



Contacts:

Deborah McBride (Media)  
mcbried@dnb.com  
973.921.5714

Kathy Guinnesssey (Investors/Analysts)  
Kathy.Guinnesssey@dnb.com  
973.921.5892

## **Dun & Bradstreet Reports 2014 Results; Achieved Q4 Revenue Growth Acceleration, Capping Solid 2014**

*Increased Dividend by 5%.*

Short Hills, NJ – February 9, 2015 – Dun & Bradstreet (NYSE: DNB), the world's leading source of commercial information and insight on businesses, today reported results for the fourth quarter and full year ended December 31, 2014.

"I'm pleased with our fourth quarter performance, which is our seasonally largest quarter. We are making progress on our strategy, and the overall execution by our team has delivered a very solid year," said Bob Carrigan, President & CEO of Dun & Bradstreet. "Our strategy is helping us meet our customers' growing need for data and insight, and we enter 2015 on track to achieve our goal of long-term sustainable growth."

### **Fourth Quarter 2014 Highlights**

- **Core revenue** up 4% year over year, before the effect of foreign exchange (up 3% after the effect of foreign exchange). Total revenue up 3% year over year both before and after the effect of foreign exchange;
- **Operating income** before non-core gains and charges of \$161.2 million, down 7% year over year due entirely to planned strategic investments to drive long-term growth; GAAP operating income of \$157.4 million, up 17%; and
- **Diluted earnings per share** before non-core gains and charges were \$2.61, down 5% from \$2.75 in the fourth quarter of 2013; GAAP diluted earnings per share were \$2.53, up 29% from \$1.96.

### **Full Year 2014 Highlights**

- **Core and total revenue** up 2% year over year, both before and after the effect of foreign exchange;



- **Operating income** before non-core gains and charges of \$447.4 million, down 9% year over year due entirely to planned strategic investments to drive long-term growth; GAAP operating income of \$421.5 million, down 4%;
- **Diluted earnings per share** before non-core gains and charges were \$7.46, down 2% from \$7.60 in 2013; GAAP diluted earnings per share were \$7.99, up 22% from \$6.54; and
- **Free cash flow** for the full year 2014 was \$261.6 million, compared to \$278.2 million for the full year 2013; net cash provided by operating activities for the full year 2014 was \$315.5 million, compared to \$333.3 million for the full year 2013.

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

Schedule 5 provides a reconciliation to GAAP, as well as the definitions of the non-GAAP financial measures that the Company used to evaluate the business in 2013 and 2014.

**Deferred revenue** for the Company as of December 31, 2014 was \$584.9 million, down 3%; North America was \$455.6 million, down 1% and total International was \$129.3 million, down 7%. After adjusting total Company and total International for the effect of foreign exchange of 2 points and 4 points, respectively, total Company was down 1% and total International was down 3%. Committed sales through Alliance partners would have added more than 1 point to both North America and total Company.

## **Fourth Quarter 2014 Segment Results**

### **North America**

- **Core and total revenue** were \$379.9 million, up 4% year over year both before and after the effect of foreign exchange.
- **Operating income** before non-core gains and charges was \$151.7 million, down 3% year over year. On a GAAP basis, operating income was \$151.7 million, up 22% year over year.



### Asia Pacific

- **Core and total revenue** were \$46.4 million, up 7% year over year before the effect of foreign exchange (up 5% after the effect of foreign exchange).
- **Operating income** before non-core gains and charges was \$7.2 million, up 41% year over year. On a GAAP basis, operating income was \$7.2 million compared to \$3.1 million in the fourth quarter of 2013.

### Europe & Other International Markets

- **Core and total revenue** were \$63.5 million, down 2% year over year before the effect of foreign exchange (down 4% after the effect of foreign exchange).
- **Operating income** was \$21.0 million, down 11% year over year.

### **Full Year 2014 Segment Results**

#### North America

- **Core and total revenue** were \$1,248.8 million, up 1% year over year both before and after the effect of foreign exchange.
- **Operating income** before non-core gains and charges was \$405.1 million, down 8% year over year. On a GAAP basis, operating income was \$397.8 million, down 2% year over year.

#### Asia Pacific

- **Core revenue** of \$181.7 million, up 6% year over year before the effect of foreign exchange (up 2% after the effect of foreign exchange). Total revenue of \$181.7 million, up 5% year over year before the effect of foreign exchange (up 1% after the effect of foreign exchange).
- **Operating income** before non-core gains and charges was \$29.0 million, up 38% year over year. On a GAAP basis, operating income was \$28.8 million, up 52% year over year.



## **Europe & Other International Markets**

- **Core revenue** of \$251.2 million, up 1% year over year before the effect of foreign exchange (up 4% after the effect of foreign exchange). Total revenue of \$251.3 million, up 1% year over year before the effect of foreign exchange (up 4% after the effect of foreign exchange).
- **Operating income** was \$75.3 million, up 3% year over year.

See Attached Schedules 3 and 5 for additional detail.

## **Dividend Increase**

Dun & Bradstreet today announced that it has declared an increased quarterly cash dividend of \$0.4625 per share, up from Dun & Bradstreet's prior quarterly dividend of \$0.44 per share. This quarterly cash dividend is payable on March 11, 2015, to shareholders of record at the close of business on February 24, 2015.

## **Use of Non-GAAP Financial Measures**

In addition to reporting GAAP results, the Company reported results before restructuring charges and other non-core gains and charges which may be recurring, such as legal and other professional expenses associated with the ongoing China investigation, because they do not reflect the Company's underlying business performance and they may have a disproportionate positive or negative impact on the results of its ongoing business operations.

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 or EPS as determined in accordance with GAAP.

Dun & Bradstreet reports non-GAAP financial measures in this press release and the schedules attached. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – How We Manage Our Business" in the Company's Annual Report on Form 10-K for the year ending December 31, 2013, filed February 28, 2014 with the SEC, for a further discussion of how the



Company defines these measures, why it uses them and why it believes they provide useful information to investors.

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

Effective January 1, 2015, in addition to reporting GAAP results, the Company will report results on an "As Adjusted" basis which are before restructuring charges, other non-core gains and charges (such as gains and losses on sales of businesses, impairment charges and tax settlements), acquisition related fees (such as deal related costs for bankers, legal fees, diligence costs and retention payments) and acquisition related amortization expense, because they do not reflect the Company's underlying business performance and they may have a disproportionate positive or negative impact on the results of its ongoing business operations.

#### **Fourth Quarter 2014 Teleconference**

As previously announced, Dun & Bradstreet will review its fourth quarter and full year 2014 results and its 2015 guidance in a conference call with the investment community on Tuesday, February 10, 2015, 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)**

The Dun & Bradstreet Corporation is the world's leading source of commercial data, analytics and insight on businesses. Our global commercial database contains more than 240 million business records. We transform commercial data into valuable insight which is the foundation of our global solutions that customers rely on to make critical business decisions.

Dun & Bradstreet provides solution sets that meet a diverse set of customer needs globally. Customers use D&B Risk Management Solutions™ to mitigate credit and supplier risk, increase cash flow and drive increased profitability, and D&B Sales & Marketing Solutions™ to provide data management capabilities that provide effective and cost efficient marketing solutions to increase revenue from new and existing customers.

For more information, please visit [www.dnb.com](http://www.dnb.com).



## **Forward-Looking and Cautionary Statements**

The statements in this press release that do not relate to historical facts may be forward-looking statements. These include, without limitation, any statements related to financial guidance or strategic goals. Forward-looking statements are inherently uncertain and are subject to a number of risks and uncertainties that could cause actual results and outcomes to be materially different from those indicated by the forward-looking statements. These risks and uncertainties include, among others, (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 and to successfully achieve our plan to modernize our Dun & Bradstreet brand; (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 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 D&B 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 the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and the Company's other reports or documents filed or furnished with the Securities and Exchange Commission. Dun & Bradstreet cautions that the foregoing list of important risk factors is not complete and except as otherwise required by federal securities laws does not undertake any obligation to update any forward-looking statement.