to the fourth quarter; however, in some cases the customer is switching from Optimizer, where revenue is recognized upfront, to our DaaS products like D&B Direct, where revenue recognition is usage based. As Bob said, we are moving more and more of our revenue to “as-a-service” delivery like Daas, and while the revenue from DaaS is recognized over time, we think it is a more valuable revenue stream as our data is embedded in the customers’ workflow.

In Non-Americas, revenue was $74 million in the third quarter, which represented 18% of revenue for the company. Non-Americas revenue increased 2% in the quarter due to continued strong results from China and our Worldwide Network partnerships, partially offset by weakness in Europe, particularly the UK. As we mentioned in prior quarters, the deadline for mandatory compliance with FATCA requirements has moved out to December 31, delaying our sales efforts in this area.

Deferred revenue was up about 3½ percent for the company, before the effect of foreign exchange and M&A. In the Americas, deferred revenue increased about 4½ percent. On a dollar basis, this represents the biggest growth in the deferred balance in the Americas in the last five years. The growth in deferred revenue in the Americas is largely due to sales of our newer products including D&B Direct, D&B Credit and Compliance.

Turning to profitability, operating income was up 1% in the third quarter, which was a little better than our expectation of “about flat”. This better than expected result is due to expense controls and the timing of investments. EPS was down 3% in the quarter, to $1.79 per share, which was a little better than our expectations due to the operating income performance. The decline from last year is due to a higher tax rate in the quarter, compared to our third quarter of 2015 when we had a large release of audit reserves.

We generated $232 million of free cash flow in the first nine months of the year. Turning to the balance sheet, we ended the quarter with $1.6 billion of debt, including about $1 billion of fixed rate senior notes, and $600 million of floating rate debt. Our cash balance was $327 million, for net debt of approximately $1.3 billion.

With that, I’ll open the call for your questions. Operator?