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## Neustar Reports Results for First Quarter 2017

May 4, 2017

Neustar, Inc. (NYSE: NSR), a trusted, neutral provider of real-time information services, today announced results for the quarter ended March 31, 2017.

Neustar reported revenue of \$293.2 million for the first quarter of 2017, with Information Services revenue of \$164.9 million. Marketing Services contributed \$65.0 million in revenue from services that help customers promote their businesses and mitigate risk. Security Services contributed \$46.9 million in revenue from services that direct Internet traffic, resolve Internet queries, protect against DDoS attacks, and administer domain-name registries. Data Services contributed \$53.0 million in revenue from services that enable clients to process decisions and transactions in real time. NPAC Services contributed \$128.3 million in revenue.

Net income for the first quarter of 2017 totaled \$45.4 million, or \$0.80 per share.

Neustar ended the quarter with cash and cash equivalents of \$47.0 million and outstanding debt under its credit facilities and senior notes of \$751.6 million. During the quarter, Neustar paid \$77.4 million of principal under its term loan facility, including \$50.0 million in voluntary prepayments of principal.

This press release is available on the company's website under the Investor Relations tab.

### **NEUSTAR, INC.**

### **CONSOLIDATED STATEMENTS OF OPERATIONS**

(in thousands, except per share data)

**Three Months  
Ended  
March 31,  
2016**

	(unaudited)	
Revenue	\$287,298	\$293,186
Operating expense:		
Cost of revenue (excluding depreciation and amortization shown separately below)	91,351	87,916
Sales and marketing	55,323	56,557
Research and development	7,549	6,672
General and administrative	27,518	28,360
Depreciation and amortization	38,482	34,927
Restructuring charges	2,664	27
Separation costs	—	1,789
	222,887	216,248
Income from operations	64,411	76,938
Other (expense) income:		
Interest and other expense	(17,111)	) (12,271
Interest income	174	72
Income before income taxes	47,474	64,739
Provision for income taxes	16,099	19,296
Net income	\$31,375	\$45,443
Net income per common share:		
Basic	\$0.58	\$0.82
Diluted	\$0.57	\$0.80
Weighted average common shares outstanding:		

Basic	53,953	55,311
Diluted	54,940	57,022

**NEUSTAR, INC.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

**(in thousands)**

**December 31,  
2016**

(audited)

**ASSETS**

Current assets:

Cash and cash equivalents	\$45,773	\$47,048
Restricted cash	2,283	2,141
Accounts receivable, net	207,595	188,930
Unbilled receivables	19,795	15,618
Prepaid expenses and other current assets	41,680	35,867
Deferred costs	11,469	10,909
Income taxes receivable	13,586	612

Total current assets	342,181	301,125
Property and equipment, net	145,821	149,363
Goodwill	1,168,982	1,172,792
Intangible assets, net	423,957	405,429
Other assets, long-term	17,771	16,670
Total assets	\$2,098,712	\$2,045,379

## LIABILITIES AND STOCKHOLDERS' EQUITY

### Current liabilities:

Accounts payable	\$21,095	\$22,569
Accrued expenses	134,545	97,959
Deferred revenue	91,188	96,035
Notes payable	103,725	89,219
Capital lease obligations	1,457	470
Other liabilities	11,632	9,306
Total current liabilities	363,642	315,558
Deferred revenue, long-term	22,437	22,850
Notes payable, long-term	702,946	642,750
Deferred income tax liabilities, long-term	35,088	41,131
Other liabilities, long-term	53,298	53,257
Total liabilities	1,177,411	1,075,546
Total stockholders' equity	921,301	969,833
Total liabilities and stockholders' equity	\$2,098,712	\$2,045,379