

Shareholder Letter

First Quarter 2022



Customer Stories

Langley

Save, Borrow & Spend Wisely

Jeff Gehris, Vice President, Operations
Langley Federal Credit Union

“We chose to transfer management of our self-service fleet to Diebold Nixdorf because their innovative nature sets them apart from the competition. By replacing our fleet with DN Series™ ATMs and outsourcing all operations, we can provide a modern and convenient banking experience to our members and bolster revenue-generating opportunities through self-service.”



Nicolas von Sobbe, Vice President, Technology
McDonald's Germany

“Diebold Nixdorf has been a reliable and valued partner for McDonald's Germany for many years. To expand our collaboration with this established partner was a logical step as our guests' expectations for restaurant technology have also grown in recent years. We look forward to working closely together.”



Radek Hajek, Executive Director of Retail Distribution
CSOB

“Using Diebold Nixdorf’s Managed Services has allowed us to streamline our in-house operations and give back time to our employees, which they can use to focus on supporting our customers and driving revenue. We also achieved significant cost savings and consistently experience above-average cash availability.”



Philipp Senoner, Co-Founder and Managing Director
alpitronic

“With the development of our hypercharger, we set European standards in the field of fast-charging technology. We are pleased to collaborate with a strong partner like Diebold Nixdorf, as this represents an important step toward maintaining our quality standards also in the service part of our business. It is our goal that customers will benefit from high performance across the entire lifecycle of our products.”

To Our Shareholders

2022 has presented challenges both familiar and new, including the ongoing pandemic, geopolitical unrest from the war in Ukraine, increasing inflation, ongoing uncertainty around financial markets and disruptions in global supply chains. However, through our discipline, hard work and commitment to our customers and shareholders, we remain focused on delivering our business objectives. We intend to expand our capabilities to serve our customers with best-in-class solutions while continuing to improve our internal systems and processes by streamlining operations and managing costs.

Over the last quarter, market demand for our products has remained robust, demonstrated by strong order entry. Additionally, product build is progressing as we produced 19% more systems in Q1 2022 as compared to Q1 2021. That said, we are laser-focused on our supply chain and are taking an aggressive stance to improve processes and efficiencies wherever we can, including initiating a full analysis of this important component of our business. Our intent is to accelerate revenue conversion and, more importantly, get product into the hands of our customers more quickly. We believe this is achievable with a refreshed approach.

We are leveraging our significant opportunity set as we see a long runway ahead for serving our customers' needs for self-service and automation, especially in our key businesses of Banking and Retail. We are honored to be our customers' first choice to strategically help them transform their branches and stores to meet the needs of their consumers through our systems, services and software – allowing them to focus on creating better consumer experiences and generating more revenue, while leaving the heavy lifting to us.

Throughout this letter we will detail our Q1 2022 performance with a focus on the following highlights:

- Continued shift from legacy systems to DN Series ATMs as the latter composed 66% of shipments in Q1
- Progress in Retail driven by self-checkout (SCO), evidenced by a ~125% YoY increase in order entry for SCO
- Growth of 123% YoY in connected devices for our DN AllConnectSM Data Engine
- Momentum for Services and Software growth initiatives, including electric vehicle (EV) charging stations with signed contracts for ~27,000 charging stations across several charge point operators and OEMs
- Progress with ESG/DEI initiatives, including sponsorship of the Yara Project, which monitors water quality of the Amazon River basin

In the coming quarters, we look forward to macro-economic conditions improving combined with our increased operational rigor and vigilant cost management, strengthening our ability to deliver for our customers and shareholders.

Business Highlights

Banking

We saw continued strong demand in Banking in Q1 2022, with order entry up 45% for the Americas and up 16% for Eurasia over the prior period in 2021. Momentum for our best-in-class DN Series ATMs remains robust, specifically our cash recyclers, which are now our fourth generation as we continually innovate to meet our customer needs and desires. Our DN Series ATMs shipments for Q1 2022 composed 66% and account for ~77% of the total systems backlog for Banking. We expect this trend to expedite as we see improvements in supply chain, specifically with outbound logistics or delivery to our customers.



In the first quarter we:

- Secured a ~\$5M competitive win with Asia Pacific-based **Military Bank** for DN series devices and a 12-month service and software contract. This customer is pursuing a digital transformation driven by cost efficiency and chose Diebold Nixdorf for a modern-looking product that creates valued differentiation compared with other vendors. With this win, more than 70% of this bank's fleet will be Diebold Nixdorf devices.
- Won a ~\$5M ATM-as-a-Service contract with **Langley Federal Credit Union (FCU)**, which includes devices, managed services and software as FCU's entire fleet will now be DN Series devices connected to our DN AllConnect Data Engine. Deployment of the entire solution is targeted to be completed by July 2022.

As of Q1 2022, our AllConnect Data Engine continues to see growth with over 160,000 banking self-service devices connected to this solution, which leverages real-time Internet of Things connections from our deployed devices. We have a robust path forward for this offering as we are tracking to have 225,000 connected devices, or ~40% of all Diebold Nixdorf devices serviced, by the end of 2022.

Retail

Our self-checkout (SCO) products continue to drive our Retail business with our highest quarterly order entry achievement to date in Q1 2022 for these devices. Additionally, self-service growth leads to an increase in our install base as retailers look to Diebold Nixdorf for comprehensive solutions that deliver cost efficiencies and delight consumers on their shopping journeys.

In the first quarter we:

- Expanded our relationship with a global grocery retailer with a ~\$39M rollout contract as the single supplier for devices, software and services. Initial implementation will be for locations in EMEA, Americas and APAC, and will continue through 2023.
- Secured a ~\$14M contract for services renewal, as well as expansion of devices serviced, with a top EMEA retailer with a presence in nearly 20 countries. This is a three-year contract with the opportunity for an extension.
- Recognized as an EHI Retail Institute 2022 Top Supplier Award winner in partnership with **H&M** for Best Connected Retail Solution with our collaboration on H&M's new Scan & Go app, which provides a fully integrated and seamless shopping and checkout journey.



The pandemic has proven that consumer behavior has evolved, and retailers need to adapt to meet the needs of consumers as well as think strategically about their business amid macro-economic conditions such as labor shortages. Demand for SCO devices continues to drive momentum in 2022, contributing to growth in our Retail business. We also benefit from a strong services attachment rate for these systems. We look forward to meeting the needs of our retail customers as they rethink their checkout approach and choose us as their trusted partner with the latest and greatest in innovative self-service and automation technology.

Growth Initiatives

Managed Services

Our established installed base provides the optimal vehicle to layer on more advanced services, which are increasingly in demand by our customers. We continue to see an upward trajectory for our Managed Services offering, especially as we expand our device footprint.

In the first quarter we:

- Secured a ~\$6M Managed Services contract in Europe with one of the largest express delivery companies in the world, including ongoing service management and potential opportunities for expansion.
- Won two awards at ATM Industry Association's 23rd Annual U.S. Conference in February for our DN AllConnect Services Video and our Managed Services Guide Part 2 "Self-Service Channel Management," demonstrating the attention and recognition our Managed Services-related promotional assets are receiving within the industry and market.



We see continued increased interest in our advanced value-added Managed Services as customers look to outsource their fleet management, compliance, security, cash management and more. Customers want to focus on streamlining their businesses while leaving the heavy lifting to us with our full suite of services to optimize their operations. This will become even more of a focus area for us with more product in the field – which serves as a vehicle for layering on services. We view this as an important part of our growth trajectory and will continue to innovate and provide services that meet the new needs of our customers and subsequently their consumers.

Cloud-Enabled Software

We are transforming our Software business from a highly customized on-premises software model to cloud native software or SaaS. Our customers want solutions that leverage cloud technologies for ease of management, and our Software business is adapting current capabilities to run in this environment. In Retail software, we launched our cloud native, API-first and micro services based Vynamic Retail Platform portfolio. We have already launched the Fuel & Convenience offering at the end of last year and are looking to release our packages dedicated to specialty retail and grocery throughout 2022. We are encouraged by the extremely positive market feedback, which highlights the value of our new platform in terms of time to market, simplicity, and operation efficiency.

In the first quarter we continued to:

- Make progress with our cloud-enabled video platform as we continue work on the projects we won in Q4 2021 with ~30 new customers in the U.S. regional banking space as well as build out projects for our other recent wins that total over 40 customers and growing.
- See validation for customer demand for our Vynamic Payments platform and have proven our competitiveness as we have been selected to the final stage in multiple ongoing RFP process. We see our pipeline building efforts of 2021 coming to fruition next quarter as we are actively engaged in a proof of concept with multiple financial institutions. Additionally, we continue to proceed with the implementation of our existing clients onto the Vynamic Payments platform.

We continue to focus on streamlining our processes around deployment, operations and support for our cloud and SaaS transformation. As previously noted, these sales cycles tend to take longer, especially with Vynamic Payments, however, we continue to build momentum for our platform and solutions in the interim.



EV Charging

As part of our Managed Services, our EV Charging horizontal continues to see strong momentum in providing services for Electric Vehicle (EV) Charging Stations. We continue to see progress in Europe and have begun to make inroads into the U.S. as well.

In the first quarter we:

- Intensified our partnership with **alpitronic** with services in several European countries as we expand our collaboration to more than 10,000 charging points across Europe this year.
- Won a contract for our Global Service Desk for over 10,000 chargers with a leading European Charging Station manufacturer.
- Started a pilot in mid-March to service over 7,000 chargers in the U.S. for a Charging Station manufacturer.



We are tracking to our goal of servicing 30,000 or more units by the end of this year. We also are building close partnerships with leading players and gaining increased interest from Charge Point Operators and EV Charging Station manufacturers that are interested in our Managed Services solutions. In our Retail segment, we are already serving some of our key retail customers in this area. Furthermore, we are in direct conversations with other leading retailers about their EV Charging Station strategies and how we can support them. As noted above, after our initial success in Europe we are now replicating our market entry in the U.S., where we are building a partner network and anticipating more opportunities in the coming periods. We see a strong pipeline ahead for this business and look forward to sharing updates as the business continues to evolve over the coming quarters.

We are proud of our current success with the EV Charging Station horizontal and will continue to analyze potential horizontals for growth that utilize one of our best assets — our Services organization.

ESG and DEI Initiatives

We remain committed to diversity and sustainability at Diebold Nixdorf and look forward to publishing our 2021 Environmental, Sustainability and Governance (ESG) Report in the upcoming months, which will include a comprehensive overview of our accomplishments to date.



In the first quarter we:

- Executed a contract with our Paderborn facility's utility supplier to provide us with 100% renewable energy for the facility during the next two years, 2022 and 2023.
- Sponsored the Yara Project, a research platform, to monitor the water quality of the Amazon River basin. The project is a joint realization between the Manaus and Parintins campuses, focusing on developing a platform that allows automatic and real-time analysis of the waters in the region. Diebold Nixdorf's history with the region is as long-standing as its ESG-focused practices. Our factory in Manaus with 350 collaborators and 18,000 square meters is certified by ISO 14000 and 450001 and has its own waste management and water treatment system. Today, over 80% of the material we use to produce our equipment is recycled.
- Continued to report how we manage and assess climate-related risks and opportunities through the Carbon Disclosure Project (CDP) to increase transparency for our customers, shareholders and stakeholders. Diebold Nixdorf is a strong supporter of the CDP, using the platform to increase our transparency pertaining to our ESG initiatives since 2008.
- Launched two new Employee Resource Groups (ERGs), one focused on parents by supporting and advocating for flexible and family-friendly initiatives and the other focused on an active group of German speaking employees, bringing our company total to six ERGs and growing.

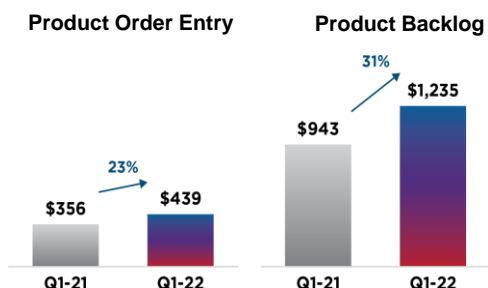
"BY DISCLOSING, DIEBOLD NIXDORF HAS UNDERSCORED THEIR COMMITMENT TO TRANSPARENCY ON THEIR ENVIRONMENTAL IMPACT, RISKS AND OPPORTUNITIES. THIS STEP IS CRUCIAL NOT JUST FOR THEIR GOALS, BUT ALSO FOR THEIR INVESTORS, CUSTOMERS AND EMPLOYEES. CDP GREATLY VALUES DIEBOLD NIXDORF'S CONTRIBUTION TO A MORE SUSTAINABLE FUTURE."

-ATELI IYALLA, MANAGING DIRECTOR,
CDP NORTH AMERICA

Financial Summary

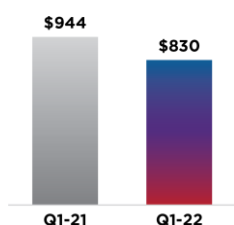
First Quarter 2022

Product Order Entry¹ & Backlog¹ (\$M)



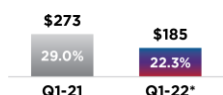
- Order Entry, a forward-looking indicator to revenue, remained robust with an increase of 23% as customers continue to choose Diebold Nixdorf as their preferred provider of Banking and Retail devices and solutions.
- Backlog increased 31% fueled by demand for our Banking & Retail products as shown by order entry.

Total Revenue (\$M)



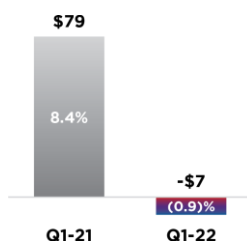
- Revenue was down 12% due to a decline in revenue of ~\$35M from unfavorable FX, ~\$14M from divestitures including Ukraine/Russia, ~\$17M from exiting certain low margin/non-core service contracts, and supply chain impacts.
- Product revenue declines led to a reduction in attached services and software.

Gross Profit¹ (\$M) & Margin¹



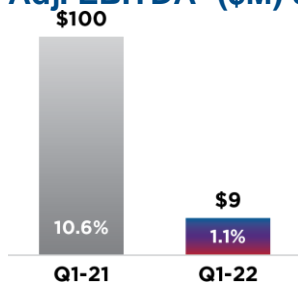
- Gross Profit and Margin decreased due primarily to higher inflation along with the majority of our product sales shipped in the quarter did not have price increases applied as they were from the backlog and the margin on the decline in revenue.

Operating Profit¹ (\$M) & Margin¹



- Operating Profit and Margin decreased as a result of lower gross profit while operating expenses remained relatively flat.

Adj. EBITDA¹ (\$M) & Margin¹



- The decline in adjusted EBITDA is directly attributable to the decline in operating margins.

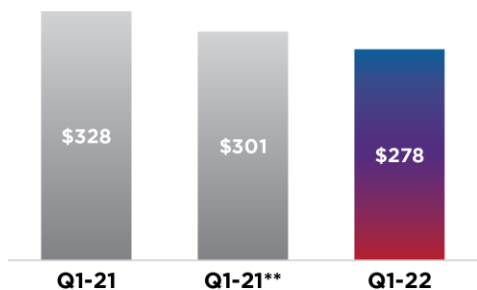
1) Non-GAAP metric. See "Use of Non-GAAP Financial Information" and the Financial Tables in the back of this document for additional information. Note: Differences may occur due to rounding. *There are no adjustments to Q1-22 GAAP gross profit/margin. **Non-GAAP Metric - Represents revenue/gross profit/gross margin on a constant currency basis and adjusted for divestitures and Russia/Ukraine impact.

Financial Discussion

First Quarter 2022

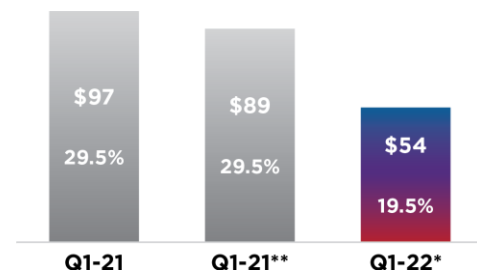
Eurasia Banking Highlights

Revenue (\$M)



Eurasia Banking Revenue declined primarily due to continued supply chain disruptions and the war in Ukraine. Additionally, revenue was impacted by the termination of certain service contracts and FX.

Gross Profit¹ (\$M) & Margin¹

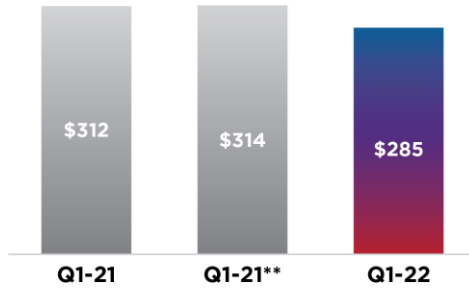


The decline in Eurasia Banking Gross Margin was primarily due to decreased revenue, customer mix and cost inflation.

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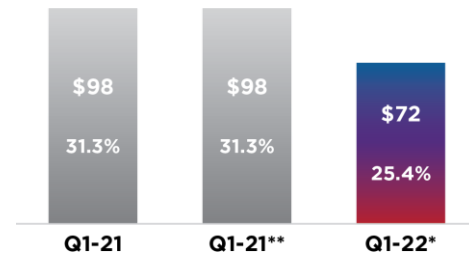
Americas Banking Highlights

Revenue (\$M)



Americas Banking Revenue decreased due primarily to supply chain delays in converting backlog to revenue and related service/software attach rates. From a geographic perspective weakness in North America was partially offset by strength in Brazil and Latin America.

Gross Profit¹ (\$M) & Margin¹

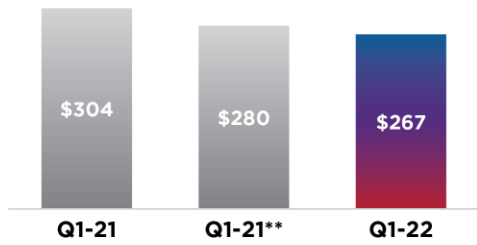


Americas Banking Gross Profit and Gross Margin declined due primarily to higher inflation along with the majority of our product sales shipped in the quarter did not have price increases applied as they were from the backlog and the margin on the decline in revenue.

1) Non-GAAP metric. See "Use of Non-GAAP Financial Information" and the Financial Tables in the back of this document for additional information. Note: Differences may occur due to rounding. *There are no adjustments to Q1-22 GAAP gross profit/margin. **Non-GAAP Metric - Represents revenue/gross profit/gross margin on a constant currency basis and adjusted for divestitures and Russia/Ukraine impact.

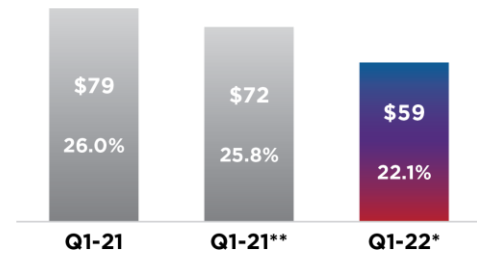
Retail Highlights

Revenue (\$M)



Retail revenue was down due primarily to timing as a result of supply chain challenges, the war in Ukraine, one-off terminated service contracts, and FX.

Gross Profit¹ (\$M) & Margin¹

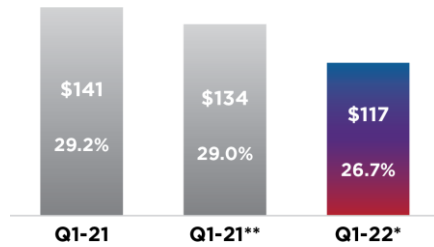


Retail Gross Profit and Gross Margin were down due to lower revenues, heightened inflation (particularly in Products), and sequencing of pricing actions.

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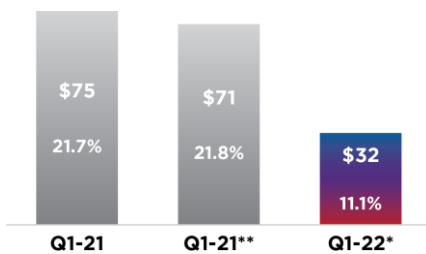
Service, Product and Software Gross Margins

Services Gross Profit¹ (\$M) & Margin¹



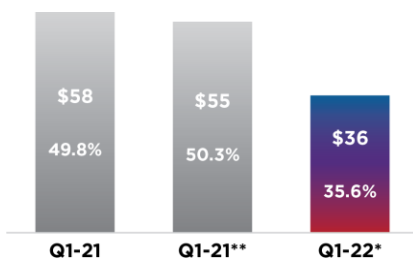
Service margins decreased due to a decline in product installations.

Products Gross Profit¹ (\$M) & Margin¹



Product gross margins declined due to ~10% input inflation while revenue converted from backlog were orders entered prior to price increases.

Software Gross Profit¹ (\$M) & Margin¹

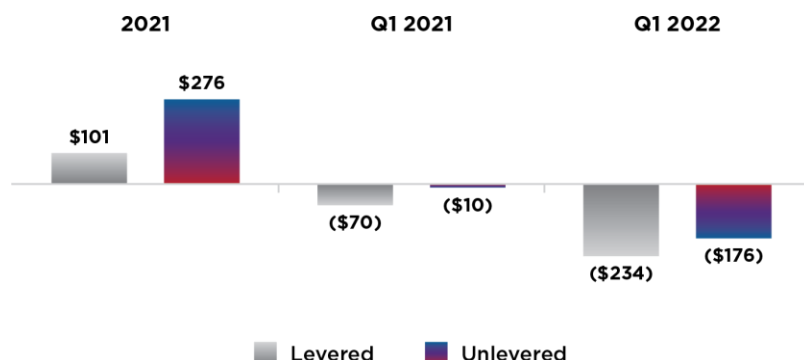


Software gross margins decreased due to lower license revenue due to a large rollout in Q1 21, mix, and inflationary pressures.

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Free Cash Flow, Leverage and Debt Maturities

Levered & Unlevered Free Cash Flow¹



Unlevered free cash use of \$176M reflects lower EBITDA and higher cash use on net working capital driven by supply chain challenges resulting in higher inventory investment and lower accounts payable leverage.

Leverage ratio² increased to 6.4x with net debt³ of \$2,082M and TTM adjusted EBITDA¹ of \$325M.

Available liquidity³ of \$314M.

Debt Maturities

Facilities	Balances as of March 31, 2022 (\$M)	Interest Rate Index and Margin ⁴	Maturity Dates
Revolving Credit (\$330 at 3/31/22) ⁵	\$136	LIBOR +4.50%	July 2023
Term Loan B US\$	\$384	LIBOR +2.75%	November 2023
Term Loan B €	\$371	EURIBOR +3.00%	November 2023
US\$ Senior Unsecured Notes due 2024	\$400	8.50%	April 2024
US\$ Senior Secured Notes due 2025	\$700	9.38%	July 2025
€ Senior Secured Notes due 2025	\$389	9.00%	July 2025

- 1) Non-GAAP metric. See "Use of Non-GAAP Financial Information" and "Supplemental Slides" for further information.
- 2) Leverage ratio is defined as net debt to trailing 12-month adjusted EBITDA. Ending cash balance includes \$2.4M of cash in assets held for sale, which was not realized as of March 31, 2022 and \$0.4M of restricted cash.
- 3) Net debt and liquidity as of March 31, 2022. Net debt is a non-GAAP financial measure defined as notes payable plus long-term debt less cash, cash equivalents, short-term investments, and cash expected to be realized from assets held for sale. Available liquidity includes a portion of total cash and short-term investments plus available borrowing under the revolving credit facility, less letters of credit.
- 4) LIBOR and EURIBOR rates are subject to certain floors.
- 5) Capacity under the revolving credit facility is \$330 at March 31, 2022, which reflects a reduction of \$39 from December 31, 2021. Commitments scheduled to mature in April 2022 were terminated early in March 2022.

Outlook for 2022

	2022 Previous	2022 Revised	Key Expectations ²
Total Revenue	\$4.0-\$4.2B	\$3.7-\$3.9B	Includes the elimination of revenue from Russia and Ukraine of approximately \$80 million, incremental unfavorable FX of approximately \$160 million and supply chain impacts.
Adjusted EBITDA¹	\$440-460M	\$320-\$350M	Y-o-Y decline reflects lower revenue margin drop through in addition to higher rate and duration of inflation net of incremental cost savings.
Free Cash Flow¹	\$130-\$150M	Break even	Decreased FCF is largely a function of lower adjusted EBITDA expectations as well as working capital normalization. Revised guidance is prior to any cash restructuring charges.
ROIC¹	~17%	~13%	Decreased Operating Profit as well as Free Cash Flow conversion.

1) Non-GAAP metrics. See "Use of Non-GAAP Financial Information" and "Supplemental Slides" for further information.

2) Key expectations represent approximate year-over-year changes versus February 2022 previous guidance

Note: With respect to the company's non-GAAP outlook for EBITDA, free cash flow and ROIC in 2022, it is not providing a reconciliation to the most directly comparable GAAP financial measure because it is unable to predict with reasonable certainty those items that may affect such measure calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude the future impact of net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, net income calculated and presented in accordance with GAAP. Please see "Use of Non-GAAP Financial Information" for additional information regarding our use of non-GAAP financial measures.



Discussion of Financial Outlook

Our revised full-year revenue guidance includes the elimination of revenue from Russia and Ukraine of approximately \$80 million, incremental unfavorable FX of approximately \$160 million as well as supply chain impacts. We remain encouraged by our order entry activity, a forward-looking indicator of demand, and are confident in our operating model as we implement cost savings and additional operational rigor to accelerate the pace of the backlog conversion to revenue.

Our revised 2022 adjusted EBITDA outlook reflects the revenue margin drop through in addition to higher rate and duration of inflation net of incremental cost savings.

The decrease in the revised 2022 Free Cash Flow outlook is directly correlated with the decline in expected adjusted EBITDA as well as working capital normalization. The revised guidance is prior to any cash restructuring charges.

Despite these headwinds in 2022, our long-term adjusted EBITDA outlook considers more timely conversion of our orders into revenue, continued price increases and the normalization of inflation, and operating expense reductions from streamlining operations and automate processes. Collectively, these actions will allow us to reconfirm our previously communicated three-year financial targets, albeit one year later due to the macro-economic climate that we and others have faced over the past 18 months.

Our 2024 financial targets are:

- Revenue Growth of 2.0% to 4.0%;
- Profitability of >13% Adjusted EBITDA Margin; and
- Free Cash Flow of >50% conversion of Adjusted EBITDA to levered Free Cash Flow

Additionally, we initiated a plan today to streamline our operations to focus the organization on our customers, drive efficiencies, and automate processes – which will result in cost savings of greater than \$150 million over the next 12 to 18 months. We will accomplish this by more proactive indirect spend management, footprint consolidation, and optimizing our structure for simplification.

Although we continue to face uncertainty from a macro-economic perspective, we believe the company is well-positioned to capitalize on the strong demand for our solutions that our customers desire and deliver value to our shareholders as we implement our cost savings plan which will reduce redundancies, increase operational rigor and simplify our organization.

Non-GAAP Financial Measures and Other Information

To provide investors with additional information regarding our financial results, the company discloses certain financial measures that are not prepared in accordance with GAAP, including non-GAAP results, levered free cash flow/(use) and unlevered free cash flow/(use), net debt, EBITDA, adjusted EBITDA, segment gross profit, segment gross margin and constant currency results. The company calculates constant currency by translating the prior year results at current exchange rates. The company uses these non-GAAP financial measures, in addition to GAAP financial measures, to evaluate our operating and financial performance and to compare such performance to that of prior periods and to the performance of our competitors. Also, the company uses these non-GAAP financial measures in making operational and financial decisions and in establishing operational goals. The company also believes providing these non-GAAP financial measures to investors, as a supplement to GAAP financial measures, helps investors evaluate our operating and financial performance and trends in our business, consistent with how management evaluates such performance and trends. The company also believes these non-GAAP financial measures may be useful to investors in comparing its performance to the performance of other companies, although its non-GAAP financial measures are specific to the company and the non-GAAP financial measures of other companies may not be calculated in the same manner. We provide EBITDA and Adjusted EBITDA because we believe that investors and securities analysts will find EBITDA and adjusted EBITDA to be useful measures for evaluating our operating performance and comparing our operating performance with that of similar companies that have different capital structures and for evaluating our ability to meet our future debt service, capital expenditures and working capital requirements. We are also providing EBITDA and adjusted EBITDA in light of our credit agreement and our secured and unsecured senior notes. We consider free cash flow (use) to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business that, after the purchase of property and equipment and capitalized software development, changes in cash of assets held for sale and the use of cash for M&A activities, and excluding the use/proceeds of cash for the settlement of foreign exchange derivative instruments, can be used for debt servicing, strategic opportunities, including investing in the business, making strategic acquisitions, strengthening the balance sheet and paying dividends. Unlevered free cash flow (use) provides incremental visibility into the company's liquidity by excluding cash used for interest payments from free cash flow (use). For more information, please refer to the Financial Tables in the back of this document.

Forward-Looking Statements

This letter contains statements that are not historical information and are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding potential impact of the ongoing coronavirus (COVID-19) pandemic, anticipated operating results, future liquidity and financial position.

Statements can generally be identified as forward looking because they include words such as "believes," "anticipates," "expects," "could," "should" or words of similar meaning. Statements that describe the company's future plans, objectives or goals are also forward-looking statements. Forward-looking statements are subject to assumptions, risks and uncertainties that may cause actual results to differ materially from those contemplated by such forward-looking statements. The factors that may affect the company's results include, among others:

- the overall impact of global supply chain complexities on the company and its business, including delays in sourcing key components as well as longer transport times, especially for container ships and U.S. trucking, given the company's reliance on suppliers, subcontractors and availability of raw materials and other components;
- the ultimate impact of the ongoing COVID-19 pandemic including further adverse effects to the company's supply chain, maintenance of increased order backlog, and the effects of any COVID-19 related cancellations;
- the company's ability to successfully meet its cost-reduction goals and to continue to achieve benefits from its cost-reduction initiatives and other strategic initiatives, such as DN Now and its digitally enabled hardware, services and software strategy;
- the success of the company's new products, including its DN Series line and EASY family of retail checkout solutions;
- the impact of a cybersecurity breach or operational failure on the company's business;
- the company's ability to generate sufficient cash to service its debt or to comply with the covenants contained in the agreements governing its debt and to successfully refinance its debt;
- the company's ability to attract, retain and motivate key employees;
- changes in the company's intention to further repatriate cash and cash equivalents and short-term investments residing in international tax jurisdictions, which could negatively impact foreign and domestic taxes;
- the company's success in divesting, reorganizing or exiting non-core and/or non-accretive businesses and its ability to successfully manage acquisitions, divestitures, and alliances;
- the outcome of the appraisal proceedings initiated in connection with the implementation of the Domination and Profit Loss Transfer Agreement with the former Diebold Nixdorf AG and the merger/squeeze-out;
- the impact of market and economic conditions, including the proliferation of cash and any deterioration or disruption in the financial and service markets, including the bankruptcies, restructurings or consolidations of financial institutions, which could reduce the company's customer base and/or adversely affect its customers' ability to make capital expenditures, as well as adversely impact the availability and cost of credit; competitive pressures, including pricing pressures and technological developments;
- changes in political, economic or other factors such as currency exchange rates, inflation rates (including the impact of possible currency devaluations in countries experiencing high inflation rates), recessionary or expansive trends, hostilities or conflicts (including the conflict between Russia and Ukraine), taxes and regulations and laws affecting the worldwide business in each of the company's operations;
- the company's ability to maintain effective internal controls;
- unanticipated litigation, claims or assessments, as well as the outcome/impact of any current/pending litigation, claims or assessments;
- the effect of changes in law and regulations or the manner of enforcement in the U.S. and internationally and the company's ability to comply with government regulations; and
- other factors included in the company's filings with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2021 and in other documents the company files with the SEC.

You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements. The company assumes no obligation to update any forward-looking statements, which speak only to the date of this document.

Supplemental Schedules

Q1 QTD 2022 Profit & Loss Statement

	Q1 2022 (GAAP)	% of Net Sales	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Legal / Deal expense	DN1 Impairment	Ukraine/Russia/ Belarus Impairment	Crisis in Ukraine Costs	Q1 2022 (non-GAAP)	% of Net Sales
Services	438.4	52.8 %						438.4	52.8 %
Products	290.9	35.1 %						290.9	35.1 %
Software	100.5	12.1 %						100.5	12.1 %
Total Revenue	829.8	100.0 %						829.8	100.0 %
Services	117.2	26.7 %	—	—	—	—	—	117.2	26.7 %
Products	32.3	11.1 %	—	—	—	—	—	32.3	11.1 %
Software	35.8	35.6 %	—	—	—	—	—	35.8	35.6 %
Total Gross Profit	185.3	22.3 %	—	—	—	—	—	185.3	22.3 %
Operating Expenses									
Selling, G & A	181.0		(18.5)	(1.1)	—	—	(1.3)	160.1	
R, D, & E	32.3		—	—	—	—	—	32.3	
(Gain)Loss of Sale	0.2		—	—	—	—	—	0.2	
Impairment of Assets	55.2		—	—	(38.4)	(16.8)	—	—	
Total Operating Expenses	268.7	32.4 %	(18.5)	(1.1)	(38.4)	(16.8)	(1.3)	192.6	23.2 %
Total Operating Profit (Loss)	(83.4)	(10.1)%	18.5	1.1	38.4	16.8	1.3	(7.3)	(0.9)%

Q1 QTD 2021 Profit & Loss Statement

	Q1 2021 (GAAP)	% of Net Sales	Restructuring & DN Now Transformation expenses	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Legal / Deal expense	Divestiture of Fixed Assets	Other non- routine income / expense	Q1 2021 (non-GAAP)	% of Net Sales
Services	482.4	51.1 %						482.4	51.1 %
Products	345.8	36.6 %						345.8	36.6 %
Software	115.7	12.3 %						115.7	12.3 %
Total Revenue	943.9	100.0 %						943.9	100.0 %
Services	142.3	29.5 %	0.1	—	—	—	(1.7)	140.7	29.2 %
Products	74.6	21.6 %	0.4	—	—	—	0.1	75.1	21.7 %
Software	56.3	48.7 %	—	—	—	—	1.3	57.6	49.8 %
Total Gross Profit	273.2	28.9 %	0.5	—	—	—	(0.3)	273.4	29.0 %
Operating Expenses									
Selling, G & A	203.4		(22.3)	(19.9)	(0.6)	—	—	160.6	
R, D, & E	34.1		(0.3)	—	—	—	—	33.8	
(Gain)Loss of Sale	(0.5)		—	—	—	0.5	—	—	
Impairment of Assets	—		—	—	—	—	—	—	
Total Operating Expenses	237.0	25.1 %	(22.6)	(19.9)	(0.6)	0.5	—	194.4	20.6 %
Total Operating Profit (Loss)	36.2	3.8 %	23.1	19.9	0.6	(0.5)	(0.3)	79.0	8.4 %

Revenue Variance for FX, Divestitures & Related Actions

Segment View

SMillions	Q1-22	Q1-21	Variance F/(U)	Variance %
Eurasia Banking Revenue (GAAP)	277.9	327.8	(49.9)	-15.2%
FX Impact	-	(19.4)		
Divestitures and Related Actions	-	(4.1)		
Russia / Ukraine Impact	-	(3.0)		
Eurasia Banking Adjusted Revenue (Non-GAAP)	277.9	301.3	(23.4)	-7.8%
Americas Banking Revenue (GAAP)	284.8	311.7	(26.9)	-8.6%
FX Impact	-	1.8		
Divestitures and Related Actions	-	-		
Russia / Ukraine Impact	-	-		
Americas Banking Adjusted Revenue (Non-GAAP)	284.8	313.5	(28.7)	-9.2%
Retail Revenue (GAAP)	267.1	304.4	(37.3)	-12.3%
FX Impact	-	(17.9)		
Divestitures and Related Actions	-	(4.7)		
Russia / Ukraine Impact	-	(2.2)		
Retail Adjusted Revenue (Non-GAAP)	267.1	279.6	(12.5)	-4.5%
Total Revenue (GAAP)	829.8	943.9	(114.1)	-12.1%
FX Impact	-	(35.5)		-3.8%
Divestitures and Related Actions	-	(8.8)		-0.9%
Russia / Ukraine Impact	-	(5.2)		-0.6%
Total Adjusted Revenue	829.8	894.4	(64.6)	-7.2%

Business Line View

SMillions	Q1-22	Q1-21	Variance F/(U)	Variance %
Services Revenue (GAAP)	438.4	482.4	(44.0)	-9.1%
FX Impact	-	(14.6)		
Divestitures and Related Actions	-	(5.7)		
Russia / Ukraine Impact	-	(1.3)		
Services Adj. Revenue (Non-GAAP)	438.4	460.8	(22.4)	-4.9%
Products Revenue (GAAP)	290.9	345.8	(54.9)	-15.9%
FX Impact	-	(15.9)		
Divestitures and Related Actions	-	(2.8)		
Russia / Ukraine Impact	-	(3.3)		
Products Adj. Revenue (Non-GAAP)	290.9	323.8	(32.9)	-10.2%
Software Revenue (GAAP)	100.5	115.7	(15.2)	-13.1%
FX Impact	-	(5.0)		
Divestitures and Related Actions	-	(0.3)		
Russia / Ukraine Impact	-	(0.6)		
Software Adj. Revenue (Non-GAAP)	100.5	109.8	(9.3)	-8.5%
Total Revenue (GAAP)	829.8	943.9	(114.1)	-12.1%
FX Impact	-	(35.5)		-3.8%
Divestitures and Related Actions	-	(8.8)		-0.9%
Russia / Ukraine Impact	-	(5.2)		-0.6%
Total Adjusted Revenue	829.8	894.4	(64.6)	-7.2%

Non-GAAP Gross Profit Variance for FX, Divestitures & Related Actions

Segment View

SMillions	Q1-22	Q1-21	Variance F/(U)	Variance %
Eurasia Banking Gross Profit (GAAP)	54.1	95.2	(41.1)	-43.2%
Restructuring, DN Now, & other non-routine expenses	-	1.5		
Eurasia Banking Gross Profit (Non-GAAP)	54.1	96.7	(42.6)	-44.1%
FX Impact	-	(6.9)		
Divestitures and Related Actions	-	(0.4)		
Russia / Ukraine Impact	-	(0.5)		
Eurasia Banking Adjusted Gross Profit (Non-GAAP)	54.1	88.9	(34.8)	-39.1%
Americas Banking Gross Profit (GAAP)	72.2	99.2	(27.0)	-27.2%
Restructuring, DN Now, & other non-routine expenses	-	(1.7)		
Americas Banking Gross Profit (Non-GAAP)	72.2	97.5	(25.3)	-25.9%
FX Impact	-	0.6		
Divestitures and Related Actions	-	-		
Russia / Ukraine Impact	-	-		
Americas Banking Adjusted Gross Profit (Non-GAAP)	72.2	98.1	(25.9)	-26.4%
Retail Gross Profit (GAAP)	59.0	78.8	(19.8)	-25.1%
Restructuring, DN Now, & other non-routine expenses	-	0.4		
Retail Gross Profit (Non-GAAP)	59.0	79.2	(20.2)	-25.5%
FX Impact	-	(5.1)		
Divestitures and Related Actions	-	(1.6)		
Russia / Ukraine Impact	-	(0.2)		
Retail Adjusted Gross Profit (Non-GAAP)	59.0	72.3	(13.3)	-18.4%
Total Gross Profit (GAAP)	185.3	273.2	(87.9)	-32.2%
Restructuring, DN Now, & other non-routine expenses	-	0.2		0.1%
Total Gross Profit (Non-GAAP)	185.3	273.4	(88.1)	-32.2%
Fx Impact	-	(11.4)		-4.2%
Divestitures and Related Actions	-	(2.0)		-0.7%
Russia / Ukraine Impact	-	(0.7)		-0.3%
Total Adjusted Gross Profit	185.3	259.3	(74.0)	-28.5%

Business Line View

SMillions	Q1-22	Q1-21	Variance F/(U)	Variance %
Services Gross Profit (GAAP)	117.2	142.3	(25.1)	-17.6%
Restructuring, DN Now, & other non-routine expenses	-	(1.6)		
Services Gross Profit (Non-GAAP)	117.2	140.7	(23.5)	-16.7%
FX Impact	-	(4.8)		
Divestitures and Related Actions	-	(2.0)		
Russia / Ukraine Impact	-	(0.3)		
Services Adj. Gross Profit (Non-GAAP)	117.2	133.6	(16.4)	-12.3%
Products Gross Profit (GAAP)	32.3	74.6	(42.3)	-56.7%
Restructuring, DN Now, & other non-routine expenses	-	0.5		
Products Gross Profit (Non-GAAP)	32.3	75.1	(42.8)	-57.0%
FX Impact	-	(4.1)		
Divestitures and Related Actions	-	(0.3)		
Russia / Ukraine Impact	-	(0.2)		
Products Adj. Gross Profit (Non-GAAP)	32.3	70.5	(38.2)	-54.2%
Software Gross Profit (GAAP)	35.8	56.3	(20.5)	-36.4%
Restructuring, DN Now, & other non-routine expenses	-	1.3		
Software Gross Profit (Non-GAAP)	35.8	57.6	(21.8)	-37.8%
FX Impact	-	(2.5)		
Divestitures and Related Actions	-	0.3		
Russia / Ukraine Impact	-	(0.2)		
Software Adj. Gross Profit (Non-GAAP)	35.8	55.2	(19.4)	-35.1%
Total Gross Profit (GAAP)	185.3	273.2	(87.9)	-32.2%
Restructuring, DN Now, & other non-routine expenses	-	0.2		0.1%
Total Gross Profit (Non-GAAP)	185.3	273.4	(88.1)	-32.2%
Fx Impact	-	(11.4)		-4.2%
Divestitures and Related Actions	-	(2.0)		-0.7%
Russia / Ukraine Impact	-	(0.7)		-0.3%
Total Adjusted Gross Profit	185.3	259.3	(74.0)	-28.5%

Adjusted EBITDA

	Q1 2022	Q1 2021
GAAP Revenue	\$ 830	\$ 944
GAAP Net Income	(184)	(8)
Income tax expense (benefit)	51	1
Interest income	(1)	(2)
Interest expense	48	49
Depreciation and amortization ¹	33	40
EBITDA	(53)	80
Share-based compensation	1	4
Amortization of cloud-based software implementation costs	1	—
Foreign exchange (gain) loss, net	5	(6)
Miscellaneous, net	(3)	1
Equity in earnings of unconsolidated subsidiaries	1	1
Restructuring and DN Now transformation expenses ²	—	21
Non-routine expenses, net ³	57	—
Adjusted EBITDA	\$ 9	\$ 100
Adjusted EBITDA as a % of GAAP Revenue	1.1 %	10.6 %

Trailing 12-month Adjusted EBITDA Reconciliation

	TTM 3/31/2022	TTM 3/31/2021
GAAP Revenue	\$ 3,791	\$ 3,935
GAAP Net Income	(254)	(182)
Income tax expense (benefit)	77	(20)
Interest income	(6)	(7)
Interest expense	195	293
Depreciation and amortization ¹	142	171
EBITDA	155	255
Share-based compensation	12	15
Amortization of cloud-based software implementation costs	1	—
Foreign exchange (gain) loss, net	12	9
Miscellaneous, net	(7)	(7)
Equity in earnings of unconsolidated subsidiaries	(1)	—
Restructuring and DN Now transformation expenses ²	76	152
Non-routine expenses, net ³	76	40
Adjusted EBITDA	\$ 325	\$ 464
Adjusted EBITDA as a % of GAAP Revenue	8.6 %	11.8 %

With respect to the company's adjusted EBITDA outlook for 2022, it is not providing a reconciliation to the most directly comparable GAAP financial measure because it is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude the future impact of net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, net income calculated and presented in accordance with GAAP. Please see "Use of Non-GAAP Financial Information" for additional information regarding our use of non-GAAP financial measures.

¹ Deferred financing fees have been removed from depreciation and amortization; included in interest expense

² Excludes accelerated ERP depreciation; included in depreciation and amortization

³ Net non-routine expenses excludes the amortization of Wincor Nixdorf intangible assets, which are included in depreciation and amortization

Free Cash Flow

Q1 2022 Free Cash Flow

\$ Millions	Q1 2022	Q1 2021
Net cash (used) provided by operating activities (GAAP measure)	(226)	(65)
Excluding the impact of changes in cash of assets held for sale and the use of cash for M&A activities	4	(1)
Excluding the use of cash for the settlement of foreign exchange derivative instruments	—	4
Excluding the termination of certain interest rate swaps due to debt refinancing	—	—
Proceeds from the surrender of company-owned life insurance policies	—	—
Capital expenditures	(4)	(2)
Capitalized software development	(8)	(6)
Free cash flow/(use) (non-GAAP measure)	(234)	(70)
Add back: cash interest	59	60
Unlevered Free Cash Flow (Use) (non-GAAP Measure)	(175)	(10)

Trailing 12-month Free Cash Flow

\$ Millions	TTM 3/31/2022	TTM 3/31/2021
Net cash (used) provided by operating activities (GAAP measure)	(38)	31
Excluding the impact of changes in cash of assets held for sale and the use of cash for M&A activities	25	1
Excluding the use of cash for the settlement of foreign exchange derivative instruments	—	34
Excluding the termination of certain interest rate swaps due to debt refinancing	—	10
Proceeds from the surrender of company-owned life insurance policies	—	16
Capital expenditures	(18)	(24)
Capitalized software development	(33)	(18)
Free cash flow/(use) (non-GAAP measure)	(64)	50
Add back: cash interest	174	165
Unlevered Free Cash Flow (Use) (non-GAAP Measure)	110	215

Free cash flow is a non-GAAP financial measure defined as net cash provided by operating activities from continuing operations less capital expenditures, less cash used for capitalized software development, and excluding the impact of changes in cash of assets held for sale and the use of cash for M&A activities, and excluding the use of cash for the settlement of foreign exchange derivative instruments, and excluding the use of cash for the termination of certain interest rate swaps due to the debt refinancing completed in Q3 2020, and including the proceeds from the surrender of company-owned life insurance policies. Unlevered free cash flow adds back cash interest to non-GAAP free cash flow. With respect to the company's non-GAAP free cash flow outlook for 2022, it is not providing a reconciliation to the most directly comparable GAAP financial measure because it is unable to predict with reasonable certainty those items that may affect such measure calculated and presented in accordance with GAAP without unreasonable effort. This measure primarily excludes the future impact of changes in cash of assets held for sale, cash used for M&A activities and the settlement of foreign exchange derivative instruments. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, net cash provided (used) by operating activities calculated and presented in accordance with GAAP. Please see "Use of Non-GAAP Financial Information" for additional information regarding our use of non-GAAP financial measures

Net Debt

\$ Millions	March 31, 2022	December 31, 2021	March 31, 2021
Cash, cash equivalents, restricted cash and short-term investments (GAAP measure)	267	423	256
Cash included in assets held for sale	2	3	4
Debt instruments	(2,351)	(2,293)	(2,282)
Net debt (non-GAAP measure)	\$ (2,082)	\$ (1,866)	\$ (2,022)

Return on Invested Capital (ROIC)

\$ Millions	2019	2020	2021	TTM Q1 2022
Revenue	\$ 4,409	\$ 3,902	\$ 3,905	\$ 3,791
GAAP Operating Profit (Loss)	(27)	24	137	18
Non-GAAP Adjustments ¹	295	331	196	229
Non-GAAP Operating Profit ¹	268	355	333	247
Effective Tax Rate of 30%	80	107	100	74
Net Operating Profit after Tax (NOPAT) ¹	188	248	233	173
Cash & Short-Term Investments ²	(388)	(364)	(426)	(267)
Debt	2,141	2,346	2,293	2,351
Leases	172	154	164	158
Pensions & Other Post-Retirement Liabilities	265	222	104	81
Redeemable Noncontrolling Interest	21	19	—	—
Equity	(506)	(832)	(837)	(1,009)
Total Invested Capital	1,705	1,545	1,298	1,314
Average Invested Capital	1,977	1,625	1,546	1,499
Return on Invested Capital (ROIC)¹	9.5 %	15.3 %	15.1 %	11.5 %

Return on invested capital (ROIC) is a non-GAAP financial measure defined as adjusted net operating profit after tax (NOPAT) utilizing a 30% estimated effective tax rate divided by average invested capital for the period. Invested capital consists of net debt, leases, pension and other post-retirement liabilities and equity.

With respect to the company's non-GAAP outlook for ROIC in 2022, it is not providing a reconciliation to the most directly comparable GAAP financial measure because it is unable to predict with reasonable certainty those items that may affect such measure calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude the future impact of net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, net income calculated and presented in accordance with GAAP. Please see "Use of Non-GAAP Financial Information" for additional information regarding our use of non-GAAP financial measures

¹ Non-GAAP metric

² Includes cash included in assets held for sale