



Fourth Quarter and Fiscal Year 2019

Financial Results Conference Call

August 13, 2019

Safe Harbor for Forward-Looking Statements

This document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including: the Company's business outlook, including the Company's GAAP and adjusted fiscal 2020 guidance; the Company's plan to divest its Digital Marketing Business; other plans; objectives; forecasts; goals; beliefs; business strategies; future events; business conditions; results of operations; financial position and business outlook and trends; and other information, may be forward-looking statements. Words such as "might," "will," "may," "could," "should," "estimates," "expects," "continues," "contemplates," "anticipates," "projects," "plans," "potential," "predicts," "intends," "believes," "forecasts," "future," "assumes," and variations of such words or similar expressions are intended to identify forward-looking statements. These statements are based on management's expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed, or implied by, these forward-looking statements.

Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include: the Company's success in obtaining, retaining and selling additional services to customers; the pricing of the Company's products and services; overall market and economic conditions, including interest rate and foreign currency trends, and technology trends; adverse global economic conditions and credit markets and volatility in the countries in which we do business; auto sales and related industry changes; competitive conditions; changes in regulation; changes in technology, security breaches, interruptions, failures and other errors involving the Company's systems; availability of skilled technical employees/labor/personnel; the impact of new acquisitions and divestitures; employment and wage levels; availability of capital for the payment of debt service obligations or dividends or the repurchase of shares; any changes to the Company's credit ratings and the impact of such changes on financing costs, rates, terms, debt service obligations, access to capital market and working capital needs; the impact of the Company's indebtedness, access to cash and financing, and ability to secure financing, or financing at attractive rates; the onset of or developments in litigation involving contract, intellectual property, competition, shareholder, and other matters, and governmental investigations; the Company's ability to complete the divestiture of the Digital Marketing Business; and the ability of the Company's significant stockholders and their affiliates to significantly influence the Company's decisions or cause it to incur significant costs.

There may be other factors that may cause the Company's actual results, performance or achievements to differ materially from those expressed in, or implied by, the forward-looking statements. The Company gives no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on its results of operations and financial condition. You should carefully read the factors described in the Company's reports filed with the Securities and Exchange Commission ("SEC"), including those discussed under "Part I, Item 1A. Risk Factors" in its most recent Annual Report on Form 10-K and its most recent Quarterly Report on Form 10-Q for a description of certain risks that could, among other things, cause the Company's actual results to differ from any forward-looking statements contained herein. These filings can be found on the Company's website at www.cdkglobal.com and the SEC's website at www.sec.gov.

All forward-looking statements speak only as of the date of this document even if subsequently made available by the Company on its website or otherwise. The Company disclaims any obligation to update or revise any forward-looking statements that may be made to reflect new information or future events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, other than as required by law.

Business Highlights

Brian Krzanich, President and Chief Executive Officer

Fiscal 2019 Executive Summary

- 2019 Revenues up 8%, North America up 11%
- Strong North America auto sites
 - ✓ Second quarter in a row with positive year-over-year growth
 - ✓ Highest quarter-end number since December 2017
 - ✓ Sales, new site installs and retention all up
- Next generation products now live and well received
 - ✓ Drive Flex – about 50 dealers live or signed up; second OEM certification on track
 - ✓ Fortellis – Hailer™ now live, over 100 dealers in partnership; Repair Order in beta testing
- Focus on core software growth; complete Digital Marketing divestiture by end of fiscal 2020

Fiscal 2019 Executive Summary

To accelerate company growth...

- Modernize software and improve technology stack to grow sites
- Make key applications DMS agnostic to open new markets
- Leverage new technologies, like Drive Flex, to win with independent dealer market
- Differentiate with Fortellis to set the industry standard for connected solutions

Financial Highlights

Joe Tautges, Chief Financial Officer

Q4 and Fiscal 2019 Financial Results

CDK Global, Inc. Consolidated

CDK Global, Inc.

(\$ million except per share)

	Q4 2019			FY 2019		
	ASC 606	ASC 605	Change from 4Q2018	ASC 606	ASC 605	Change from FY2018
Revenues	488.6	500.2	+10%	1,914.8	1,945.8	+8%
(Loss) Earnings before income taxes	(19.9)	(18.1)	-116%	303.9	309.7	-22%
Adjusted earnings before income taxes	136.0	137.8	0%	561.3	567.1	+6%
Diluted (loss) earnings attributable to CDK per share	(1.27)	(1.27)	-269%	0.98	1.02	-63%
Adjusted diluted earnings attributable to CDK per share	0.88	0.89	+22%	3.32	3.35	+24%
Net (loss) earnings attributable to CDK	(155.0)	(154.4)	-255%	124.0	128.3	-66%
Net (loss) earnings attributable to CDK margin	(31.7%)	(30.9%)	-5280bps	6.5%	6.6%	-1460bps
Adjusted EBITDA	193.8	195.6	+9%	774.9	780.7	+13%
Adjusted EBITDA margin	39.7%	39.1%	-30bps	40.5%	40.1%	+180bps

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 13, 2019 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>. The Digital Marketing Business is presented as discontinued operations and prior year amounts have been reclassified.

Q4 and Fiscal 2019 Financial Results

CDK North America

CDK North America

(\$ million except per share)

	Q4 2019			FY 2019		
	ASC 606	ASC 605	Change from 4Q2018	ASC 606	ASC 605	Change from FY2018
Revenues	408.5	411.7	+14%	1,593.0	1,598.2	+11%
Earnings before income taxes	44.4	40.0	-73%	517.5	505.0	-12%
Earnings before income taxes margin	10.9%	9.7%	-3160bps	32.5%	31.6%	-840bps
Adjusted earnings before income taxes	169.5	165.1	+6%	686.4	673.9	+11%
Adjusted earnings before income taxes margin	41.5%	40.1%	-290bps	43.1%	42.2%	+10bps

8,946 Auto Sites

Sites

+13 YoY

+0.15% YoY

Sales ↑
Installs ↑
Retention ↑

\$8,750 Auto RPS

+7% YoY

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 13, 2019 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>. The Digital Marketing Business is presented as discontinued operations and prior year amounts have been reclassified.

Q4 and Fiscal 2019 Financial Results

CDK International

CDK International

(\$ million except per share)

	Q4 2019			FY 2019		
	ASC 606	ASC 605	Change from 4Q2018	ASC 606	ASC 605	Change from FY2018
Revenues	80.1	88.5	-4%	321.8	347.6	-2%
Constant currency revenues	84.9	93.6	+2%	336.3	363.0	+2%
Earnings before income taxes	21.0	27.2	-1%	77.1	95.4	-2%
Earnings before income taxes margin	26.2%	30.7%	+90bps	24.0%	27.4%	0bps
Adjusted earnings before income taxes	21.2	27.4	-3%	77.8	96.1	-5%
Adjusted earnings before income taxes margin	26.5%	31.0%	+30bps	24.2%	27.6%	-80bps

**13,098
Sites**
-176 YoY
-1% YoY

**\$1,530
RPS**
+10% YoY

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 13, 2019 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>.

FY 2020 Guidance and Outlook

CDK Global, Inc. on an ASC 606 basis

CDK Global, Inc. Guidance for Fiscal 2020

	FY 2020 GUIDANCE ASC 606
Revenues	\$2.00 billion - \$2.05 billion
Diluted net earnings attributable to CDK per share	\$2.80 - \$3.00
Adjusted diluted net earnings attributable to CDK per share	\$3.30 - \$3.50
Net earnings attributable to CDK	\$340 million - \$370 million
Adjusted EBITDA	\$790 million - \$820 million
Effective tax rate	25.0% - 26.0%
Adjusted effective tax rate	24.0% - 25.0%
Shareholder Returns (including dividends and share repurchases)	\$75 million - \$150 million

Long-Term Growth Outlook

We expect long-term revenue to grow at mid-single digit rates. Over the next two to three years, we expect adjusted EBITDA to grow at low-single digit rates, with a longer term view of growth accelerating to high-single to low-double digit rates.

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 13, 2019 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>. For our long-term growth outlook of adjusted EBITDA, the information necessary to calculate such measure on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. Therefore, because of the uncertainty and variability of the nature of the amount of future adjustments, which could be significant, no reconciliation is being provided at this time.

Appendix

Glossary of Non-GAAP Measures

Within this presentation, we disclose certain financial measures for our consolidated and operating segment results on both a GAAP and a non-GAAP (adjusted) basis. The non-GAAP financial measures disclosed should be viewed in addition to, and not as an alternative to, results prepared in accordance with GAAP. Our use of each of the following non-GAAP financial measures may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures, or reconcile them to the comparable GAAP financial measures, in the same way. A reconciliation between the following non-GAAP measures and their most comparable GAAP measure and an explanation of why management believes the non-GAAP measures are useful for both management and investors can be found at the end of the press release posted to our Investor Relations website, <http://investors.cdkglobal.com>, in the “Financial Information” section and furnished by us to the SEC on August 13, 2019.

Non-GAAP Financial Measure	Comparable GAAP Financial Measure
Adjusted earnings before income taxes	Earnings before income taxes
Adjusted provision for income taxes	Provision for income taxes
Adjusted net earnings attributable to CDK	Net earnings attributable to CDK
Adjusted diluted earnings attributable to CDK per share	Diluted earnings attributable to CDK per share
Adjusted EBITDA	Net earnings attributable to CDK
Adjusted EBITDA margin	Net earnings attributable to CDK margin
Constant currency revenues	Revenues
Constant currency adjusted earnings before income taxes	Earnings before income taxes
Free cash flow	Net cash flows provided by operating activities