FY2018 BUDGET

November 2017

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DISCLAIMER

The budget information included in this presentation constitutes forward-looking statements. Statements that include the words “may”, “could”, “should”, “would”, believe”, “anticipate”, “forecast”, “estimate”, “expect”, “budget”, “preliminary”, “intend”, “plan”, “project”, “outlook” and similar statements of a future or forward-looking nature identify forward-looking statements. You should not place undue reliance on these statements, as they are not guarantees of future performance. Forward-looking statements provide current expectations with respect to our financial performance and future events with respect to our business and industry in general. Forward-looking statements are based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Accordingly, there are or will be important factors that could cause our actual results to differ materially from those indicated in these statements.

We believe these factors include, but are not limited to, the risks related to the following: the Company’s ability to maintain adequate liquidity to fund operations; the Company’s future operating and financial performance, including the Company’s expectations with respect to the rate of its revenue decline, the ability to generate greater digital revenue and to accelerate cost reductions; our ability to successfully integrate the YP business and to achieve expected synergies from that acquisition; limitations on our operating and strategic flexibility and the ability to operate our business, finance our capital needs or expand business strategies under the terms of our existing credit facilities; our ability to retain existing business and obtain and retain new business; general economic or business conditions affecting the markets we serve; declining use of print yellow page directories by consumers; our ability to collect trade receivables from clients to whom we extend credit; credit risk associated with our reliance on small and medium size businesses as clients; our ability attract and retain key managers; increased competition in our markets; our ability to obtain future financing due to changes in the lending markets to our financial position; our ability to maintain agreements with major Internet search and local media companies; reduced advertising spending and increased contract cancellations by our clients, which causes reduced revenue; and, our ability to anticipate or respond effectively to changes in technology and consumer preferences. With respect to the YP acquisition, important factors could cause actual results to differ materially from those currently anticipated, include: the risk that anticipated cost savings, growth opportunities and other financial and operating benefits as a result of the transaction may not be realized or may take longer to realize than expected, the risk that benefits from the transaction may be significantly offset by costs incurred in integrating the companies, including, coordinating geographically separate organizations, integrating business cultures, which could prove to be incompatible, difficulties and costs of integrating information technology systems; and the potential difficulty in retaining key officers and other personnel. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements.

If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. All forward-looking statements included in this presentation are expressly qualified in their entirety by the foregoing cautionary statements. These forward-looking statements speak only as of the date of this presentation and, other than as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

FY2018 BUDGET GUIDING PRINCIPLES

- Deliver print revenue declines at industry rates
- Integrate YP operations onto the Dex platform
  - Eliminate redundant costs
  - Serve former YP clients with Dex service model
  - Right-size sales force
- Grow Thryv business
  - Leverage existing YP client base to sell product in all 48 continental US states
  - Invest in new client acquisition through brand awareness
  - Launch Version 3.0

OVERVIEW

$mm		FY2017			FY2018		
		Lender Plan	LTF (a)	Change	Lender Plan	Budget	Change
Net Revenue	(b)	$2,327	$2,327	$0	$1,964	$1,944	($20)
EBITDA		$537	$555	$18	$520	$535	$15
Free Cash Flow		$138	$230	$92	$197	$249	$52
Net Debt		$932	$824	($108)	$735	$575	($160)
Net Debt / EBITDA		1.74x	1.48x	-.25x	1.41x	1.07x	-.34x

Note:

(a) LTF is Company Latest Thinking Forecast

(b) YP revenue recognition policies are being evaluated to address multi-element arrangements which relate to the allocation of discounts where there are multiple products on a single contract. Possible adjustments to revenue that could result from this review could be the movement of revenue between print and digital products and the possibility of shifting of the recognition of revenue between periods. Actual results may differ materially from budget. Any possible adjustments will have no impact on cash or how we bill our clients.

INCOME STATEMENT

KEY HIGHLIGHTS:

- *Generate $1.1 billion in Digital Revenue*
- *Accelerate cost reductions versus Lender Plan*
- *Deliver improved EBITDA versus Lender Plan*

Note:

(a) YP revenue recognition policies are under review and may result in material movement of revenue between print and digital products and potentially shift revenue between periods. Actual results may differ materially from budget.

(b) Other reflects $166mm of depreciation and intangible amortization, offset by ($6mm) of late fee income.

$ in Thousands

		FY2018	% of Rev
Digital		$1,083,226	55.7%
Print & Other		861,331	44.3%
Total Net Revenue	(a)	**$1,944,557**	**100.0%**
Expenses			
Departemental Costs		1,354,319	69.6%
Non-Departmental Costs		55,119	2.8%
Total Expenses		**$1,409,439**	**72.5%**
			0.0%
EBITDA		**$535,119**	**27.5%**
		27.5%	
Other Expense, Net			
CTA / Business Trans.		58,834	3.0%
Interest Expense		81,676	4.2%
Tax Provision		101,583	5.2%
Other	(b)	160,400	8.2%
Total Other Expenses		**$402,492**	20.7%
Net Income		**$132,627**	6.8%

INCOME STATEMENT – MARGIN VIEW

KEY HIGHLIGHTS:

- *Generate 68.5% Gross Margin*
- *Deliver 27.5% EBITDA margin*

Note:

(a) YP revenue recognition policies are under review and may result in material movement of revenue between print and digital products and potentially shift revenue between periods. Actual results may differ materially from budget.

$ in Thousands

		FY2018
Gross Revenue	(a)	$1,984,831
Sales Allowance		(40,274)
Net Revenue		**$1,944,557**
Variable Expenses		612,343
Variable Margin		**$1,332,214**
% Variable Margin		*68.5%*
Direct Overhead Expenses		527,351
Direct Margin		**$804,862**
% Direct Margin		*41.4%*
Indirect Overhead Expenses		269,744
Total Expenses		1,409,439
EBITDA		**$535,119**
% EBITDA Margin		*27.5%*

FREE CASH FLOW

KEY HIGHLIGHTS:

- *Generate $249 million in Free Cash Flow*
    - *$52 million improvement over Lender Plan*
- *Reduce Cost to Achieve / Business Transformation through change in strategy*
- *Manage working capital for increased cash generation*

$ in Thousands

		FY2018	Lender Plan	Variance
EBITDA		$535,119	$519,650	$15,469
Cash Taxes	(a)	(137,000)	(102,801)	(34,199)
Cash Interest		(76,123)	(86,218)	10,096
Pensions		(3,000)	(3,100)	100
Capex		(30,188)	(45,000)	14,812
CTA / BT		(65,149)	(102,467)	37,318
Working Capital / Other		25,275	17,102	8,174
Free Cash Flow		**$248,934**	**$197,165**	**$51,768**

Note:

(a) Cash Taxes reflect 5 quarters of tax payments. Q4'2017 federal tax payments may be deferred until January 2018 as part of hurricane relief.

CAPITAL EXPENDITURES

KEY HIGHLIGHTS:

- *Continue low capital expenditure practices*

$ in Thousands	FY2018
Hardware / Software Purchases	$8,409
Software Labor Capitalization	13,864
Facilities & Sourcing Capitalization	7,915
Total Capital Expenditures	**$30,188**

BALANCE SHEET

KEY HIGHLIGHTS:

- *Reduce Net Debt by $249 million*

$ in Thousands		Dec-18
Cash and cash equivalents		$0
Other current assets		381,248
Current assets		$381,248
Non-current assets	(a)	1,961,163
Total Assets		**$2,342,411**
Current liabilities		$315,834
Term Loan		412,338
ABL Line		162,394
Total Debt		$574,732
Other non-current liabilities		623,207
Non-Current liabilities		$1,513,772
Shareholders' equity (deficit)		$828,639
Total Liabilities & Shareholders' Equity (Deficit)		**$2,342,411**

Note:
(a) Goodwill and Intangible Asset balances subject to material revision from finalization of Purchase Accounting.