

BLACK KNIGHT, INC.

First Quarter 2023 Financial Results

May 4, 2023



Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements that involve a number of risks and uncertainties. Statements that are not historical facts, including statements regarding expectations, hopes, intentions or strategies regarding the future are forward-looking statements. Forward-looking statements are based on Black Knight management's beliefs, as well as assumptions made by, and information currently available to, them. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. Black Knight undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The risks and uncertainties that forward-looking statements are subject to include, but are not limited to: the occurrence of any event, change, or other circumstance that could give rise to a right in favor of Intercontinental Exchange, Inc. ("ICE") or us to terminate the definitive merger agreement governing the terms and conditions of the proposed acquisition by ICE of Black Knight (the "ICE Transaction"); the possibility that the proposed ICE Transaction does not close when expected or at all because required regulatory or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all (and the risk that such approvals may result in the imposition of conditions that could adversely affect ICE or us or the expected benefits of the proposed ICE Transaction); the outcome of the United States Federal Trade Commission's (the "FTC") lawsuit filed against us and ICE seeking to block the consummation of the ICE Transaction and of any other legal proceedings that may be instituted against us or ICE; business uncertainties and contractual restrictions while the ICE Transaction is pending, which could adversely affect our business and operations; the diversion of management's attention and time from ongoing business operations and opportunities on merger-related matters; changes to our relationships with our top clients, whom we rely on for a significant portion of our revenues and profit; our ability to comply with or changes to the laws, rules and regulations that affect our and our clients' businesses; our ability to adapt our solutions to technological changes or evolving industry standards or to achieve our growth strategies; increase in the availability of free or relatively inexpensive information; our ability to protect our proprietary software and information rights; our dependence on our ability to access data from external sources; delays or difficulty in developing or implementing new, enhanced or existing software, data or hosting solutions; changes in general economic, business, regulatory and political conditions, particularly as they affect the mortgage industry; risks associated with the recruitment and retention of our skilled workforce; impacts to our business operations caused by the occurrence of a catastrophe or global crisis; our investment in Dun & Bradstreet Holdings, Inc. ("DNB"); security breaches against our information systems or breaches involving our third-party vendors; our ability to successfully consummate, integrate and achieve the intended benefits of acquisitions; and our existing indebtedness and any additional significant debt we incur; and other risks and uncertainties detailed in the "Statement Regarding Forward-Looking Information," "Risk Factors" and other sections of our Annual Report on Form 10-K for the year ended December 31, 2022 and other filings with the Securities and Exchange Commission ("SEC").

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures, including Organic revenue growth, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted operating income, Adjusted operating margin, Adjusted net earnings and Adjusted EPS. These are important financial measures for us but are not financial measures as defined by generally accepted accounting principles ("GAAP"). The presentation of this financial information is not intended to be considered in isolation of or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. We use these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. We believe these measures provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making, including determining a portion of executive compensation. We also present these non-GAAP financial measures because we believe investors, analysts and rating agencies consider them useful in measuring our ability to meet our debt service obligations. By disclosing these non-GAAP financial measures, we believe we offer investors a greater understanding of, and an enhanced level of transparency into, the means by which our management operates the company. These non-GAAP financial measures are not measures presented in accordance with GAAP, and our use of these terms may vary from that of others in our industry. These non-GAAP financial measures should not be considered as an alternative to revenues, operating income, operating margin, net earnings, net earnings per share, net earnings margin or any other measures derived in accordance with GAAP as measures of operating performance or liquidity. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the attached schedules. See the Appendix for further information.

Revenues, EBITDA and EBITDA margin, Operating income and Operating margin for the Software Solutions and Data and Analytics segments are presented in conformity with Accounting Standards Codification Topic 280, *Segment Reporting*. These measures are reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. For these reasons, these measures are excluded from the definition of non-GAAP financial measures under the SEC's Regulation G and Item 10(e) of Regulation S-K.



Business Highlights

MARKET

- High interest rates following the rapid rise since early 2022 has caused operational challenges for our clients and prospects
- Heightened focus on expenses by clients and prospects, as well as the proposed ICE Transaction, has elongated sales cycles in the short term
- Market conditions have also resulted in elevated originator consolidation, bankruptcies and associated attrition
- Expect year over year declines in industry originations to begin abating in the 2nd half of 2023

BLACK KNIGHT

- High recurring revenue business model continues to demonstrate resilience in a challenging environment for our end market
- Continued momentum with new and existing clients
 - 4 new MSP client/new channels signed
 - 5 new Empower clients/new channels signed
 - 25 new PPE clients signed
 - 2 new RAP clients signed



Financial Highlights (GAAP)

METRICS	FIRST QUARTER 2023
REVENUES	\$382.2 million, -1%
OPERATING INCOME	\$81.0 million, +1%
NET EARNINGS ATTRIBUTABLE TO BLACK KNIGHT ⁽¹⁾	\$141.8 million
OPERATING MARGIN	21.2%
NET EARNINGS MARGIN	37.1%
DILUTED EPS ⁽¹⁾	\$0.91

(1) For the three months ended March 31, 2023, the effect of our investment in DNB was a decrease in Net earnings attributable to Black Knight of \$1.2 million, or \$0.01 per diluted share.



Financial Highlights (Non-GAAP)

METRICS⁽¹⁾	FIRST QUARTER 2023
ORGANIC REVENUE GROWTH	2%
ADJUSTED EBITDA	\$180.7 million, -5%
ADJUSTED EBITDA MARGIN	47.3%
ADJUSTED OPERATING INCOME	\$142.6 million, -6%
ADJUSTED OPERATING MARGIN	37.3%
ADJUSTED NET EARNINGS	\$87.8 million, -10%
ADJUSTED EPS	\$0.56, -11%

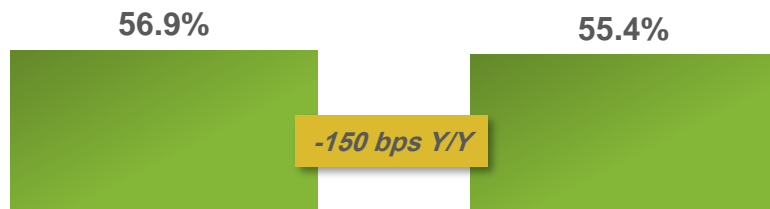
(1) See appendix for non-GAAP reconciliations.



Software Solutions



Revenues (\$ in millions)



EBITDA Margin (%)

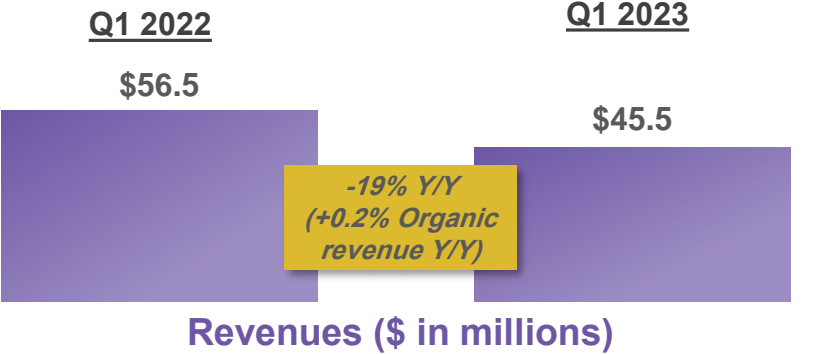


Operating Margin (%)

FIRST QUARTER HIGHLIGHTS

- Revenue growth of 2%
- Servicing software solutions revenue decline of 1%
 - Revenues from new clients and cross-sales to existing clients as well as contract termination fees of \$2.7 million, were more than offset by lower loan counts, attrition, lower professional services and lower foreclosure-related revenues
- Origination software solutions revenue growth of 7%
 - Primarily driven by \$20.1 million of license fees in Q1 2023 (up \$18.0 million YOY) and other revenues from new clients, partially offset by the effect of lower origination volumes and attrition
 - Revenues sensitive to origination volumes were ~2% of our consolidated revenues and were down ~41% compared to the total origination volume (loans) being down ~58% for the first quarter per the Mortgage Bankers Association (“MBA”)
- EBITDA margin of 55.4%
- Operating margin of 45.3%

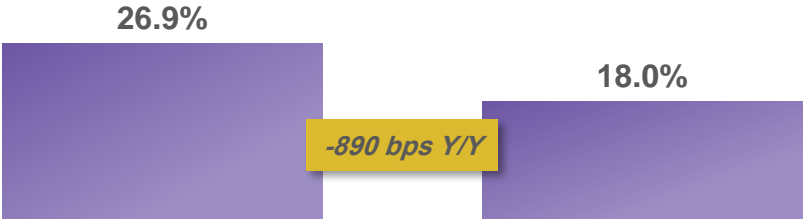
Data & Analytics



Revenues (\$ in millions)



EBITDA margin (%)



Operating Margin (%)

FIRST QUARTER HIGHLIGHTS

- Reported revenues declined 19% as a result of the sale of the TitlePoint line of business in January 2023
 - TitlePoint had \$11.1 million of revenues in the 2022 period
- Organic revenue growth of 0.2%, reflecting revenue from new sales being offset by the effect of lower origination volumes and attrition
 - Revenues sensitive to origination volumes were less than 1% of our consolidated revenues and were down ~44% (excluding TitlePoint revenues in the 2022 period) compared to the total origination volume (loans) being down ~58% for the first quarter per the MBA
- EBITDA margin of 26.8%
- Operating margin of 18.0%

Balance Sheet Highlights

(\$ IN MILLIONS)	MARCH 31, 2023	MATURITY	INTEREST RATE
CASH AND CASH EQUIVALENTS	\$ 14.8		
REVOLVER (\$1,000MM)	319.0	2026	LIBOR + 150 bps
TERM A LOAN	1,114.0	2026	LIBOR + 150 bps
SENIOR NOTES	1,000.0	2028	3.625%
OTHER	0.8	2023	0.00%
TOTAL LONG-TERM DEBT⁽¹⁾	\$ 2,433.8		
NET LEVERAGE RATIO⁽²⁾	3.4x		
MARKET VALUE OF DNB INVESTMENT⁽³⁾	\$ 217		
AFTER-TAX VALUE OF DNB INVESTMENT⁽³⁾	\$ 204		

(1) Excludes debt issuance costs and discount.

(2) Calculated in accordance with the terms of our second amended and restated credit and guaranty agreement.

(3) See appendix for more information.



Other Information

Internal management expectations are based upon the following estimates and assumptions:

	(\$ IN MILLIONS)	
	ACTUAL	ASSUMPTIONS
MODELING DETAILS	Q1 2023	FULL YEAR 2023
(DECREASE) INCREASE IN REVENUE RELATED TO FORECLOSURE VOLUMES	\$(1.3)	~\$(4) to \$4
REVENUE HEADWIND FROM LOWER ORIGINATION VOLUMES	\$7.4	~\$14 to \$17
INTEREST EXPENSE	\$30.1	~\$129 to \$131
ADJUSTED DEPRECIATION AND AMORTIZATION EXPENSE ⁽¹⁾	\$38.1	~\$148 to \$150
ADJUSTED EFFECTIVE TAX RATE ⁽¹⁾	22.0%	~22%
DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING	155.5	~157

(1) Represents a component of the full year Adjusted EPS guidance range. Refer to Slide 2 for the disclaimer related to certain forward-looking non-GAAP financial measures, including certain components of the forward-looking non-GAAP financial measures.



APPENDIX



Non-GAAP Financial Measures

Organic revenue growth – We define Organic revenue growth as Revenues for the current period compared to an adjusted revenue base for the prior period, which is adjusted to add pre-acquisition revenues of acquired businesses for the portion of the prior year matching the portion of the current year that we owned the acquired businesses, and subtract pre-divestiture revenues for divested businesses for the portion of the prior year matching the portion of the current year for which the business was not owned.

Adjusted EBITDA – We define Adjusted EBITDA as Net earnings attributable to Black Knight, with adjustments to reflect the addition or elimination of certain statement of earnings items including, but not limited to: (i) depreciation and amortization; (ii) impairment charges; (iii) interest expense, net; (iv) income tax expense (benefit); (v) other (income) expense, net; (vi) equity in losses of unconsolidated affiliates, net of tax; (vii) gains related to investments in unconsolidated affiliate, net of tax; (viii) net losses attributable to redeemable noncontrolling interests; (ix) equity-based compensation, including certain related payroll taxes; (x) acquisition-related costs, including costs pursuant to purchase agreements; and (xi) costs related to the ICE Transaction. These adjustments are reflected in Corporate and Other.

Adjusted EBITDA Margin – Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by Revenues.

Adjusted operating income – We define Adjusted operating income as Operating income, with adjustments to reflect the addition or elimination of certain statement of earnings items including, but not limited to: (i) equity-based compensation, including certain related payroll taxes; (ii) acquisition-related costs, including costs pursuant to purchase agreements; (iii) costs related to the ICE Transaction; and (iv) the net incremental depreciation and amortization adjustments associated with the application of purchase accounting. These adjustments are reflected in Corporate and Other.

Adjusted operating margin – Adjusted operating margin is calculated by dividing Adjusted operating income by Revenues.

Adjusted net earnings – We define Adjusted net earnings as Net earnings attributable to Black Knight with adjustments to reflect the addition or elimination of certain statement of earnings items including, but not limited to: (i) equity in losses of unconsolidated affiliates, net of tax; (ii) gains related to investments in unconsolidated affiliate, net of tax; (iii) gain related to the TitlePoint transaction; (iv) the net incremental depreciation and amortization adjustments associated with the application of purchase accounting; (v) equity-based compensation, including certain related payroll taxes; (vi) acquisition-related costs, including costs pursuant to purchase agreements; (vii) costs related to the ICE Transaction; (viii) costs and settlement (gains) losses associated with significant legal matters; (ix) adjustment for income tax expense primarily related to the tax effect of the non-GAAP adjustments and a discrete income tax benefit related to the establishment of a deferred tax asset as a result of our reorganization of certain wholly-owned subsidiaries; and (x) adjustment for redeemable noncontrolling interests primarily related to the effect of the non-GAAP adjustments.

Adjusted EPS – Adjusted EPS is calculated by dividing Adjusted net earnings by the diluted weighted average shares of common stock outstanding.

Non-GAAP Reconciliation: Organic Revenue Growth

(\$ in millions)	Three months ended March 31,				Organic revenue growth
	2023	2022			
	As reported	As reported	Pre-divestiture revenues ⁽¹⁾	Adjusted base	
Servicing Software	\$ 221.1	\$ 222.6	\$ —	\$ 222.6	(1)%
Origination Software	115.6	108.1	—	108.1	7%
Software Solutions	336.7	330.7	—	330.7	2%
Data and Analytics	45.5	56.5	(11.1)	45.4	—%
Revenues	\$ 382.2	\$ 387.2	\$ (11.1)	\$ 376.1	2%

Note: Amounts may not recalculate due to rounding.

(1) Includes pre-divestiture revenues related to the TitlePoint line of business for the three months ended March 31, 2022.



Non-GAAP Reconciliation: Adjusted EBITDA

(\$ in millions)	Three months ended March 31,	
	2023	2022
Net earnings attributable to Black Knight	\$ 141.8	\$ 364.6
Depreciation and amortization	82.6	91.5
Interest expense, net	30.1	21.1
Income tax expense (benefit)	45.9	(1.1)
Other (income) expense, net	(138.0)	1.2
Equity in losses of unconsolidated affiliates, net of tax	1.2	2.3
Gain related to investment in unconsolidated affiliate, net of tax	—	(305.4)
Net losses attributable to redeemable noncontrolling interests	—	(2.5)
EBITDA	163.6	171.7
Equity-based compensation	11.6	11.2
Acquisition-related costs	—	7.6
ICE Transaction-related costs	5.5	—
Adjusted EBITDA	\$ 180.7	\$ 190.5
<i>Net earnings margin (%)</i>	<i>37.1%</i>	<i>93.5%</i>
<i>Adjusted EBITDA margin (%)</i>	<i>47.3%</i>	<i>49.2%</i>



Non-GAAP Reconciliation: Adjusted Operating Income

(\$ in millions)	Three months ended March 31,	
	2023	2022
Operating income	\$ 81.0	\$ 80.2
Equity-based compensation	11.6	11.2
Acquisition-related costs	—	7.6
ICE Transaction-related costs	5.5	—
Depreciation and amortization purchase accounting adjustment	44.5	52.6
Adjusted operating income	\$ 142.6	\$ 151.6
<i>Operating margin (%)</i>	21.2%	20.7%
<i>Adjusted operating margin (%)</i>	37.3%	39.2%



Non-GAAP Reconciliation: Adjusted EBITDA for Corporate and Other

(\$ in millions)	Three months ended March 31,	
	2023	2022
EBITDA	\$ (35.3)	\$ (35.5)
Equity-based compensation	11.6	11.2
Acquisition-related costs	—	7.6
ICE Transaction-related costs	5.5	—
Adjusted EBITDA	\$ (18.2)	\$ (16.7)



Non-GAAP Reconciliation: Adjusted Net Earnings

(\$ in millions, except per share data)	Three months ended March 31,	
	2023	2022
Net earnings attributable to Black Knight	\$ 141.8	\$ 364.6
Equity in losses of unconsolidated affiliates, net of tax	1.2	2.3
Gain related to investment in unconsolidated affiliate, net of tax	—	(305.4)
Gain related to the TitlePoint transaction	(145.4)	—
Depreciation and amortization purchase accounting adjustment ⁽¹⁾	44.5	52.6
Equity-based compensation	11.6	11.2
Acquisition-related costs	—	7.6
ICE Transaction-related costs	5.5	—
Legal matters	7.5	1.3
Income tax expense adjustment ⁽²⁾	21.1	(31.1)
Redeemable noncontrolling interests adjustment ⁽³⁾	—	(5.8)
Adjusted net earnings	\$ 87.8	\$ 97.3
Adjusted EPS	\$ 0.56	\$ 0.63
Weighted average shares outstanding, diluted	155.5	155.4



Non-GAAP Reconciliation: Adjusted Net Earnings (Continued)

(1) Components of the depreciation and amortization purchase accounting adjustment are as follows:

(\$ in millions)	Three months ended March 31,	
	2023	2022
Other intangible assets	\$ 30.7	\$ 36.8
Software	13.6	15.6
Property and equipment	0.2	0.2
Depreciation and amortization purchase accounting adjustment	\$ 44.5	\$ 52.6

(2) The table below shows the reconciliation of the GAAP effective tax rate to the non-GAAP effective tax rate.

(\$ in millions)	Three months ended March 31,	
	2023	2022
GAAP effective tax rate	24.3%	(1.9)%
Effect of non-GAAP adjustments ^(a)	(2.3)%	24.9%
Adjusted effective tax rate	22.0%	23.0%

(a) For the first quarter 2022, the income tax expense adjustment includes a discrete income tax benefit of \$14.1 million related to the establishment of a deferred tax asset as a result of our reorganization of certain wholly-owned subsidiaries within the Optimal Blue partnership investment structure.

(3) The redeemable noncontrolling interests adjustment primarily includes the effect of the net incremental depreciation and amortization adjustments associated with the application of purchase accounting.

Note: Amounts may not recalculate due to rounding.



Dun & Bradstreet Investment

DNB shares owned by Black Knight ⁽¹⁾	18.5 million
DNB share price ⁽²⁾	\$11.74
Market value of DNB investment	\$217 million
Total amount invested in DNB	\$166 million
Pre-tax unrealized gain based on amount invested	\$51 million
After-tax unrealized gain based on amount invested	\$38 million
After-tax value of DNB investment	\$204 million

Note: Amounts may not recalculate due to rounding.

(1) DNB shares owned by Black Knight as of March 31, 2023.

(2) Closing price of DNB common stock on March 31, 2023.

