dex-yp. Q3 2018 EARNINGS CALL November 14, 2018

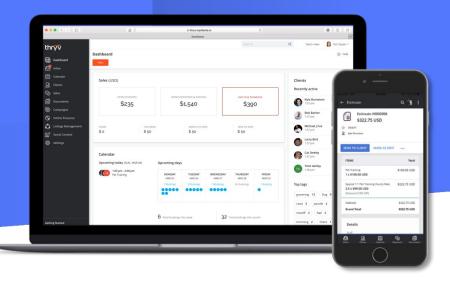
DISCLAIMER

The following information is preliminary financial information only. None of the 2018 information has been reviewed or audited by our independent certified public accountants. The information is subject to adjustment for normal period-end items as well as for other adjustments that may be required when quarterly or annual information is reported. The adjustments could be material. The Company's results can fluctuate from month to month depending on a variety of factors, some of which are beyond the Company's control or are difficult to predict, so no inference as to future results should be drawn from this information. The following information does not necessarily include all material information about the Company or its securities that an investor would consider in making a decision to purchase or sell securities, and, therefore, no person should place undue reliance on this information. The Company disclaims any duty to update the information disclosed below or to provide any information in the future.

The financial, or non-financial information, is presented as if the acquisition of YP Holdings had occurred on January 1, 2017 and excludes the impact of acquisition accounting, as required by U.S. GAAP. Adjusted pro forma EBITDA represents earnings before interest, taxes, depreciation and amortization and other non-recurring items, including adjustments for acquisition and fresh start accounting, long-term incentive compensation, pension, costs to achieve, business transformation, YP acquisition transaction fees, YP integration related one time severance costs, and accounting conformity adjustments. Adjusted pro forma EBITDA margin is calculated by dividing adjusted pro forma EBITDA by total pro forma net revenue. Adjusted pro forma results do not necessarily reflect what the underlying operational or financial performance of the Company would have been, had the Dex Media and YP transaction been consummated prior to January 1, 2017.









Customers & Contacts



Web Presence



Text & Email



Payments



Appointment Booking



Social Media

ADD-ON ITEMS: Thryv Leads, Websites, Video & SEO

THRYV





Encouraging Thryv results continue.

RESELLER/AFFILIATE PARTNER PROGRAM



Agency Partner



Sales **Partner**

THRYV LEADS





DEXYP NON-GAAP KPI

Q3	
(in thousands)	

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		2018	2017	Variance Fav (Unfav)	Variance %
Pro Forma Net Revenue (\$mm)	(a), (b)				
Print		\$211,077	\$273,769	\$(62,692)	-22.9%
Digital		235,326	291,831	(56,505)	-19.4%
Other		3,023	1,760	1,263	71.7%
Total Pro Forma Net Revenue		\$449,426	\$567,360	\$(117,934)	-20.8%
Adjusted Pro Forma EBITDA (\$mm)	(a), (c)	\$151,588	\$147,161	\$4,427	3.0%
Adjusted Pro Forma EBITDA Margin %		33.7%	25.9%	7.8%	
Free Cash Flow (\$mm)	(a), (d), (e)	\$106,854	\$54,085	\$52,770	97.6%
Debt (\$mm)	(a)				
Term Note		\$446,000	\$728,000	\$282,000	38.7%
ABL		153,067	164,238	11,171	6.8%
Total Outstanding Debt		\$599,067	\$892,238	\$293,171	32.9%

YTD (in thousands)

(iii tiiousaiius)												
2018	2017	Variance Fav (Unfav)	Variance %									
\$677,523	\$878,182	\$(200,659)	-22.8%									
733,237	888,354	(155,117)	-17.5%									
7,039	5,859	1,179	20.1%									
\$1,417,798	\$1,772,395	\$(354,597)	-20.0%									
\$442,421	\$427,015	\$15,406	3.6%									
31.2%	24.1%	7.1%										
\$219,404	\$169,676	\$49,729	29.3%									

Net Debt Footnotes:

(a) All 2018 figures presented are preliminary, subject to change, and unaudited. Material changes may result from audit procedures.

\$877,824

(b) Pro Forma Net Revenue for 2018 and 2017 is presented on a consolidated pro forma basis as a result of acquisition accounting and fresh start accounting. DexYP's net revenue has been adjusted to reflect proper recognition of contracts with both print and digital advertising components.

\$284,274

(c) Adjusted Pro Forma EBITDA excludes interest, taxes, depreciation and amortization, and other non-cash/non-recurring expenses, including acquisition and fresh start accounting, pension, long-term incentive compensation, costs to achieve, business transformation, YP acquisition transaction fees, YP integration related one time severance costs and other pro forma adjustments.

32.4%

(d) Free Cash Flow reflects cash generated from operating activities, less capital expenditures and interest payments.

\$593,549

(e)

(e) Net debt excludes YP related financing obligations. The cash portion of these financing obligations, which will be paid out by August 2022, is approximately \$2.0 million.

FULL YEAR 2018 GUIDANCE

\$mm	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Estimate
Revenue	\$498	\$471	\$449	\$422
EBITDA	\$146	\$145	\$152	\$128
FCF	\$53	\$59	\$107	\$87
Net Debt	\$759	\$700	\$594	\$510
Net Debt / EBITDA	1.3x	1.2x	1.0x	0.9x
% of EBITDA Margin	29%	31%	34%	30%

FY2018 Projected
\$1,840
\$570
\$306
\$510
0.9x
31%

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DEXYP ADJUSTED PRO FORMA EBITDA RECONCILIATION

		Q3								YTD								
		(in thousands)							(in thousands)									
				Variance					_	Varianc	e							
			2018		2017	F	av (Unfav)	%		2018	2017	Fav (Unfav)	%					
Net income (loss) - GAAP		\$	19,683	Ś	(112,580)	Ś	132,263	117.5%	\$	30,706 \$	(274,377)	\$ 305,083	111.2%					
Add/(subtract) non-operating items:		7	15,005	Ψ.	(112,500)	Ψ.	101,200	117.570	•	30,700 \$	(2) 4,3777	, 505,005	111.270					
Provision for income taxes			6,878		33,361		(26,483)	-79.4%		11,642	102,520	(90,878)	-88.6%					
Interest expense			19,870		27,013		(7,143)	-26.4%		65,855	85,557	(19,702)	-23.0%					
Gains on early extinguishment of debt					- ,		-	0.0%		-	(751)	751	100.0%					
Operating income (loss)		Ś	46,430	Ś	(52,206)	Ś	98,636	188.9%	Ś	108,203 \$	(87,050)		224.3%					
Depreciation and amortization			66,703		74,091	•	(7,388)	-10.0%		200,445	224,683	(24,238)	-10.8%					
EBITDA		\$	113,133	\$	21,885	\$	91,249	417.0%	\$	308,648 \$	137,633	\$ 171,015	124.3%					
Adjustments:																		
Adjustments for acquisition and fresh start accounting	(a)	\$	-	\$	92,241	Ś	(92,241)	-100.0%	\$	28,587 \$	180,264	\$ (151,677)	-84.1%					
Costs to achieve/business transformation	(b)		27,276	•	8,817		18,458	209.3%		75,993	21,734	54,259	249.6%					
Long-term incentive compensation	(c)		9,742		-,-		9,742	0.0%		33,215	-	33,215	0.0%					
Pension expense (benefit)	(d)		1,437		(1,888)		3,325	176.1%		(4,022)	13,473	(17,495)	-129.8%					
Accounting conformity and other adjustments	. ,		-		4,586		(4,586)	-100.0%		-	10,723	(10,723)	-100.0%					
YP integration related one time severance costs			-		16,698		(16,698)	-100.0%		-	34,835	(34,835)	-100.0%					
YP acquisition transaction fees and other one time costs			-		4,822		(4,822)	-100.0%		-	28,353	(28,353)	-100.0%					
Adjusted Pro Forma EBITDA (non-GAAP)		\$	151,588	\$	147,161	\$	4,427	3.0%	\$	442,421 \$	427,015	\$ 15,406	3.6%					
Operating Revenue - GAAP		\$	449,426	\$	454,287	\$	(4,861)	-1.1%	\$	1,369,374 \$	1,539,036	\$ (169,662)	-11.0%					
Pro forma revenue excluded from GAAP revenue			-		113,073		(113,073)	-100.0%		48,425	233,359	(184,934)	-79.2%					
Total Pro Forma Net Revenue (non-GAAP)		\$	449,426	\$	567,360	\$	(117,934)	-20.8%	\$	1,417,798 \$	1,772,395	\$ (354,597)	-20.0%					
Net Cash Provided by Operating Activities - GAAP		\$	112,467	\$	58,276	\$	54,191	93.0%	\$	235,933 \$	192,231	\$ 43,702	22.7%					
Less: Additions to fixed assets and capitalized software			(5,613)		(4,191)		(1,422)	-33.9%		(16,529)	(22,555)	6,026	26.7%					
Free Cash Flow	(e)	\$	106,854	\$	54,085	\$	52,769	97.6%	\$	219,404 \$	169,676	\$ 49,728	29.3%					

Footnotes:

- (a) Acquisition and fresh start accounting requires that deferred revenue and deferred costs be written off. This adjustment adds back revenue, net of expenses, for what would have been recognized in EBITDA, absent acquisition and fresh start accounting.
- (b) Costs to achieve represents exit and disposal costs associated primarily with closing YP office facilities and the reduction of YP workforce for the purpose of business integration and operational efficiencies.
 - Business transformation represent expenses incurred by Dex Media in connection with an organizational restructuring program, which included the launch of virtual sales offices, enabling the Company to eliminate field sales offices, plus the automation of the sales process, integration of systems to eliminate duplicative systems and workforce reductions.
- (c) Long-term incentive compensation represents stock-based compensation expense associated with stock option awards.
- (d) Net periodic pension (benefit) for YTD 2018 is primarily driven by a remeasurement gain on the YP Pension Plan. This remeasurement was triggered by settlement accounting.
- (e) Free Cash Flow reflects cash generated from operating activities, less capital expenditures and interest payments.

DEXYP FREE CASH FLOW RECONCILIATION

		Q3 (in thousands)							YTD							
	_								_	(in thousands)						
		<u> </u>			Variance						-	Variar		nce		
	-		2018		2017		Fav (Unfav)	%	_	2018		2017		Fav (Unfav)	%	
Adjusted Pro Forma EBITDA		\$	151,588	\$	147,161	\$	4,427	3.0%		\$ 442,421	\$	427,015	\$	15,406	3.6%	
Tax refunds/(payments)			559		(24,001)		24,560	102.3%		(41,451)		(124,175)		82,724	66.6%	
Costs to achieve/business transformation	(a)		(19,066)		(8,021)		(11,045)	-137.7%		(70,852)		(37,018)		(33,834)	-91.4%	
YP transaction fees, severance & other one time payments	(b)		-		(11,934)		11,934	100.0%		-		(41,888)		41,888	100.0%	
Pension funding			-		(2,890)		2,890	100.0%		(2,885)		(4,285)		1,400	32.7%	
Working capital/other	(c)		(1,505)		76,065		(77,570)	-102.0%	_	(27,272)		40,227		(67,499)	-167.8%	
Cash from Operating Activities (before Interest Payments)		\$	131,576	\$	84,139	\$	47,437	56.4%		\$ 299,961	\$	259,877	\$	40,084	15.4%	
Capital expenditures	_		(5,613)		(4,191)		(1,422)	-33.9%	_	(16,529)		(22,555)		6,026	26.7%	
Free Cash Flow (before Interest Payments)	_	\$	125,963	\$	79,948	\$	46,014	57.6%	_	283,432	\$	237,322	\$	46,110	19.4%	
Interest payments	_		(19,108)		(25,864)		6,755	26.1%	_	(64,027)		(67,646)		3,619	5.3%	
Free Cash Flow	_	\$	106,854	\$	54,085	\$	52,770	97.6%	_	\$ 219,404	\$	169,676	\$	49,729	29.3%	

Footnotes:

- (a) Costs to achieve represents exit and disposal costs primarily associated with closing YP office facilities and the reduction of YP workforce for the purpose of business integration and operational efficiencies.
 - Business transformation represent amounts paid by Dex Media in connection with an organizational restructuring program, which included the launch of virtual sales offices, enabling the Company to eliminate field sales offices, plus the automation of the sales process, integration of systems to eliminate duplicative systems, and workforce reductions.
- (b) Cash payments in 2017 primarily represent YP acquisition transaction fees, YP integration related one time severance payments, and other one time project costs.
- (c) Working capital amounts are driven by the timing of expense accruals and the offsetting payments against these accruals.

DEXYP CLIENT COUNT

Q3 (in thousands)

		(in thousands)								
				Varianc	e					
		2018	2017	Fav (Unfav)	%					
Client Count, Period End	(a), (b)									
Multi-Product		176	213	(36)	-17.1%					
Digital		118	116	2	1.5%					
Print		235	296	(61)	-20.5%					
Total Clients		529	625	(96)	-15.3%					

Footnotes:

- (a) Duplicative local clients were removed from both Q3 2018 and Q3 2017.
- (b) Q3 2018 figures presented are preliminary and subject to change.