



Fourth Quarter and Fiscal 2018

Financial Results Conference Call

August 14, 2018

Safe Harbor for Forward-Looking Statements

This press release 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 and its long-term growth outlook for fiscal 2020 and beyond; 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 press release 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

Fiscal 2018 Highlights

01

Announced new innovations, like Fortellis and Drive Flex

02

Completed acquisitions of Dashboard Dealership Enterprises and Progressus

03

Delivered a record sales year for both sites and layered applications

04

Announced ELEAD1ONE acquisition

Revenue Growth Initiatives

Innovation

- Fortellis Automotive Commerce Exchange
- Connected Store
- Drive *Flex*
- Open Dealer Exchange/RouteOne strategic alliance

Core Operations

- Segmentation of North America sales teams focused on new site acquisitions and existing accounts
- Increase installation capacity by 30%
- Customer Service

M&A / Partnerships

- Dashboard Dealership Enterprises
- Progressus
- ELEAD1ONE

Transformation Plan Financial Highlights

Overachieved financial targets set in June 2015

Fiscal 2018 Target

\$250M -
\$275M
incremental
Adj. EBITDA



- \$355M incremental adjusted EBITDA generated since fiscal 2015

~1,300 bps
Adj. EBITDA
Margin
Expansion



- 1,300 bps margin expansion since fiscal 2015

35% Adj.
EBITDA
Target



- 35.9% adjusted EBITDA margin (Net earnings attributable to CDK margin 16.8%)

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 14, 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>.

Financial Highlights

Joe Tautges, Chief Financial Officer

Fiscal 2018 Financial Results

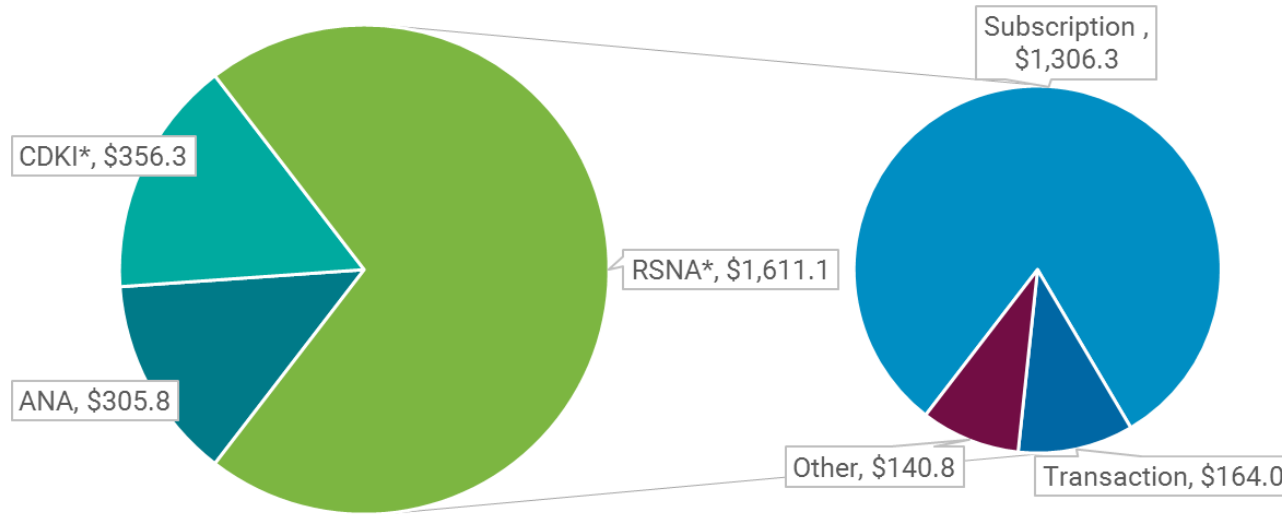
Total CDK; represents growth from Fiscal 2017

\$ Million (except per share amounts)	GAAP		Adjusted	
Revenues	\$2,273.2	+2%	\$2,273.2	+2%
Earnings before income taxes	\$512.0	+18%	\$642.2	+9%
Net earnings attributable to CDK	\$380.8	+29%	\$446.6	+17%
Diluted net earnings attributable to CDK per share	\$2.78	+40%	\$3.26	+27%
Margin	Net earnings attributable to CDK margin 16.8%	+350 bps	EBITDA margin 35.9%	+380 bps

- Fiscal 2018 GAAP effective tax rate was 24.1% compared to 30.5% in Fiscal 2017; Fiscal 2018 adjusted effective tax rate was 29.1% compared to 34.2% in Fiscal 2017
- A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 14, 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 2018 Financial Results

Segment Revenues (\$ Million)



* Core Auto Software
represents 85% of revenues

Fiscal 2018 Financial Results

By segment; represents growth from Fiscal 2017

	Revenues		Pretax Earnings			Pretax Margin	
	GAAP	Constant Currency Adjusted	GAAP	Adjusted	Constant Currency Adjusted	GAAP	Adjusted
<i>\$ Million</i>							
Retail Solutions North America	\$1,611.1 +1%	-	\$659.0 +9%	\$682.0 +13%	+12%	40.9% +310 bps	42.3% +440 bps
Advertising North America	\$305.8 -1%	-1%	\$37.1 -16%	\$37.2 -16%	-16%	12.1% -230 bps	12.2% -220 bps
CDK International	\$356.3 +14%	+7%	\$97.7 +30%	\$97.7 +30%	+23%	27.4% +340 bps	27.4% +340 bps

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 14, 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>.

Q4 Fiscal 2018 Financial Results

Total CDK; represents growth from Q4 Fiscal 2017

\$ Million (except per share amounts)	GAAP		Adjusted	
Revenues	\$569.2	+1%	\$569.2	+1%
Earnings before income taxes	\$136.9	+45%	\$163.7	+12%
Net earnings attributable to CDK	\$99.4	+69%	\$114.6	+26%
Diluted net earnings attributable to CDK per share	\$0.75	+83%	\$0.87	+38%
Margin	Net earnings attributable to CDK margin 17.5%		EBITDA margin 36.8%	
		+710 bps		+450 bps

- Q4 Fiscal 2018 GAAP effective tax rate was 25.8% compared to 35.3% in Q4 Fiscal 2017; Q4 Fiscal 2018 adjusted effective tax rate was 28.6% compared to 36.2% in Q4 Fiscal 2017
- A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 14, 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>.

Q4 Fiscal 2018 Financial Results

By segment; represents growth from Q4 Fiscal 2017

	Revenues		Pretax Earnings			Pretax Margin	
	GAAP	Constant Currency Adjusted	GAAP	Adjusted	Constant Currency Adjusted	GAAP	Adjusted
<i>\$ Million</i>							
Retail Solutions North America	\$402.1 -1%	-1%	\$170.0 +7%	\$174.4 +10%	+9%	42.3% +330 bps	43.4% +420 bps
Advertising North America	\$75.0 -3%	-3%	\$7.6 -41%	\$7.7 -40%	-40%	10.1% -650 bps	10.3% -630 bps
CDK International	\$92.1 +13%	+6%	\$27.4 +38%	\$27.4 +38%	+31%	29.8% +530 bps	29.8% +530 bps

A reconciliation of the most directly comparable GAAP measure to each "Adjusted" measure can be found in the tables accompanying our August 14, 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

Fiscal 2019 Guidance

Revenues	up (1.0%) – 1.0%
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Diluted earnings attributable to CDK per share	\$3.20 - \$3.30 up 15.0% - 19.0%
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Adjusted diluted earnings attributable to CDK per share	\$3.85 - \$3.95 up 15.0% - 18.0%
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Net earnings attributable to CDK	up 6.0% - 10.0%
<i>Margin</i>	<i>17.5% - 18.5%</i>
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Adjusted EBITDA	up 8.0% - 12.0%
<i>Margin</i>	<i>39.0% - 40.0%</i>
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Long-Term Growth Outlook

Total CDK; Fiscal 2020 and beyond

Revenue
+4% - 5%

- Grow revenue per site
- Increase layered application penetration
- Stabilize auto site count

Adjusted EBITDA
+8% - 12%

- Leverage on revenue growth
- Continuous productivity in our operations

Adjusted EPS
+15% - 20%

- Earnings growth
- Continued share buyback

For our fiscal 2020 and beyond long-term growth outlook of adjusted EBITDA and adjusted diluted net earnings attributable to CDK per share, 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 14, 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