**DUN & BRADSTREET**
**Q4 2008 INVESTOR CONFERENCE CALL**
**1-29-09**

**KATHY GUINNESSEY (TREASURER)**

Good morning, everyone, and thank you for joining us today.
Here's what we'll cover on today's call:

- Steve Alesio, our Chairman and Chief Executive Officer, will begin with some opening remarks.
- Sara Mathew, our President and Chief Operating Officer, will then provide some insight on our US and International top-line results and expectations.
- Tasos Konidaris, our Chief Financial Officer, will then review our earnings results and expectations as well as additional financial highlights.
- Following some closing remarks from Steve, we'll then take 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 Web site, and we encourage you to review this material. We undertake no obligation to update any forward-looking statements.

During our call today, we will be discussing a number of non-GAAP financial measures, 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 before the effect of foreign exchange," unless otherwise noted.

When we discuss "operating income," "operating margin" and "EPS," these will all be on a non-GAAP basis, before non-core gains and charges.

Reconciliation between these and other non-GAAP financial measures and the most directly comparable GAAP measure can be found 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 Web site.

Later today, you'll also find a transcript of this call on our Investor Relations site.

With that, I'll now turn the call over to Steve Alesio. Steve?

**STEVE ALESIO (CHAIRMAN AND CHIEF EXECUTIVE OFFICER)**

Thanks, Kathy, and hello to all our team members, shareholders and analysts on the call today.

As you saw from our earnings release, we delivered good financial results in 2008, in a challenging economic environment, and in spite of losing some revenue momentum in the 4th quarter.

Let me start with earnings…in terms of our full-year results in 2008…

- Operating income improved by 11%, to $501 million;
- EPS was up 16%, to $5.27;
- And we generated free cash flow of $352 million, a 16% increase

In addition to the strength of these numbers, our earnings growth was consistent throughout the year, reflecting the strength of our business model and our financial flexibility discipline.

From a top line perspective, full year revenue was up 7%. The two drivers of this revenue growth were:

- First, our International business which had double digit growth each quarter, and
- Second, the Risk Management segment of our US business which had mid-single digit growth each quarter

The area of our business that did not perform as we expected, primarily in the 4th quarter, was our marketing product lines, specifically our Sales & Marketing Solutions in the US. That segment declined by 2% in Q4 and we were expecting it to grow by 3-4%. This shortfall was due two major factors – a deteriorating economy and some of our own execution challenges.

The economy clearly began to impact this segment of our US business in the fourth quarter and from everything we felt in December and see in January, it is continuing to impact us in 2009.

The execution challenges have to do with our sales and product processes where we can be much sharper than have been. These challenges are solvable to us, but will take about 4-6 months for us to get them where we want. Sara will spend some time discussing these when she speaks about our operating performance.

With this as a backdrop on 2008, let me share how we are thinking about 2009.

First, it's clear that we see continued top line pressure in a weak economy. The outlook for the economy in 2009 is obviously a big question for all companies. We are assuming it will be weak all year, and have factored that in as we estimate top line revenue growth, to the best of our ability.

Second, we will manage the success of our company over multiple time horizons and specifically make sure that we head into 2010 even stronger competitively.

As part of this thinking, we will continue to invest in a three key areas despite the top line pressure. First we have been adding sales people, most of whom are already on board. We will continue to invest in our value propositions, specifically DNBi in Risk Management; product enhancements for our Sales and Marketing Solutions and our database. We will also continue to invest in our businesses in Asia.

In addition, as part of our thinking for 2009, we will continue to focus on profitability. We got a head start on 2009 operating expenses with our reengineering efforts in Q4. And we will continue to be rigorous in expense management in order to ensure our profitability and investment goals can be met.

We intend to remain an attractive investment for our shareholders in 2009 and in the years ahead, both on absolute basis as well as a relative basis

Taking everything into account about what we see and how we are planning for 2009, our financial guidance for the year is realistic, it allows us to be more competitive as we exit the year, and while definitely not up to our normal standards, is quite solid in the context of this environment.

Specifically, for the 2009 full year, we expect:

- Total revenue growth of 2 - 5%
- Operating Income growth of 5 - 8%,
- EPS growth of 9 - 12%

And because of declining results in the Sales & Marketing segment of our US business, we expect first half of the year to be closer to the low end of these ranges, while growth in the back half should be closer to the top end of these ranges

At this point, the most sensitive assumption in our thinking for 2009 is the condition of the US economy. We are assuming it stays weak as we see it today. If it gets stronger, our results could improve faster; if it gets weaker we will have to reassess. We will of course review this guidance position and update it if necessary on a quarterly basis.

As for Free Cash Flow, for 2009 we are expecting to generate Cash in the range of $360 million to $375 million. In regard to deploying our cash, the three priorities we have had for some time remain the same for 2009, though we will be prudent and monitor the credit markets to maintain our strong liquidity position. In that light our priorities are:

- Continue to invest in the business, with a higher focus on investments that improve our value proposition
- Continue to look at acquisitions as part of our strategy, but we will require higher return hurdles, with an increased timing expectation for EPS accretion
- Continue to pay a dividend, which we increased this quarter from 30 to 34 cents, reflecting our expectation of continued strong cash flow. We will also remain opportunistic on discretionary share repurchases targeting $100 to $150 million of repurchases in 2009.

With all this as context, I will now ask Sara to discuss our revenue results in more detail, with a focus on our fourth quarter performance and our expectations for 2009.

Tasos will then discuss our profitability, cash flow and capital strength.

I will then come back and offer some closing comments before we open things up to your questions.

**SARA MATHEW (CHIEF OPERATING OFFICER)**

Thank you, Steve and good morning everyone. Let me begin by giving you the headlines of our top line story.

While our 2008 results were good in the aggregate, we lost momentum in our US marketing businesses – S&MS and Internet – and expect to face continued pressure in these areas early in 2009. Said another way, the bulk of our business – 70%, which includes International and US RMS – is in good shape, and we have to address weakness in US S&MS and Internet, which represent roughly 30% of the company's total revenue.

Let me provide the specifics, beginning with International.

We are very pleased with our International performance in 2008. International, which now represents 23% of our business, grew 12% in both the fourth quarter of 2008 and for the full year.

There are 2 primary components to our International business – our established markets, primarily in Europe, and our emerging business, in Asia.

In Europe, the more mature part of our business, we have achieved stability in 2008, driven by stronger leadership and better execution. While we expect this business will be impacted by a weakening European economy, we believe our risk management concentration in these markets should mitigate this impact. More specifically, risk management represents about 80% of our European business and is showing good resilience in the current environment.

Moving to Asia, we are pleased with our performance and the trajectory into 2009. As a reminder, Asia is an area of strategic focus for us and we have invested to expand our presence in the region. These investments continue to pay off. In fact, in Q4, Asia generated more than 20% of International revenue and it remains central to our long-term growth strategy.

Our expansion in Asia is in response to our customers' need for a higher level of commercial insight in this fast-growing part of the world. The D&B brand is very strong in these markets, and we are viewed as the most reliable source of commercial insight by our customers. In addition, the market is still "immature" in terms of penetration, so we see plenty of runway ahead.

As just one example, we recently announced our decision to take a majority ownership stake in D&B India – the premier provider of credit information and sales and marketing solutions in that market. Our increased ownership stake will allow us to guide the continued expansion of the Indian market by leveraging our global resources, products and services, as well as the local talent in this important market. Of note, within India, D&B India is viewed as the most trusted source of commercial insight, and we are enthused by the opportunities that lie ahead.

So our International business is performing well, and, as we look ahead, we expect our International business to once again deliver double-digit top line growth in 2009. More than half of this growth will come from Asia.

Let me turn now to our US business… US revenue grew 2% in the fourth quarter, and 6% for the full year.

Within the US, our Risk Management business, representing 60% of revenue, is in good shape. We delivered consistent mid-single digit revenue growth in the fourth quarter and 2008, all in line with expectations. It is clear that our risk management solutions have performed well so far. Our customers look to us to help them make the right commercial credit decisions, and our products and solutions, especially DNBi, continue to drive value in the marketplace.

Our strategy in risk management is to move customers up the DNBi continuum. Since DNBi offers virtually unlimited access to our information on a “real-time” basis, this value proposition continues to resonate with our customers, especially in these tough times. Let me provide a few additional facts.

At the end of 2008, subscription revenue represented 53% of US RMS revenue. This was up 11 points from a year ago. In addition, our DNBi penetration rate ended the year at 45%, up 19 points from the end of 2007. All in line with expectations.

We continue to realize strong revenue lift from our customers converting to DNBi. But, with renewing DNBi customers, this revenue lift has moderated to the high single-digit range, and we expect it to stay at this level through 2009. DNBi has also maintained its retention rates in the mid-90s, indicating that the customer need for this product is still very strong.

We expect DNBi will continue to drive our risk management business, and we will also benefit from our expanded sales force. These sales team members will continue to target new customer acquisition opportunities for this unique offering to drive continued growth into 2009.

Finally, we expect added growth from our supplier risk business, including the recent contract we signed with Wal-Mart. We believe that supplier risk is becoming an important area of focus for our customers, and we are uniquely positioned to service this need. As such, we see opportunities ahead to expand this value proposition to other large customers.

In summary, we feel good about our RMS growth and expect it to maintain its mid-single digit growth trajectory in 2009.

Turning to our US marketing businesses – that is, both S&MS and Internet –
both of these businesses experienced top-line pressure late in Q4.

US S&MS grew 5% for the year but declined 2% in the fourth quarter, and we are not satisfied with this result.

There were two specific factors that drove the Q4 weakness – the economy and our own internal execution.

Regarding the economy, we recognized going in that we would experience some pressure on this business, since customer budgets were under scrutiny. In aggregate, we did a very good job retaining our customers; however, we saw a sharp decline in available budgets for these projects, mostly in December. This gave us very little time to respond to these changes, and as a result, many projects were renewed for less than what we had originally expected.

The second factor relates to our internal execution – that is, pipeline management and the relevance of our value proposition. As a reminder, we continued experiencing a lengthening of our sales cycles throughout the year. We were focused on early renewals as a way to counter this, but it is clear we did not do enough to build new prospects in our pipeline so we would close them in time to offset the slowing of the sales cycle.

In addition, we did not do a good job anticipating our customers' need to demonstrate continuously improving ROIs, especially in the current environment. Our highly successful Optimizer product, which drove strong growth in 2007, was mostly unchanged in 2008. It is clear we could have been more vigilant and proactively improved our value proposition for these customers.

So while our business was impacted by a weakening economy and the resultant pressure on customer budgets, we are far more disappointed with our own execution in the marketplace. We know we can do better.

As you would expect, we are taking aggressive action to improve our US S&MS performance moving into 2009.

We expect customers' budgetary constraints to continue, so we will address the execution shortfalls with urgency.

We are immediately addressing the S&MS pipeline. Initially, we will leverage our newly hired sales force on new customer acquisition opportunities, as S&MS remains a large and under-penetrated market for us. We are also putting processes in place to do a better job of monitoring and measuring our sales pipeline to stay on top of the ever-changing landscape – an area where we know we could have done a better job in 2008.

We are also working to improve our value proposition, developing bundled offers that have low incremental cost for us but can provide immediate value to our customers; and, we are testing new product offerings that could drive value in the second half.

In the near term we will leverage 3 existing products – Purisma, Market Insight and DNBi Optimizer – to improve our embeddedness with our customers.

As context, when customers use Purisma, our data is integrated into their daily workflow. This helps them to make more informed decisions, and improves the “stickiness” of our solutions, a “win-win” all around.

With Market Insight, we help marketing professionals identify their most promising prospects. And, by bundling Market Insight with Optimizer, we make our data files more actionable and create immediate value in the marketplace.

Finally, we will drive DNBi Optimizer with our small and mid-sized customers by combining the functionality of Optimizer with a DNBi-based interface. This will allow these customers to tap into the same insight as their larger counterparts.

Beyond these existing products, we are testing a new product offering that will play well in the current market. We will target resource-constrained companies and help them expedite their marketing programs with much smaller budgets. We are in the early stages of this testing, and will have more information to share later this year.

So, while we are not satisfied with our S&MS performance in Q4, we know what went wrong and we know what needs to be fixed. We expect the economic environment will stay tough. So we will rise to the challenge and get sharper – sharper on execution and sharper on our value proposition.

Let me now turn to our smallest segment – the Internet, which represents 9% of our US revenue. This segment grew 11% in the fourth quarter, also behind expectations.

In Q4 we learned that our Internet business, like S&MS, is more economically sensitive than we originally envisioned. Internet Solutions is a Web-marketing business and, as such, it was also affected by our customers’ budget pressures. As a result, we saw a decline in renewals and we expect this trend to continue into 2009.

In addition, we faced issues in Internet similar to those I just described in S&MS. The tough economy has exposed weakness in our value prop as well as our own execution, and we need to focus on the fundamentals that got this business from $30 million to about $125 million in just 5 years.

We have already made leadership changes in the Hoover’s business and we are focused on improving execution in the near term. That said, we expect our customers’ budget pressures to continue in the year ahead.

And it will take some time for our actions in this segment to take hold, so we expect flat revenue growth from the Internet business in 2009.

So to sum up – the bulk of our business – International and US RMS is in good shape. Collectively they represent 70% of our revenue.

However, our US marketing businesses remain under pressure, and we expect them to decline in the first half of 2009 before our pipeline and value proposition initiatives gain traction in the second half. We believe that this fix will take 4-6 months, so we expect the

US S&MS and Internet businesses to get worse before they get better. We expect Q1 2009 to be our toughest quarter with gradual improvement as the year unfolds.

As a result, we expect overall US growth to be flat to low-single digits for 2009. When I couple this with our expectation of high single-digit to double-digit growth in International, it produces our estimate of 2-5% total revenue growth for the company for the year. We expect to be in the lower part of that range in the first half – specifically flat in Q1 – and then the higher part of the range in the second half.

I'd like to close with my personal observations about the overall business as we head into 2009. We have had many years of strong performance at D&B. That growth was delivered despite numerous setbacks and challenges along the way. During these times we ensured that we deployed our talent in a way that we could take on these challenges. And, we have always prevailed.

In 2009, we face a new challenge – the weak economy. We at D&B rise to these challenges. We recognize that tough business challenges bring out the very best in us. They make us stronger, and even more committed to winning,

That is who we are and that is what you should expect from us in 2009. With that, let me now turn the call over to Tasos for a financial review.

**<u>TASOS KONIDARIS (CHIEF FINANCIAL OFFICER)</u>**

Thank you, Sara, and good morning everyone. Today, I would like to cover the following three topics:

- First, the consistency of our profit performance
- Second, our strong free cash flow generation, and
- Third, our solid capital structure and liquidity position

In regard to the consistency of our profit performance…From a Total Company perspective, we delivered strong full year operating income growth of 11%, expanded margins by 80 bps to their highest levels ever and grew EPS by 16%. These results are testimony to our scalable business model and our financial flexibility discipline.

Specifically, in the 4th quarter, despite our U.S. top-line challenges, we were able to flex our operating expenses to deliver operating income growth of 9%, margin growth of 240 bps, and EPS growth of 14%.

Financial Flexibility is a core competitive advantage for D&B, which has consistently, over the last 9 years, allowed us to drive margin growth. We have the courage to examine all aspects of our business each year to ensure we are allocating our spending to areas with the best opportunity to create shareholder value.

As we look into 2009, and given the economic environment, financial flexibility is that much more important to drive higher profit margins.

Specifically, we expect to unlock $90 to $105 million of financial flexibility in 2009, prior to any reallocation. We recognize that this amount is about $20 million higher than in prior years, and that is why we started taking actions earlier than usual, in the fourth quarter of last year.

The nature of the increase is primarily driven by:

- Greater reduction of non-revenue generating personnel;
- Integration of back offices for some of our smaller business units; and
- More aggressive vendor management.

As you can see in our earnings release, to execute our initiatives, we expect to incur pre-tax transition costs of $17-$22 million and pre-tax restructuring charges of $22-$30 million.

Our flexible business model will also allow us to drive 2009 operating income and margin growth despite two challenges that affect most U.S. companies:

- The first challenge relates to foreign exchange – we estimate that the strength of the U.S. dollar against most other currencies will have a $50 million dollar negative impact on our international revenue in 2009, which will translate into a $12 million dollar negative impact to our International operating income.

- The second challenge relates to pension income. As you know, in 2007 we froze our U.S. defined benefit plan. Nevertheless, as a result of the reduction in equity market valuations last year, we expect approximately $11 million dollars less in pension income for 2009.

Even with these headwinds from foreign exchange and pension income – and the challenging revenue environment – our flexible model will allow us to deliver 2009 operating income growth of 5 to 8%, and EPS growth of 9-12%, while continuing to invest in the business, as Steve outlined earlier.

Let me now move to my second topic for today – our strong Free Cash Flow generation. In 2008 we generated record levels of Free Cash Flow of $352 million, up 16%. This growth was ahead of our expectations and was driven by four factors:

- Higher operating income
- Our highly capital efficient model
- Lower cash restructuring costs in 2008 compared to 2007
- And finally, stronger than anticipated collections at the end of 2008

As we look at 2009, we expect continued free cash flow growth – in the range of $360 million to $375 million, in line with operating income growth.

Let me now move to my final topic – our solid capital structure and liquidity position:

- First, we finished the year with plenty of liquidity, which includes a cash balance of $164 million and available capacity in our revolver credit facility of approximately $450 million.

- Second, we continue to have a conservative balance sheet. At the end of 2008, we had gross debt of $904 million, yielding a 1.6 times debt to EBITDA ratio, in line with our expectations.  In addition, we had deferred revenue of $537 million at year end.

- And third, we have no immediate debt maturities with our outstanding bonds maturing in 2011 and 2013.

As a result, we feel good about our capital structure and liquidity entering 2009, and we expect to end the year with approximately the same ratio of debt to EBITDA as we saw at the end of 2008.

So, to sum up…

- We are delivering consistent profitability in a challenging top-line environment, reflecting the strength of our flexible business model
- We continue to generate significant free cash flow
- We have a solid capital structure and liquidity position
- And by maintaining our financial discipline and rigor, it will position us to exit 2009 as an even stronger company than we are today

I will now turn the call back to Steve for some closing remarks.

**STEVE ALESIO (CHAIRMAN AND CHIEF EXECUTIVE OFFICER)**

Thanks, Tasos.

Let me just summarize all of our remarks this morning. Clearly, we delivered very good financial results in 2008 in a challenging environment. As we ended 2008 we saw a slowdown in revenue momentum in a part of our US business.

As we enter 2009 we expect the economy to remain weak and put pressure on the top line.

As Sara said, we will do a better job of leading those execution processes that are under our control. We will be realistic about the environment and make smart choices that balance earnings growth and investments with a lens on heading into 2010 as a stronger company.

For us, heading into 2010 stronger means a few things. It means that our revenue and earnings growth will be higher in 2010. It means that we will be innovating in such a way that we are selling more new products in 2010, and it means that we will have used our cash wisely in 2009 to acquire additional products and geographic capabilities.

Like most leaders navigating this year, we are in some uncharted territory. However, as we look out longer-term, our team remains fully committed to driving total shareholder return and remains confident in our strategy. There are four items I would comment on in this regard.

First, we have a culture of leadership and a team that is built to take on adversity. Many of our leaders have been together for some time now and we have weathered the impact of a post-9/11 economy. We overcame our own very slow start in 2003. We have beat back a possible $30 million regulatory challenge we had with our Italian real estate business in 2005. We are good at making the hard decisions and as Sara said ending up in a stronger place as a result of adversity. We expect that to be the case this time as well.

Second, we are in a great competitive position. We are the world's largest and best provider of commercial insight with a great brand. And we will continue to invest to sustain this strength and improve our competitive position. Third, our financial and cash flow guidance for 2009 should make us a strong performing company on an absolute and a relative basis in what portends to be a very difficult economic year for all companies.

Finally, with regard to our 2008 to 2010 growth objectives, which we put out there in 2006, it's fair to say that we are not in normal economic times. So in the moment we are focused on delivering our best one year at a time.

As leaders, we remain committed to making this a great company. As we have previously communicated, we do believe that in normal times D&B can achieve 8% to 10% revenue growth and even higher growth than that in operating income and earnings per share.

For those team members on the call today, Sara and I would like to thank you for your commitment and your passion that you bring to work every day. We acknowledge the challenges of this new environment and really appreciate your continued focus on our customers and making us a great company. We are proud to lead a company with a group of colleagues who know how to win.

With that, I will now open up the phone lines so that we can take any questions. Kelly, would you please provide the instructions for doing so?

# # # # #