



First Quarter Fiscal 2019

Financial Results Conference Call

November 7, 2018

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, the Company's forecasted GAAP and adjusted results for fiscal 2019; the Company's objectives for its multi-year business transformation plan; 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 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 advertising and related industry changes; competitive conditions; changes in regulation (including future interpretations, assumptions and regulatory guidance related to the Tax Cuts and Jobs Act); 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; litigation involving contract, intellectual property, competition, shareholder, and other matters, and governmental investigations; the Company's ability to timely and effectively implement its transformation plan; 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 MacDonald, Chief Executive Officer

First Quarter Fiscal 2019 Highlights

Core Operations

- Accelerating wins of new Auto sites
- Improving retention rates of existing Auto sites
- Increasing revenue per site by optimizing our commercial offering and layered application penetration
- Continue strong growth from CDKI

Innovation

- Engaged with selected customers on testing and design of Drive *Flex*
- Fortellis is being leveraged for projects both inside and outside of CDK
- Preparing to launch Lyft “Drive Hailer” capability in coming quarters

M&A / Partnerships

- Completed acquisition of ELEAD1ONE

Financial Highlights

Joe Tautges, Chief Financial Officer

Q1 Fiscal 2019 Financial Results

Total CDK; represents growth from Fiscal 2018

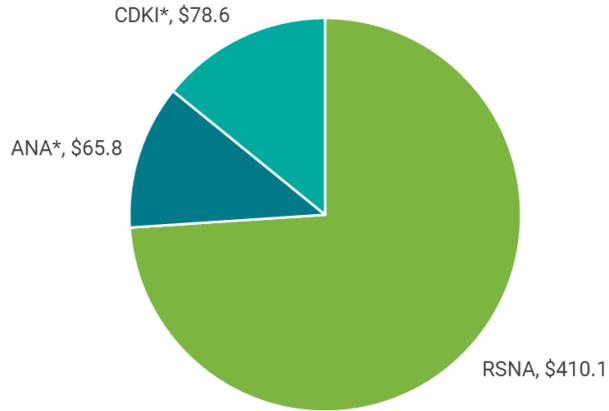
<i>\$ Million (except per share amounts)</i>	ASC 606	ASC 605	
Revenues	\$554.5	\$565.9	+0%
Earnings before income taxes	\$127.8	\$130.3	+9%
Adjusted earnings before income taxes	\$160.1	\$162.6	+6%
Net earnings attributable to CDK	\$90.3	\$92.1	+13%
<i>Margin</i>	16.3%	16.3%	+190 bps
Diluted earnings attributable to CDK per share	\$0.69	\$0.71	+25%
Adjusted diluted earnings attributable to CDK per share	\$0.89	\$0.91	+30%
Adjusted EBITDA	\$208.9	\$211.4	+10%
<i>Margin</i>	37.7%	37.4%	+330 bps

- Q1 Fiscal 2019 GAAP effective tax rate was 27.8% on both an ASC 606 and ASC 605 basis, compared to 30.6% in Q1 Fiscal 2018; Q1 Fiscal 2019 adjusted effective tax rate was 25.9% on both an ASC 606 and ASC 605 basis, compared to 34.2% in Q1 Fiscal 2018
- A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our November 7, 2018 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>.

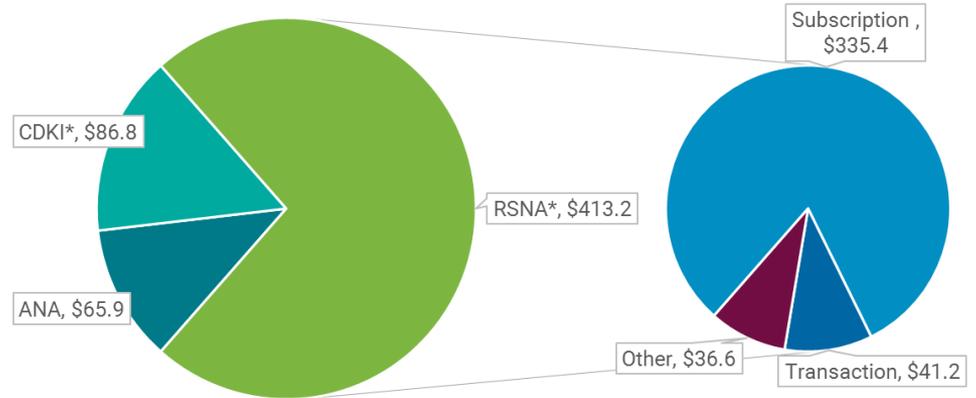
Q1 Fiscal 2019 Financial Results

Revenues by Segment (\$ Million)

ASC 606



ASC 605



* Core Auto Software represents 88% of revenues

Q1 Fiscal 2019 Financial Results

By segment; represents growth from Fiscal 2018

\$ Million	ASC 606			ASC 605		
	Retail Solutions North America	Advertising North America	CDK International	Retail Solutions North America	Advertising North America	CDK International
Revenues	\$410.1	\$65.8	\$78.6	\$413.2 +3%	\$65.9 -17%	\$86.8 +3%
Pretax Earnings	\$175.6	\$6.2	\$18.8	\$174.0 +11%	\$6.3 -41%	\$22.8 +7%
Pretax Margin	42.8%	9.4%	23.9%	42.1% +320 bps	9.6% -370 bps	26.3% +90 bps
Adjusted Pretax Earnings	\$181.0	\$6.8	\$18.9	\$179.4 +12%	\$6.9 -39%	\$22.9 +3%
Adjusted Pretax Margin	44.1%	10.3%	24.0%	43.4% +360 bps	10.5% -380 bps	26.4% +10 bps

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our November 7, 2018 press release that we furnished to the SEC and posted to the "Financial Information" section of our Investor Relations website, <http://investors.cdkglobal.com>.

Fiscal 2019 Guidance

Total CDK; represents growth from Fiscal 2018

<u>Fiscal 2019 Guidance</u>	<u>ASC 606</u>	<u>ASC 605</u>	<u>ASC 605 Prior Guidance</u>
Revenues	\$2.32 billion - \$2.35 billion	\$2.35 billion - \$2.38 billion	\$2.25 billion - \$2.30 billion up (1.0%) – 1.0%
Diluted earnings attributable to CDK per share	\$2.85 - \$2.95	\$2.90 - \$3.00	\$3.20 - \$3.30 up 15.0% - 19.0%
Adjusted diluted earnings attributable to CDK per share	\$3.70 - \$3.80	\$3.80 - \$3.90	\$3.85 - \$3.95 up 15.0% - 18.0%
Net earnings attributable to CDK	\$340 million - \$370 million	\$350 million - \$380 million	\$400 million - \$420 million up 6.0% - 10.0%
<i>Margin</i>			17.5% - 18.5%
Adjusted EBITDA	\$860 million - \$895 million	\$880 million - \$910 million	\$880 million - \$915 million up 8.0% - 12.0%
<i>Margin</i>			39.0% - 40.0%

- In order to provide like-for-like guidance on both an ASC 606 and ASC 605 basis, we will now provide guidance on a dollar basis versus on a growth basis. ASC 605 Prior Guidance provided in our August 14, 2018 press release has been recalculated on a dollar basis for comparability purposes.
- A reconciliation of the most directly comparable GAAP measure to each “Adjusted” measure can be found in the tables accompanying our November 7, 2018 press release that we furnished to the SEC and posted to the “Financial Information” section of our Investor Relations website, <http://investors.cdkglobal.com>.

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 November 7, 2018.

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