



[DieboldNixdorf.com](https://www.DieboldNixdorf.com)

Investment Community Conference Call

Second Quarter, 2020

Thursday July 30, 2020

Use of non-GAAP Financial Information

To supplement our condensed consolidated financial statements presented in accordance with GAAP, the company considers certain financial measures that are not prepared in accordance with GAAP, including non-GAAP results, adjusted diluted earnings per share, free cash flow/(use), net debt, EBITDA, adjusted EBITDA and constant currency results. The company calculates constant currency by translating the prior year results at the current year exchange rate. 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 the issuance of our 8.5% senior notes due 2024. For more information, please refer to the section, "Notes for Non-GAAP Measures."

Forward-looking Statements

This document contains statements that are not historical information 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 revenue, 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 ultimate impact of the ongoing COVID-19 pandemic on the company's business, results of operations, financial condition and liquidity; the ultimate impact of the appraisal proceedings initiated in connection with the implementation of the domination and profit and loss transfer agreement with Diebold Nixdorf AG and the merger squeeze-out; the company's ability to achieve benefits from its cost-reduction initiatives and other strategic initiatives, such as DN Now, including its planned restructuring actions, and its incremental cost savings actions, as well as its business process outsourcing initiative; the success of the company's new products, including its DN Series line; the company's ability to comply with the covenants contained in the agreements governing its debt; the ultimate outcome of the company's pricing, operating and tax strategies applied to former Diebold Nixdorf AG and the ultimate ability to realize cost reductions and synergies; changes in political, economic or other factors such as currency exchange rates, inflation rates, recessionary or expansive trends, taxes and regulations and laws affecting the worldwide business in each of the company's operations; the company's reliance on suppliers and any potential disruption to the company's global supply chain; the impact of market and economic conditions, including any additional deterioration and disruption in the financial and service markets, including the bankruptcies, restructurings or consolidations of financial institutions, which could reduce our customer base and/or adversely affect our customers' ability to make capital expenditures, as well as adversely impact the availability and cost of credit; interest rate and foreign currency exchange rate fluctuations, including the impact of possible currency devaluations in countries experiencing high inflation rates; the acceptance of the company's product and technology introductions in the marketplace; competitive pressures, including pricing pressures and technological developments; changes in the company's relationships with customers, suppliers, distributors and/or partners in its business ventures; the effect of legislative and regulatory actions in the United States and internationally and the company's ability to comply with government regulations; the impact of a security breach or operational failure on the company's business; the company's ability to successfully integrate other acquisitions into its operations; the company's success in divesting, reorganizing or exiting non-core and/or non-accretive businesses; the company's ability to maintain effective internal controls; 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; unanticipated litigation, claims or assessments, as well as the outcome/impact of any current/pending litigation, claims or assessments; the investment performance of the company's pension plan assets, which could require the company to increase its pension contributions, and significant changes in healthcare costs, including those that may result from government action; the amount and timing of repurchases of the company's common shares, if any; 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, 2019 and in other documents that 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.

Mid-year update

- ✓ **Solid Q2 results demonstrate resiliency and criticality of Diebold Nixdorf**
 - + Fulfilling our mission as an essential business provider
 - + Seeing self-service transactions return to pre-COVID levels in a number of markets
 - + Clear progress on DN Now initiatives & incremental cost actions
- ✓ **Successfully extended maturities while maintaining liquidity**
 - + \$1.1 billion refinancing in leverage neutral offerings
 - + Provides financial flexibility to complete DN Now Transformation
 - + Oversubscribed offerings are a strong endorsement from new and current investors
 - + 2020 cash interest declines to \$150M
- ✓ **Continued focus on value creation for investors, customers and employees**

Q2-2020 Results Demonstrate Resiliency

	Services	Products	Software
Expectations for 2020			
Revenue Impact	<i>Mild</i> ²	<i>Moderate</i>	<i>Mild</i>
Gross Margin ¹	Improving	Broadly stable	Improving
Drivers of Operating Profit ¹	DN Now savings target of ~\$130M plus incremental actions of \$80M - \$100M		

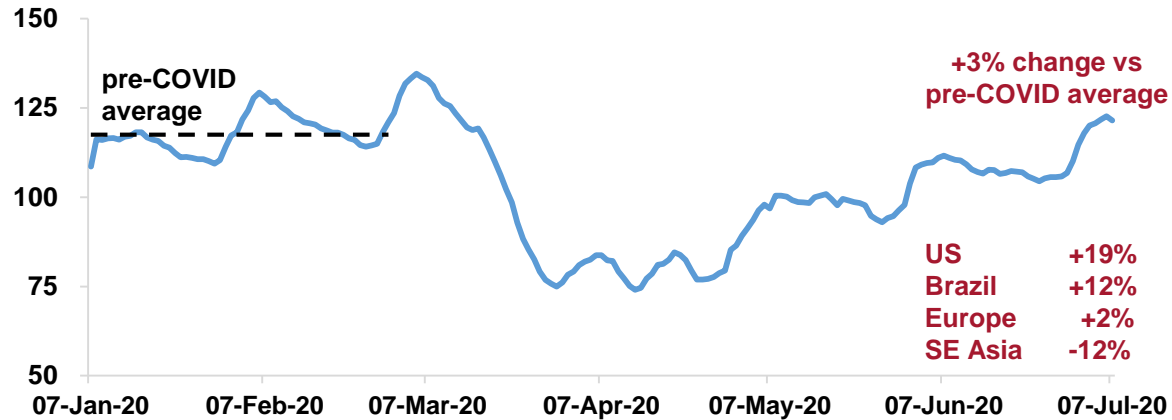
Q2-2020 Results

Revenue ²	-11.8% YoY	-30.7% YoY	+2.6% YoY
Gross Margin ¹	+470 bps YoY to 30.7%	+250 bps YoY to 23.0%	+940 bps YoY to 44.1%
Operating Profit ¹ OP Margin ¹	OP increased \$24M or 32% YoY while OP Margin expanded 460 bps YoY		

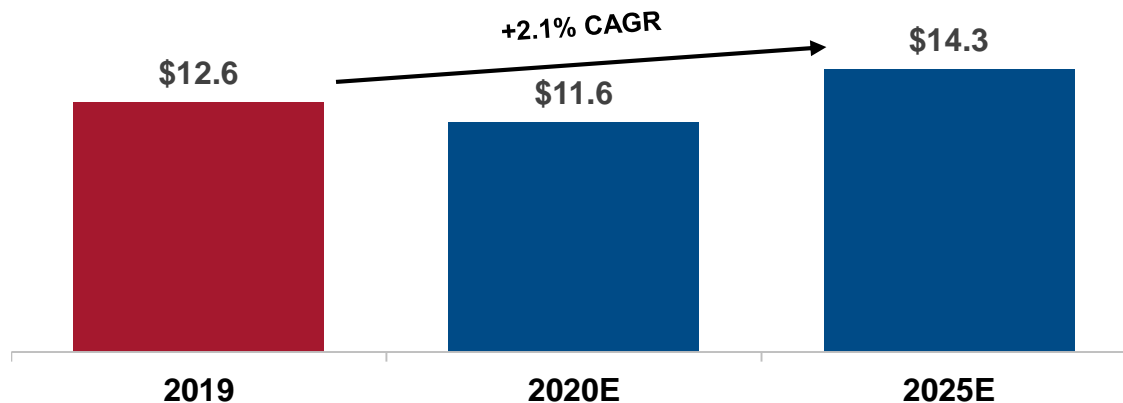
Demand for Self-service Transactions Is Returning to Pre-COVID levels

Sample ATM Transaction Activity¹

Trailing 7-day average number of transactions per device



Global Cash Withdrawals² (T\$)



New Business in Q2-2020

Banking

- DN Series ATM orders
 - + top 10 and top 25 US financial institutions
 - + Order in Egypt for 350 ATMs plus remote monitoring and cash deposit software
- \$13 million contract for cash recycling ATMs and related services at one of the largest banks in Latin America

Retail

- 3-year product and managed services contract with A.S. Watson, the world's largest international health and beauty retailer to support its digital transformation strategy
- New \$17 million contract to deliver managed services, point-of-sale and self-checkout solutions across Europe with one of the world's largest home furnishing retailers

Diebold Nixdorf's Value Creation Journey

Operating Margin Expansion

- Execution of DN Now initiatives drives higher profits & cash flows
- On track to deliver ~\$470M of gross savings by 2021 including ~\$190M over the next 18 months
- Restructuring and DN Now transformation payments to be substantially complete by YE-2020.
- Targeting a higher conversion of adj. EBITDA to free cash flow
- Demonstrating resiliency and flexibility under adverse business conditions

Well underway

Optimized Capital Structure

- Debt reduction
- Extending maturities
- Improving deductibility of interest through US\$/euro mix of debt
- Maintaining sufficient liquidity
- Ongoing monitoring of capital market opportunities

Ongoing

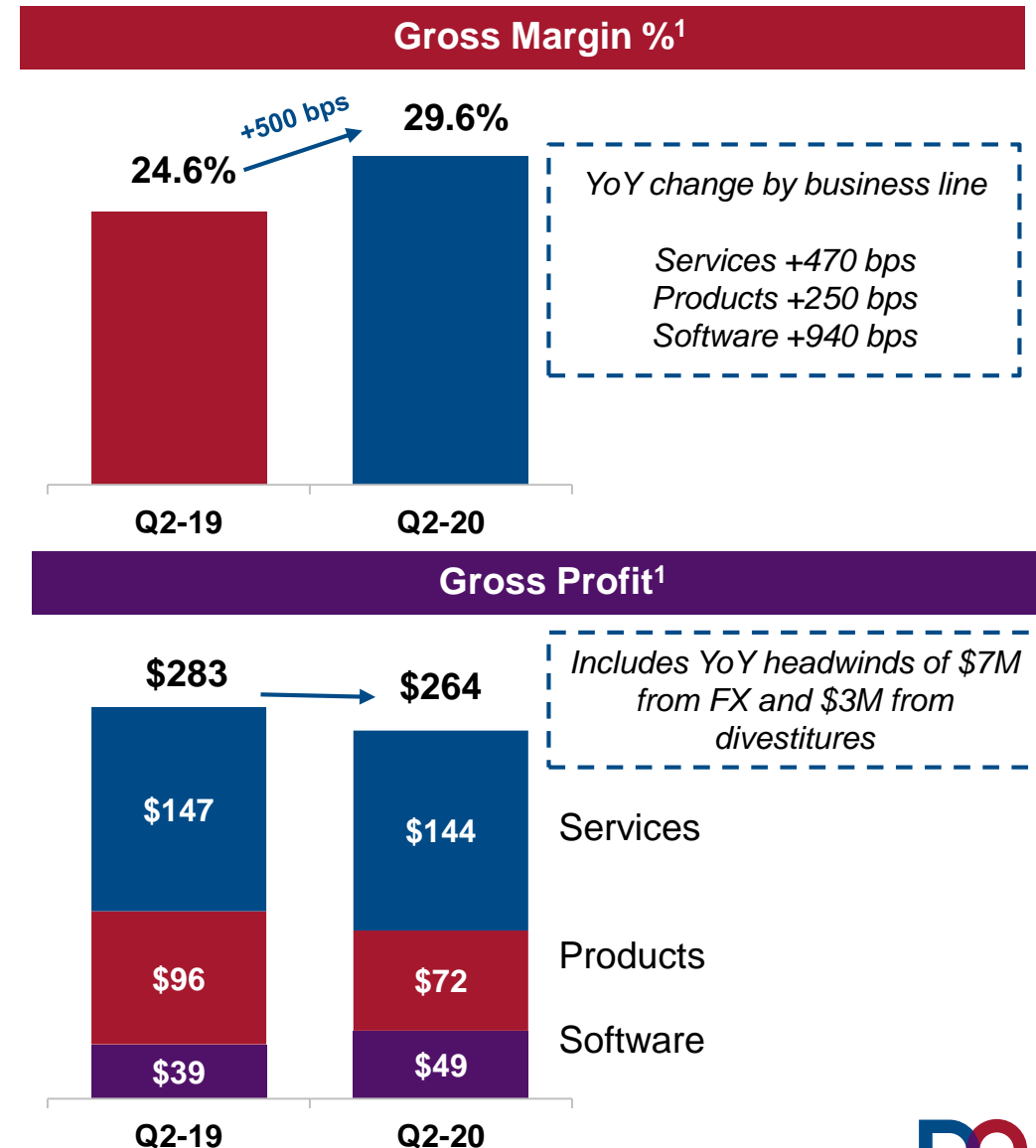
Differentiation/Growth

- Services - increase contract base
 - ✓ Market-leading product-related services enhanced with data analytics (ACDE)
 - ✓ Best-in-class Managed Services
- Products - gain share at attractive economics
 - ✓ DN Series - financial institutions
 - ✓ Self-checkout - retailers
- Software - expand share of wallet
 - ✓ Multivendor software solutions
 - ✓ Cloud-native Debit platform
 - ✓ Marketing & cash management

Building blocks in place

Gross Margin Expansion Despite Revenue Headwinds

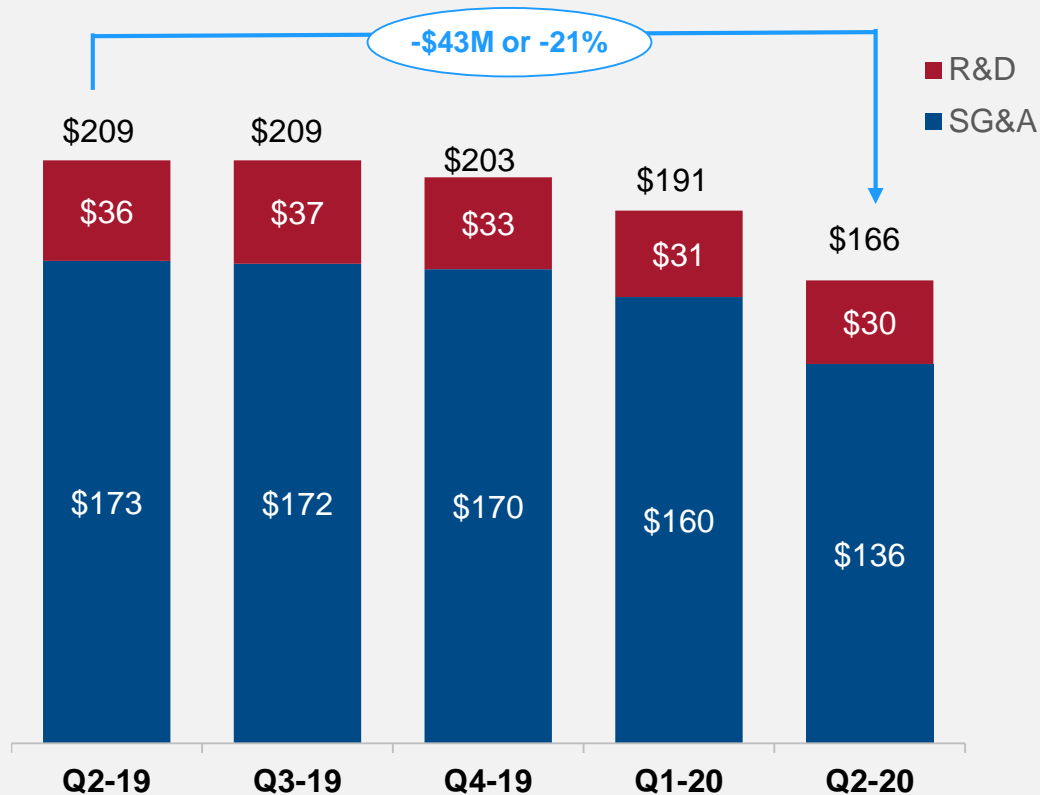
Revenue				
	Total	Services	Products	Software
Q2-19 Revenue	\$1,150	\$566	\$470	\$114
<i>Unplanned</i>				
COVID-19 delays	(\$108)	(\$33)	(\$69)	(\$6)
Foreign currency	(\$39)	(\$17)	(\$18)	(\$4)
<i>In-line with pre-COVID plan</i>				
Non-recurring Q2-19 revenue partially offset by incremental business	(\$75)	(\$19)	(\$63)	\$8
Divestitures	(\$23)	(\$18)	(\$2)	(\$2)
Reducing low-margin business	(\$15)	(\$10)	(\$5)	\$0
Q2-20 Revenue	\$890	\$468	\$311	\$111



1) Non-GAAP metric
Note: Differences may occur due to rounding.

DN NOW Harvesting Efficiencies from Functional G&A Costs

Delivering Meaningful Reductions to Operating Expense¹



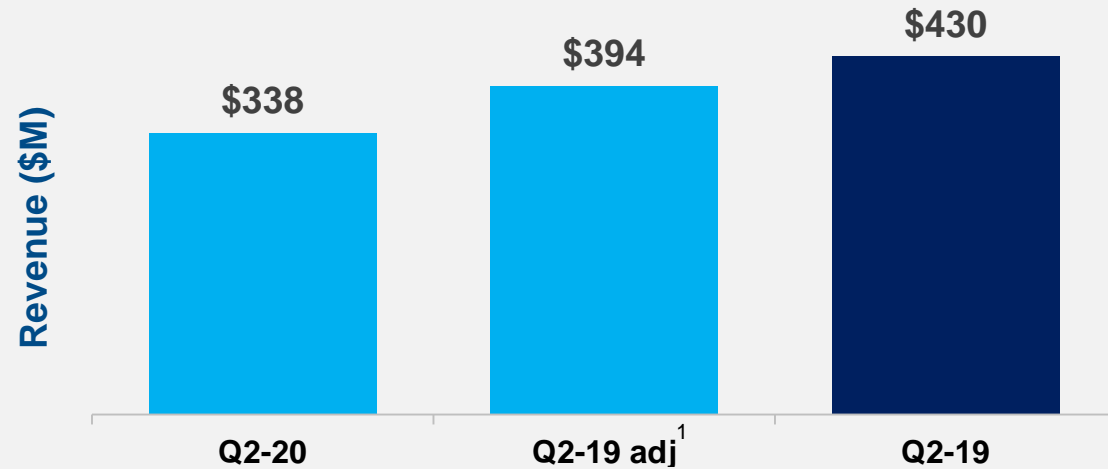
Focus areas

- **Finance Transformation** – regionalizing, centralizing and automating core functions
- **Optimizing Information Technology Spend** – optimizing legacy platforms and enhancing digital capabilities
- **Streamlining Procurement** – applying global spend analytics to reduce indirect spend
- **Consolidating Real Estate** – better utilization of office space and embracing a more agile work environment
- **Digital Transformation of Enablement Functions** – partnering with Accenture to rationalize legacy applications, migrate workloads to the cloud and consolidate data centers.

Q2 2020 P&L Highlights

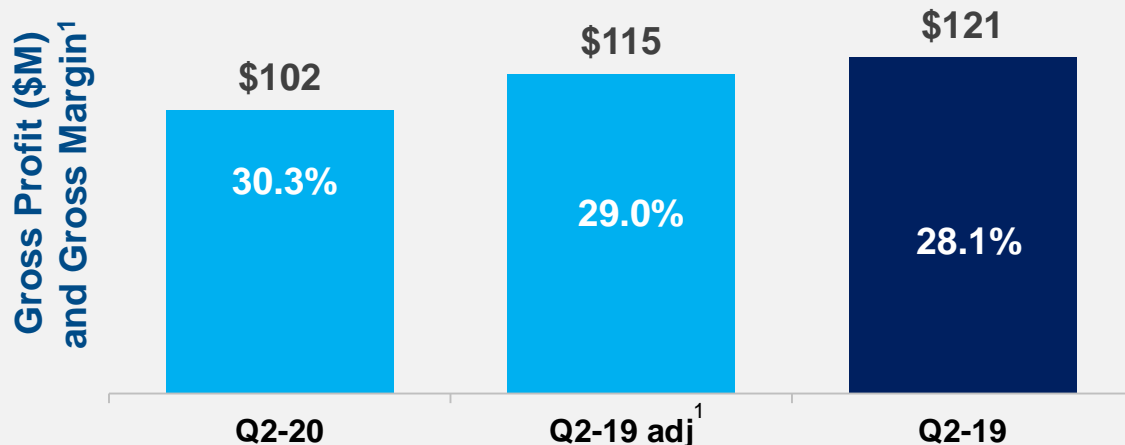
\$ millions	Q2-20	Q2-19	YoY variance
Revenue	\$890	\$1,150	~43% from COVID-19 delays and FX headwinds ~57% from planned reductions from non-recurring projects partially offset by incremental business, divestitures and reduction of low-margin business
Gross Profit¹	\$264	\$283	DN Now initiatives drive gross margin expansion of 500 bps <ul style="list-style-type: none"> • Higher quality revenue • Services modernization and Software excellence • Favorable impact from lower services activity and software mix
Gross Margin¹	29.6%	24.6%	
Operating Expense¹	\$166	\$209	DN Now initiatives plus incremental actions <ul style="list-style-type: none"> • Reduced operating expense by 20% YoY • Increased operating profit by 32% YoY • Expanded operating margin by 460 bps YoY
Operating Profit¹	\$98	\$74	
Operating Margin¹	11.0%	6.4%	
Adjusted EBITDA¹	\$122	\$107	DN Now initiatives plus incremental actions <ul style="list-style-type: none"> • Increased adjusted EBITDA by 15% YoY • Expanded adjusted EBITDA margin by 440 bps YoY
Adjusted EBITDA Margin¹	13.7%	9.3%	

Eurasia Banking Highlights



YoY drivers include

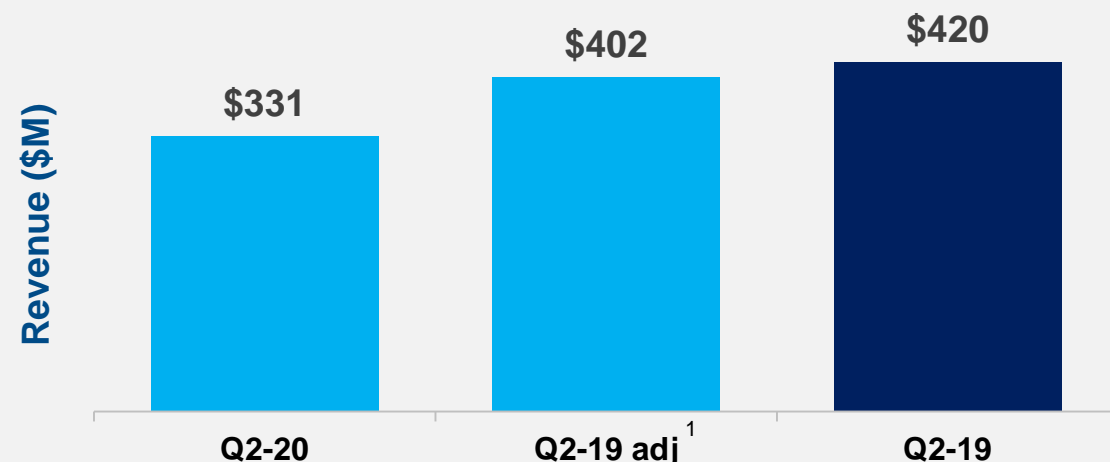
- Delayed installations from COVID-19 of \$40M
- Deliberate actions to drive higher quality service revenue including divestitures of \$23M and reductions to low-margin business of \$4M
- Non-recurring projects as planned; partially offset by incremental business
- Foreign currency headwinds of \$13M



Gross margin expansion due to

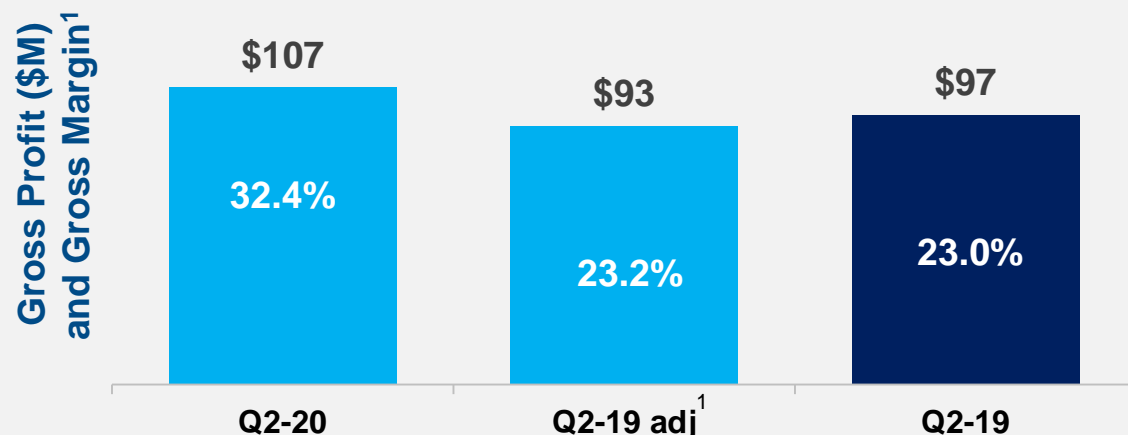
- Benefits from DN Now and incremental actions
- Interim cost of service benefits from lower activity during early stages of COVID-19
- Favorable product and software mix
- Includes \$3M foreign currency headwind

Americas Banking Highlights



YoY drivers include

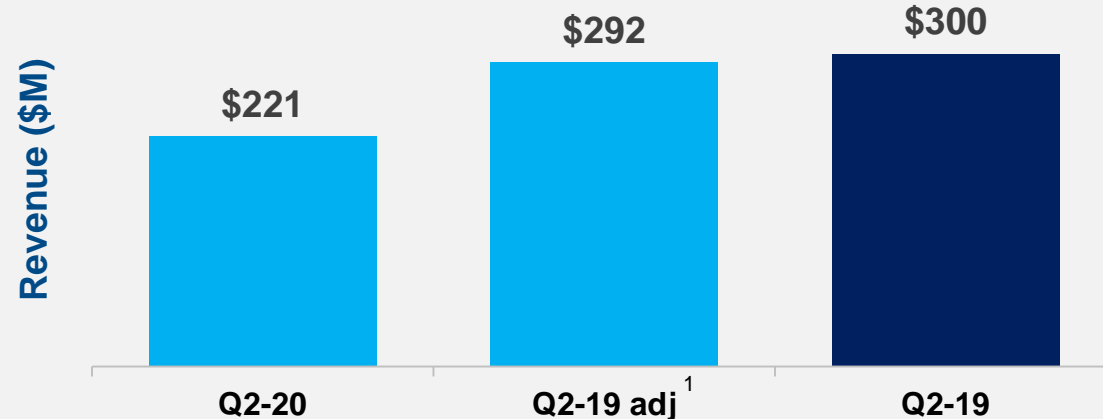
- \$60M from planned reduction of non-recurring projects; partially offset by software growth
- Foreign currency headwinds of \$18M
- Deliberate actions to drive higher quality revenue
- Mild delays from COVID-19 pandemic



Significantly higher gross profit & gross margin due to

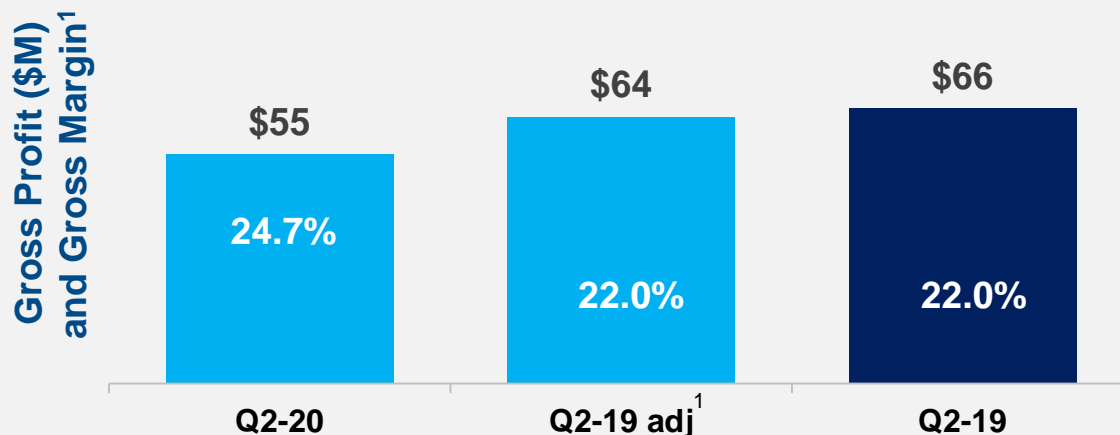
- Benefits from DN Now and incremental actions
- Interim cost of service benefits from lower activity during early stages of COVID-19
- Favorable mix of products and software
- Includes \$3M foreign currency headwind

Retail Highlights



YoY drivers include

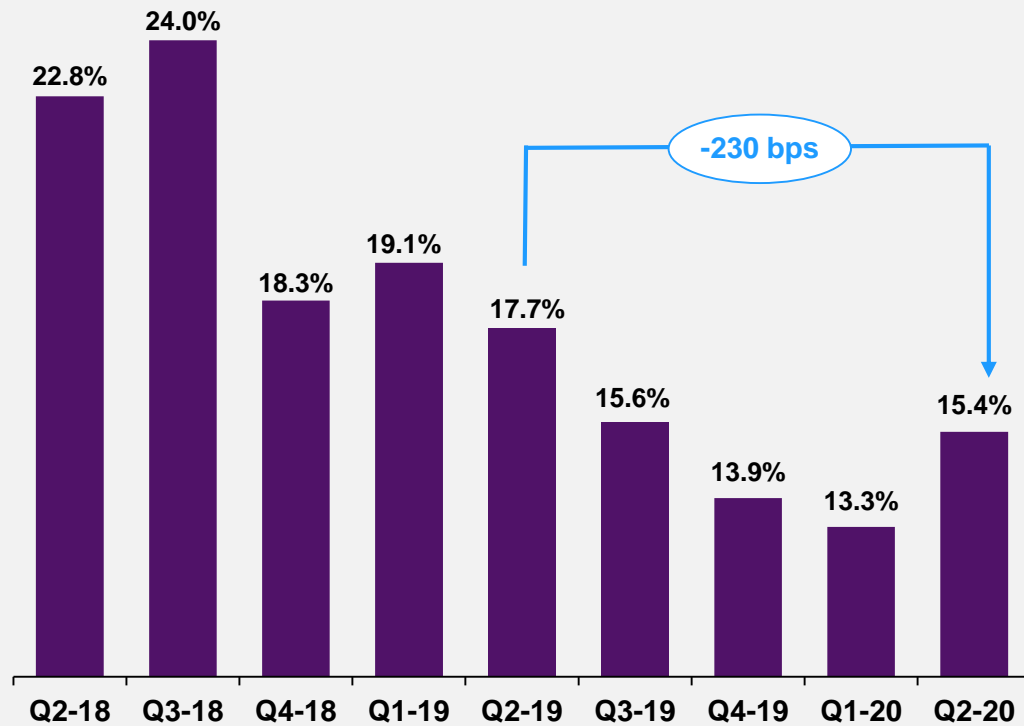
- Delayed installations from COVID-19 of \$63M
- Foreign currency headwinds of \$9M
- Deliberate actions to drive higher quality revenue
- Non-recurring projects as planned; partially offset by incremental business and growth of self-checkout



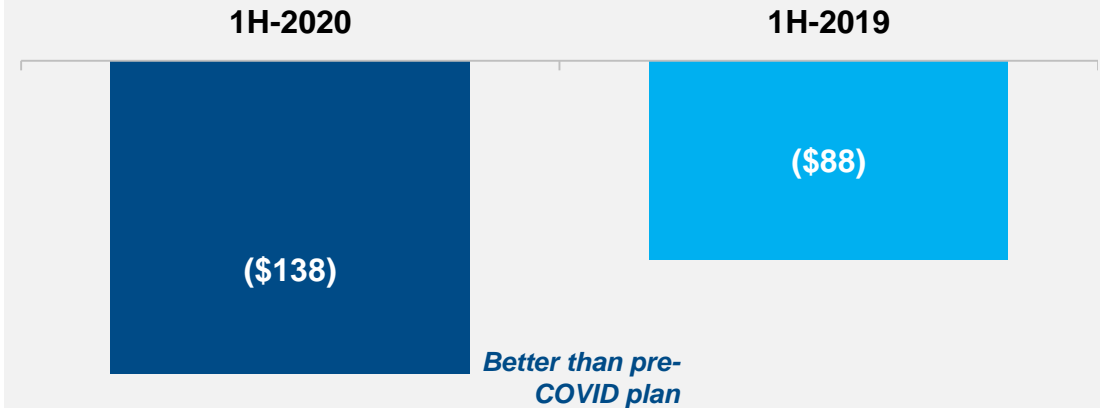
Higher gross margin due to

- Benefits from DN Now and incremental actions
- Interim cost of service benefits from lower activity during early stages of COVID-19
- Favorable product mix
- Includes \$2M foreign currency headwind

Net Working Capital as a % of TTM Revenue¹



Free Cash Flow²



- YoY drivers include
 - + Stronger operating profit
 - + Lower cash taxes, interest payments and capex
 - Net working capital related to COVID
- Ending cash balance was \$457 million³
- Net debt⁴ was \$2,007 million

1) Net working capital is the sum of the trade receivables and inventories less accounts payable divided by trailing 12 months (TTM) GAAP revenue

2) Free cash flow (FCF) is a non-GAAP financial measure defined as net cash (used in) provided by operating activities from continuing operations (excluding assets held for sale) less capital expenditures.

3) Cash, cash equivalents, restricted cash, short-term investments, and cash expected to be realized from assets held for sale. Ending cash balance includes ~\$2M of cash in assets held for sale as of June 30, 2020.

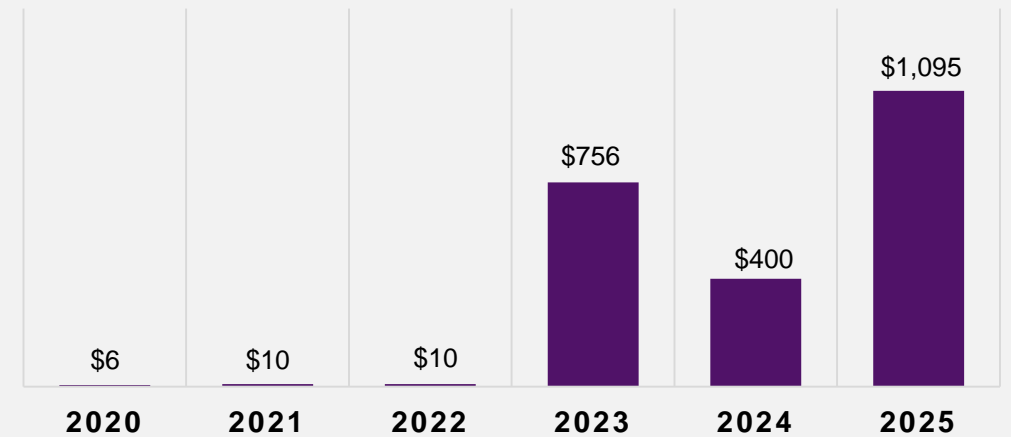
4) Net Debt is a non-GAAP financial measure defined as notes payable plus long-term debt less cash, cash equivalents, restricted cash, short-term investments, and cash expected to be realized from assets held for sale. Differences may occur due to rounding.

Debt Maturities and Leverage

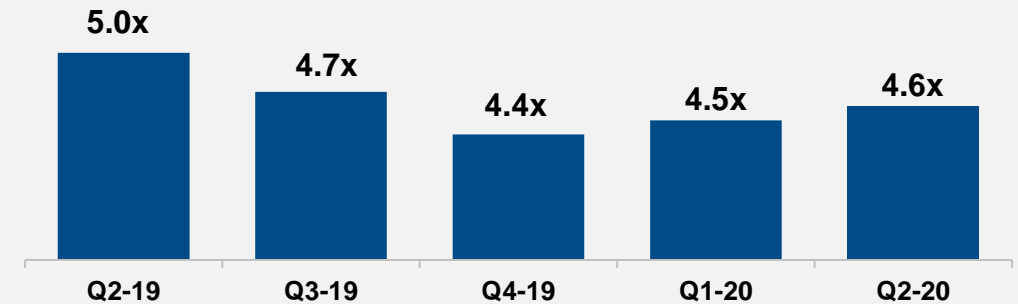
Successful Refinancing in July 2020

- Raised ~\$1.1 billion from Senior Secured Notes
 - ✓ \$700 million notes due July 2025
 - ✓ €350 million notes due July 2025
- Offerings were oversubscribed - new and current investors
- Net proceeds used to pay down term-loans A and A-1 which were due in 2022 plus \$69M of revolver
- Significantly extends debt maturities by 3 years and credit facility by 1.2 years
- Reduces cash interest to ~\$150M for 2020 due to the timing of interest payments; 2021 interest is expected to be ~\$180M
- Improves cash tax efficiency via deductibility of interest
- Provides sufficient liquidity to complete our DN Now Transformation

Pro Forma Debt Maturity¹ Schedule (M)



Leverage Ratio²



1) Pro Forma maturities are based on June 30, 2020 balances and refinancing actions which took place as of July 20, 2020 including repayment of term loan A and term loan A-1 and \$69M of revolving credit facility due December of 2020. We also reduced additional \$125M of revolving credit facility due in April, 2022 from cash on hand. Excludes \$39M revolver maturing in April 2022 and \$330M revolver maturing in July 2023.

2) Leverage ratio is defined as net debt to trailing 12-month calculated adjusted EBITDA. Net Debt is a non-GAAP financial measure defined as notes payable plus long-term debt less cash, cash equivalents, restricted cash, short-term investments, and cash expected to be realized from assets held for sale.

Outlook for 2020

	2020E	Key Expectations ²																
Total Revenue	\$3.7 - \$3.9B	Reflects net unplanned effects of COVID-19, net planned reductions including the company's focus on higher-quality revenue, foreign currency headwinds of \$90M and divestitures of \$110M																
Adjusted EBITDA ¹	~\$400 - \$440M ~11% margin	<p>YoY drivers</p> <ul style="list-style-type: none"> + Approximately \$130M of DN Now savings – primarily from SG&A initiatives + Approximately \$50M of non-recurring savings from incremental initiatives such as reducing annual bonus expense, pausing merit increases and our hiring freeze – Net unplanned effects of COVID-19 – Inflation, growth investments and other items 																
Free cash flow ¹	\$20 - \$30M	<table border="0"> <tr> <td>+ Adjusted EBITDA mid-point</td> <td>\$420M</td> <td>– Cash Taxes</td> <td>\$40M</td> </tr> <tr> <td>– Net interest payments</td> <td>\$150M</td> <td>– Capital expenditures</td> <td>\$25M</td> </tr> <tr> <td>– Restructuring cash outflows</td> <td>\$100M</td> <td>– Net working capital</td> <td>\$20M</td> </tr> <tr> <td>– Balance sheet timing</td> <td>\$40M</td> <td>– Pension and other</td> <td>\$20M</td> </tr> </table> <p>(includes compensation accruals & other pre-pays)</p>	+ Adjusted EBITDA mid-point	\$420M	– Cash Taxes	\$40M	– Net interest payments	\$150M	– Capital expenditures	\$25M	– Restructuring cash outflows	\$100M	– Net working capital	\$20M	– Balance sheet timing	\$40M	– Pension and other	\$20M
+ Adjusted EBITDA mid-point	\$420M	– Cash Taxes	\$40M															
– Net interest payments	\$150M	– Capital expenditures	\$25M															
– Restructuring cash outflows	\$100M	– Net working capital	\$20M															
– Balance sheet timing	\$40M	– Pension and other	\$20M															

1) Non-GAAP metrics

2) The company's full year outlook for 2020 is based on the current book of business as well as information available today regarding the potential effect of the coronavirus pandemic and current economic recession. There are a number of factors, including the potential second wave of virus infections and related business implications, which the company may not be able to accurately predict. The 2020 outlook includes the impact of deconsolidating a joint venture in China, which was finalized in the second quarter of 2020, and the divestiture of Diebold Nixdorf Portavis GmbH, which was finalized in the first quarter 2020. The foreign currency impact for 2020 is estimated based on exchange rates as of June 30, 2020. All numbers are approximate.

Supplemental schedules

On track to deliver ~\$470M of gross savings by 2021

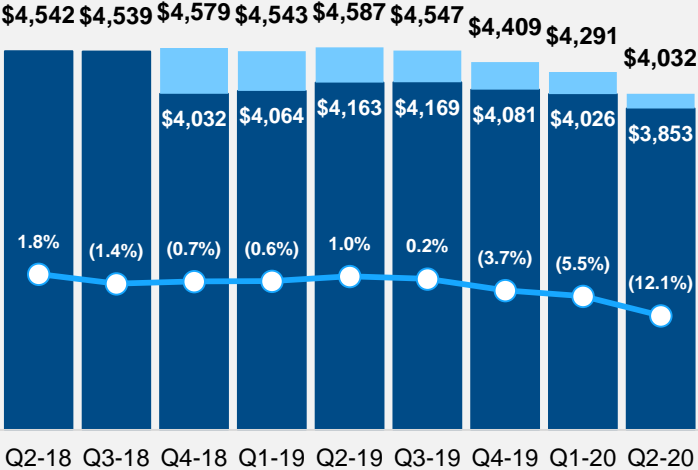
Timeline for completion	2019	2020	2021		<h2 style="text-align: center;">Benefits</h2> <ul style="list-style-type: none"> • Gross savings of ~\$470M to be realized through 2021 • Proven foundation for DN's operational rigor during the crisis • Higher quality revenue • More sustainable cash flows • Reducing leverage • Improving customer satisfaction
Operational Excellence	✓			Streamline operating model	
		✓		Simplify product portfolio & manufacturing footprint	
			✓	Services modernization plan	
			✓	Harvest G&A efficiencies	
			Complete in 2023	Digital transformation with Accenture	
Enhance Customer Solutions			✓	Deploy DN Series	
			✓	Implement AllConnect Data Engine	
			✓	Software excellence	
Optimize the Balance Sheet		✓		Efficient net working capital	
		✓		Non-core divestitures - high quality revenue	
		✓		Opportunistic cost of capital actions	

Stable Revenue and Increasing Profitability

(\$ in millions)

TTM Revenue

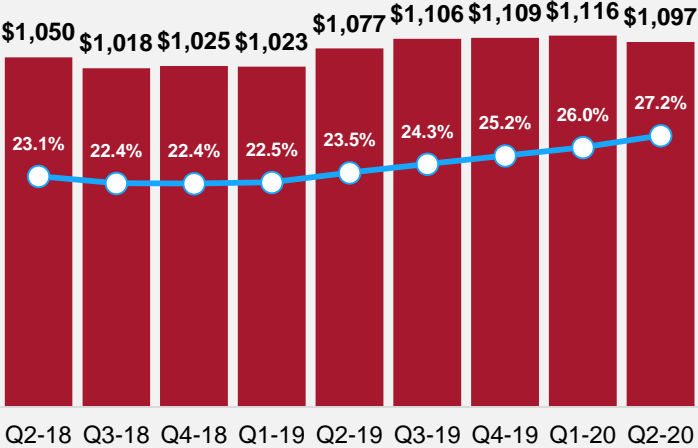
■ Divested Rev., CC, & Account Rationalization
■ Pro Forma Revenue¹
○ GAAP Revenue YoY growth



Pro Forma for divestitures, currency³, and account rationalization, TTM Q4-19 (pre-COVID) revenue grew 1.2% YoY

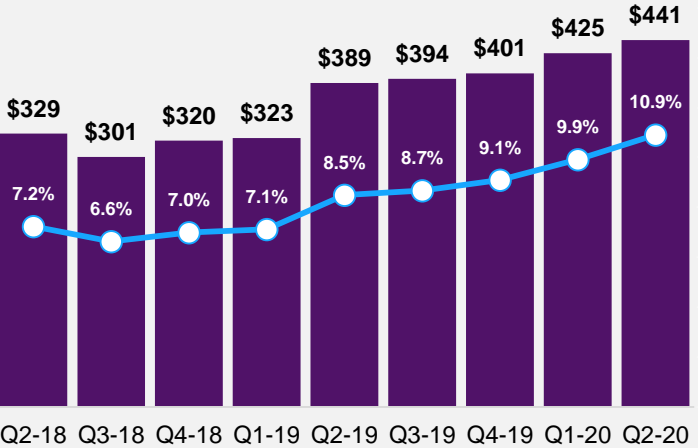
TTM Gross Profit²

■ Gross Profit
○ Gross Margin %



TTM Adjusted EBITDA²

■ EBITDA
○ EBITDA Margin %

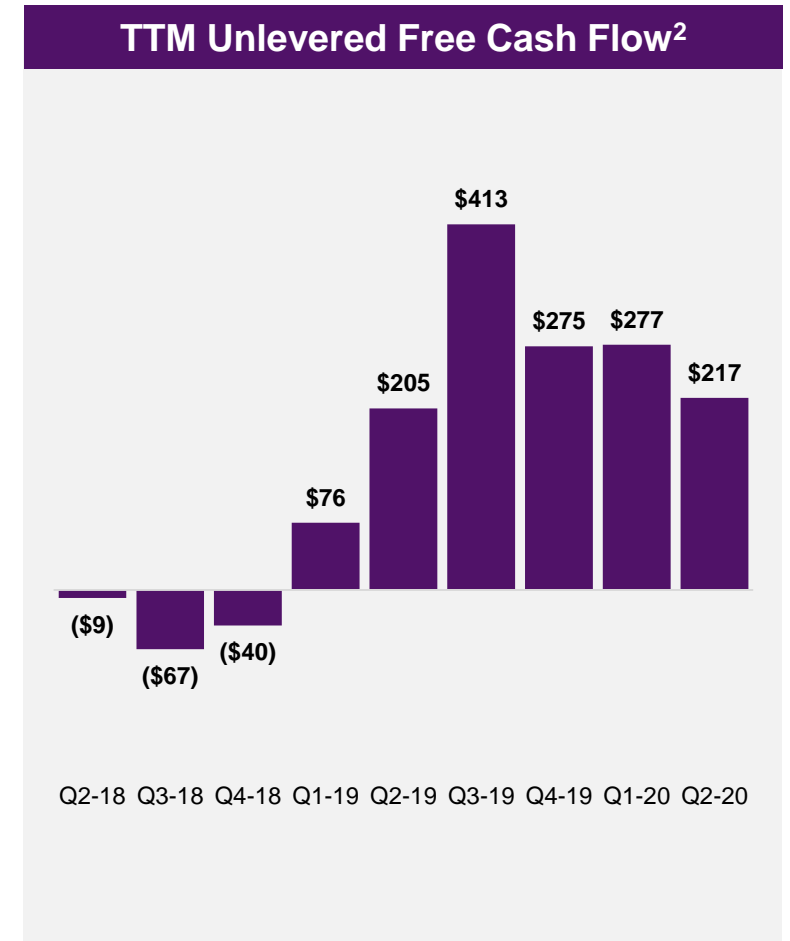
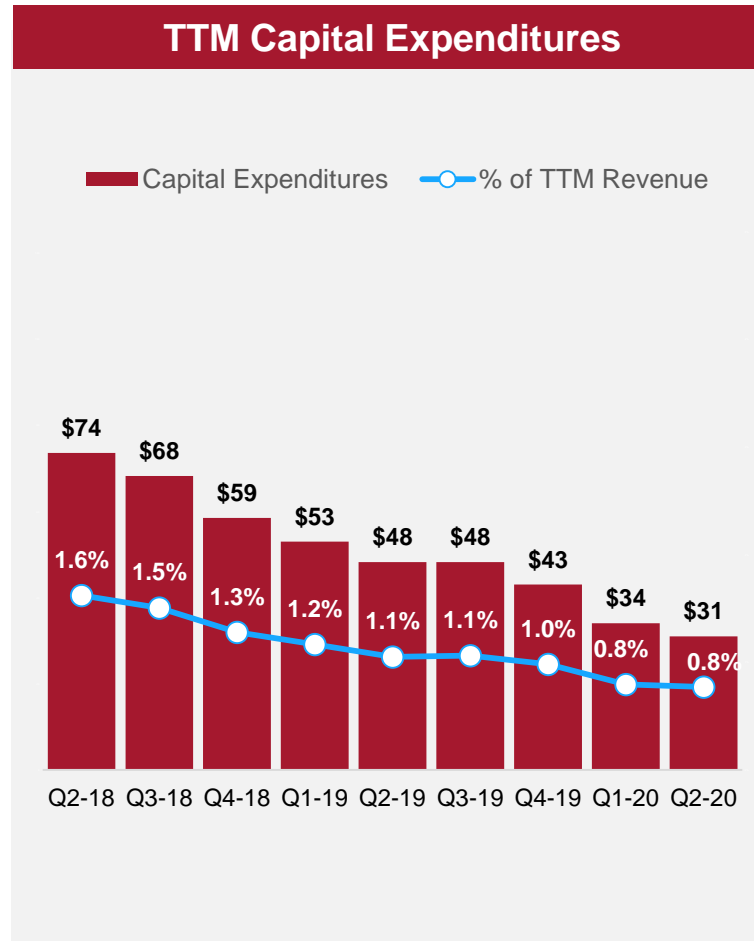
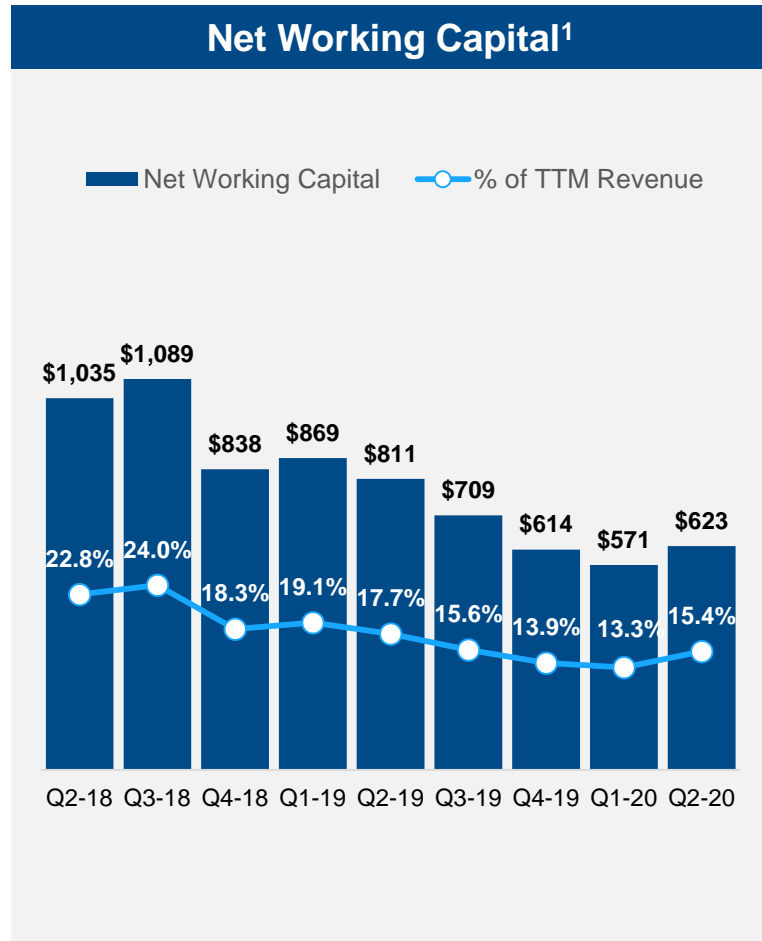


1) Reflect 2018 - June 2020 known actions; non-GAAP metric
 2) Gross profit and Adjusted EBITDA are non-GAAP metrics
 3) Reflects constant currency adjustments for 2018 and 2019 actuals at 2020 rates



Focus on Cash Flow Generation

(\$ in millions)



1) Net working capital is the sum of the trade receivables and inventories less accounts payable divided by trailing 12 months (TTM) GAAP revenue

2) Non-GAAP metric; Free Cash Flow (FCF) defined as net cash provided by (used in) operations less capital expenditures. Unlevered free cash flow is a non-GAAP financial measure defined as net cash provided by (used in) operations less capital expenditures and adding back cash interest expense



EBITDA bridge

\$ Millions	FYE 12/31	FY 2018	FY 2019	TTM
Revenue (GAAP)		\$4,579	\$4,409	\$4,032
Net income (loss)		(\$529)	(\$345)	(\$274)
Income tax (benefit) expense		37	117	64
Interest income		(9)	(9)	(8)
Interest expense		155	203	198
Depreciation & amortization ¹		234	204	194
Non-GAAP EBITDA		(\$111)	\$170	\$174
Share-based compensation		37	24	18
Foreign exchange gain (loss), net		2	5	10
Miscellaneous, net		4	4	(4)
Equity in earnings (loss) of unconsol. subs, net		13	(1)	(2)
Restructuring and DN Now Transformation expense		79	113	129
Non-routine expenses, net		295 ²	87	116
Non-GAAP Adjusted EBITDA		\$320	\$401	\$441
DN Now Program Actions – Incremental Run-Rate Cost Savings				
SMP and Software Excellence ¹				\$35
Simplify Product Portfolio ²				41
Reduction of G&A spend and Digital Acceleration ³				114
Total Incremental Run-Rate Cost Saves				\$189

1) Lower from fixed assets rolling off and lower CapEx
 2) 2018 included ~\$180M goodwill impairment charge
 3) TTM – trailing 12 months ending June 30, 2020

DN Now Program Actions & Savings

Programs	Description	Impact to EBITDA (\$M)
1 Services Modernization Plan and Software Excellence	<ul style="list-style-type: none"> Enhance professional services delivery Simplify software offerings and leverage AllConnect Data Engine Greater emphasis on software development effectiveness 	\$35
2 Simplify Product Portfolio	<ul style="list-style-type: none"> Optimize manufacturing footprint Shorter lead times Deploy DN Series 	\$41
3 Reduction of G&A spend and Digital Acceleration	<ul style="list-style-type: none"> Leverage shared services and automation for finance Optimize legacy IT platforms and consolidate office space Partnership with Accenture for digital transformation 	\$114

DN Now Transformation Expense and Cash Flow Bridge

(\$ in millions)	FY 2018	FY 2019	Q1 2020	Q2 2020	Cumulative total
1 GAAP Restructuring Expense	\$65.0	\$50.2	\$10.0	\$11.5	\$136.7
2 Non-GAAP Incremental DN Now Transformation Expense	14.3	64.6	31.6	15.3	125.8
Non-GAAP Restructuring and DN Now Transformation Expense	\$79.3	\$114.8	\$41.6	\$26.8	\$262.5
Accelerated depreciation (D&A) already added back in unadjusted EBITDA	-	(1.9)	(5.4)	(3.8)	3 (11.1)
Restructuring and DN Now Transformation Expenses added back to EBITDA	\$79.3	\$112.9	\$36.2	\$23.0	\$251.4
Cash Payments	\$(68.0)	\$(118.7)	\$(22.5)	\$(31.5)	\$(240.7)
Cumulative difference between expense and cash payment	\$11.3	\$(5.8)	\$13.7	\$(8.5)	4 \$10.7

1	GAAP Restructuring Expense	<ul style="list-style-type: none"> Majority is severance expense related to headcount reduction
2	Non-GAAP incremental DN Now Transformation expenses	<ul style="list-style-type: none"> One-time implementation costs: <ul style="list-style-type: none"> Accounting compliance, including setting up regional controlling centers, internal audit outsourcing and tax compliance and provision outsourcing Elimination of DN shared service centers and outsourced and centralized accounting transaction operations Design and execution of Services and Software modernization Others, including various aspects of design and execution
3	Accelerated depreciation (D&A) already added back in unadjusted EBITDA	<ul style="list-style-type: none"> D&A acceleration; permanent differences between expense and cash
4	Cumulative difference between expense and cash payment	<ul style="list-style-type: none"> Temporary timing difference between expense recognition and cash outflow, will net to zero as DN Now restructuring expenses decline to zero

Q2 2020 Profit & Loss Statement

Reconciliation GAAP to non-GAAP (\$Millions)

	2020 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Legal / deal expense	Divestitures and fixed asset sale	Wincor Nixdorf purchase accounting adjustments	Inventory charge/gain	Loss making contract related to discontinued offering	Other non-routine inc/exp	2020 (non-GAAP)	% of Net Sales
Services	468	52.6%	-	-	-	-	-	-	-	468	52.6%
Products	311	35.0%	-	-	-	-	-	-	-	311	35.0%
Software	111	12.4%	-	-	-	-	-	-	-	111	12.4%
Total Revenue	890	100.0%	-	-	-	-	-	-	-	890	100.0%
Services	131	28.0%	1	-	-	-	(1)	14	(0)	144	30.7%
Products	70	22.6%	0	(0)	-	2	(0)	-	0	72	23.0%
Software	46	41.7%	1	-	-	2	-	-	-	49	44.1%
Total Gross Profit	248	27.8%	2	(0)	-	3	(1)	14	(0)	264	29.7%
Operating Expenses											
Selling, G & A	182		(24)	(3)	-	(18)	-	-	(0)	136	
R, D & E	31		(1)	-	-	-	-	-	-	30	
(Gain)/Loss on Assets	15		-	-	(15)	-	-	-	-	0	
Impairment of Assets	-		-	-	-	-	-	-	-	-	
Total Operating Expense	227	25.5%	(25)	(3)	(15)	(18)	-	-	(0)	166	18.6%
Total Operating Profit (loss)	20	2.3%	27	3	15	21	(1)	14	(0)	98	11.0%

Q2 2019 Profit & Loss Statement

Reconciliation GAAP to non-GAAP (\$Millions)

	2019 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Legal / deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory provision	Other non-routine inc/exp	2019 (non-GAAP)	% of Net Sales
Services	566	49.2%	-	-	-	-	-	-	-	566	49.2%
Products	470	40.9%	-	-	-	-	-	-	-	470	40.9%
Software	114	9.9%	-	-	-	-	-	-	-	114	9.9%
Total Revenue	1,150	100.0%	-	-	-	-	-	-	-	1,150	100.0%
Services	144	25.5%	1	-	-	-	-	(0)	2	147	26.0%
Products	99	21.1%	0	-	-	-	2	(5)	-	96	20.5%
Software	36	31.3%	2	-	-	-	2	-	-	39	34.6%
Total Gross Profit	279	24.3%	3	-	-	-	3	(5)	2	283	24.6%
Operating Expenses											
Selling, G & A	224		(26)	(4)	-	(1)	(21)	-	0	172	
R, D & E	36		0	-	-	-	-	-	-	36	
(Gain)/Loss on Assets	12		(0)	-	(11)	-	-	-	-	1	
Impairment of Assets	-		-	-	-	-	-	-	-	-	
Total Operating Expense	272	23.6%	(26)	(4)	(11)	(1)	(21)	-	0	209	18.2%
Total Operating Profit (loss)	7	0.6%	28	4	11	1	24	(5)	2	74	6.4%

YoY Revenue Variance for FX, Divestitures and Related Actions

Reconciliation GAAP to non-GAAP (\$Millions)

Segment View

\$Millions	Q2-20	Q2-19	Variance F/(U)	Variance %	2020 YTD	2019 YTD	Variance F/(U)	Variance %
Eurasia Banking Revenue (GAAP)	338	430	(93)	-21.6%	648	813	(165)	-20.4%
FX Impact	-	(13)	13	n/a	-	(22)	22	n/a
Divestitures and Related Actions	-	(23)	23	n/a	-	(37)	37	n/a
Eurasia Banking Adjusted Revenue (Non-GAAP)	338	394	(57)	-14.4%	648	754	(106)	-14.0%
Americas Banking Revenue (GAAP)	331	420	(89)	-21.1%	676	783	(106)	-13.6%
FX Impact	-	(18)	18	n/a	-	(24)	24	n/a
Divestitures and Related Actions	-	-	-	n/a	-	(0)	0	n/a
Americas Banking Adjusted Revenue (Non-GAAP)	331	402	(71)	-17.6%	676	759	(82)	-10.9%
Retail Revenue (GAAP)	221	300	(79)	-26.2%	477	583	(106)	-18.2%
FX Impact	-	(9)	9	n/a	-	(16)	16	n/a
Divestitures and Related Actions	-	-	-	n/a	-	-	-	n/a
Retail Adjusted Revenue (Non-GAAP)	221	292	(70)	-24.1%	477	567	(90)	-15.9%

Business Line

\$Millions	Q2-20	Q2-19	Variance F/(U)	Variance %	2020 YTD	2019 YTD	Variance F/(U)	Variance %
Services Revenue (GAAP)	468	566	(98)	-17.2%	972	1,110	(138)	-12.4%
FX Impact	-	(16)	16	n/a	-	(27)	27	n/a
Divestitures and Related Actions	-	(18)	18	n/a	-	(25)	25	n/a
Services Adj. Revenue (Non-GAAP)	468	531	(63)	-11.8%	972	1,057	(85)	-8.1%
Products Revenue (GAAP)	311	470	(159)	-33.8%	612	846	(234)	-27.7%
FX Impact	-	(19)	19	n/a	-	(27)	27	n/a
Divestitures and Related Actions	-	(2)	2	n/a	-	(2)	2	n/a
Products Adj. Revenue (Non-GAAP)	311	449	(138)	-30.7%	612	816	(204)	-25.0%
Software Revenue (GAAP)	111	114	(3)	-3.1%	217	222	(5)	-2.4%
FX Impact	-	(4)	4	n/a	-	(8)	8	n/a
Divestitures and Related Actions	-	(2)	2	n/a	-	(9)	9	n/a
Software Adj. Revenue (Non-GAAP)	111	108	3	2.6%	217	206	11	5.4%
Total Revenue (GAAP)	890	1,150	(260)	-22.6%	1,801	2,178	(377)	-17.3%
FX Impact	-	(39)	39	n/a	-	(62)	62	n/a
Divestitures and Related Actions	-	(23)	23	n/a	-	(37)	37	n/a
Total Adjusted Revenue (Non-GAAP)	890	1,088	(198)	-18.2%	1,801	2,080	(278)	-13.4%

YoY Gross Profit Variance for FX, Divestitures and Related Actions

Reconciliation GAAP to non-GAAP (\$Millions)

Segment View

\$Millions	Q2-20	Q2-19	Variance F/(U)	Variance %	2020 YTD	2019 YTD	Variance F/(U)	Variance %
Eurasia Banking Gross Profit (Non-GAAP)	102	121	(19)	-15.5%	192	230	(38)	-16.6%
FX Impact	-	(3)	3	n/a	-	(7)	7	n/a
Divestitures and Related Actions	-	(3)	3	n/a	-	(4)	4	n/a
Eurasia Banking Adjusted Gross Profit (Non-GAAP)	102	115	(12)	-10.8%	192	219	(27)	-12.2%
Americas Banking Gross Profit (Non-GAAP)	107	97	11	11.1%	212	179	33	18.5%
FX Impact	-	(3)	3	n/a	-	(5)	5	n/a
Divestitures and Related Actions	-	-	-	n/a	-	0	(0)	n/a
Americas Banking Adjusted Gross Profit (Non-GAAP)	107	93	14	14.8%	212	174	38	22.0%
Retail Gross Profit (Non-GAAP)	55	66	(11)	-17.1%	114	122	(7)	-5.9%
FX Impact	-	(2)	2	n/a	-	(3)	3	n/a
Divestitures and Related Actions	-	-	-	n/a	-	-	-	n/a
Retail Adjusted Gross Profit (Non-GAAP)	55	64	(9)	-14.8%	114	118	(4)	-3.3%

Business Line

\$Millions	Q2-20	Q2-19	Variance F/(U)	Variance %	2020 YTD	2019 YTD	Variance F/(U)	Variance %
Services Gross Profit (Non-GAAP)	144	147	(3)	-2.3%	280	282	(2)	-0.6%
FX Impact	-	(3)	3	n/a	-	(6)	6	n/a
Divestitures and Related Actions	-	(2)	2	n/a	-	(2)	2	n/a
Services Adj. Gross Profit (Non-GAAP)	144	142	2	1.2%	280	274	6	2.3%
Products Gross Profit (Non-GAAP)	72	96	(25)	-25.6%	145	178	(33)	-18.4%
FX Impact	-	(3)	3	n/a	-	(5)	5	n/a
Divestitures and Related Actions	-	(1)	1	n/a	-	(1)	1	n/a
Products Adj. Gross Profit (Non-GAAP)	72	93	(21)	-22.7%	145	173	(27)	-15.8%
Software Gross Profit (Non-GAAP)	49	39	9	23.6%	93	70	22	31.8%
FX Impact	-	(1)	1	n/a	-	(3)	3	n/a
Divestitures and Related Actions	-	(0)	0	n/a	-	(1)	1	n/a
Software Adj. Gross Profit (Non-GAAP)	49	38	11	28.6%	93	66	27	40.0%
Total Gross Profit (Non-GAAP)	264	283	(19)	-6.6%	518	530	(12)	-2.3%
FX Impact	-	(7)	7	n/a	-	(14)	14	n/a
Divestitures and Related Actions	-	(3)	3	n/a	-	(4)	4	n/a
Total Adjusted Gross Profit	264	273	(9)	-3.1%	518	513	6	1.1%

Note: Differences may occur due to rounding.

Revenue GAAP to Non-GAAP reconciliation

Revenue – Total Company

\$Millions	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
Revenue (GAAP)	\$1,103	\$1,134	\$1,123	\$1,250	\$1,064	\$1,106	\$1,119	\$1,290	\$1,028	\$1,150	\$1,079	\$1,152	\$911	\$890
Constant Currency					(84)	(79)	(57)	(55)	(23)	(49)	(39)	(37)	-	-
Divestitures					(39)	(39)	(39)	(41)	(29)	(24)	(21)	(20)	(12)	(7)
Assets held for sale					(13)	(15)	(15)	(15)	(10)	(12)	(13)	(14)	(6)	-
Account rationalization					(13)	(16)	(14)	(14)	(17)	(9)	(5)	(4)	-	-
Pro forma adjusted revenue	\$1,103	\$1,134	\$1,123	\$1,250	\$915	\$957	\$994	\$1,165	\$948	\$1,056	\$1,000	\$1,077	\$893	\$883

Revenue – Total Company - Trailing 12-months

\$Millions	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
TTM Revenue (GAAP)						\$4,542	\$4,539	\$4,579	\$4,543	\$4,587	\$4,547	\$4,409	\$4,291	\$4,032
Constant Currency								(274)	(213)	(184)	(166)	(149)	(125)	(76)
Divestitures								(157)	(148)	(133)	(116)	(95)	(77)	(61)
Assets held for sale								(58)	(56)	(53)	(50)	(49)	(44)	(33)
Account rationalization								(57)	(61)	(54)	(46)	(36)	(18)	(9)
Pro forma adjusted TTM revenue						\$4,542	\$4,539	\$4,032	\$4,064	\$4,163	\$4,169	\$4,081	\$4,026	\$3,853
% year-over-year growth														1.2%

Gross Profit Reconciliation

Reconciliation GAAP to non-GAAP (\$Millions)

Gross Profit – Total Company

<u>\$Millions</u>	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
Total Revenue (GAAP)	\$1,103	\$1,134	\$1,123	\$1,250	\$1,064	\$1,106	\$1,119	\$1,290	\$1,028	\$1,150	\$1,079	\$1,152	\$911	\$890
Total Gross Profit (GAAP)	\$240	\$237	\$237	\$286	\$240	\$220	\$229	\$210	\$246	\$279	\$271	\$270	\$227	\$248
Restructuring & DN Now Transformation Expenses	4	14	15	(3)	3	(1)	9	18	2	3	2	3	1	2
Non-Routine Expenses	26	24	27	10	7	10	9	72	(0)	1	2	29	26	15
Total Gross Profit (non-GAAP)	\$270	\$274	\$279	\$293	\$250	\$229	\$246	\$300	\$247	\$283	\$276	\$303	\$254	\$264
non-GAAP Gross Profit % GAAP Revenue	24.5%	24.2%	24.8%	23.5%	23.4%	20.7%	22.0%	23.3%	24.1%	24.6%	25.5%	26.3%	27.9%	29.7%

Gross Profit – Total Company - Trailing 12-months

<u>\$Millions</u>	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
TTM Revenue (GAAP)	\$4,571	\$4,542	\$4,539	\$4,579	\$4,543	\$4,587	\$4,547	\$4,409	\$4,291	\$4,032				
TTM Gross Profit (GAAP)	\$1,000	\$983	\$975	\$899	\$905	\$964	\$1,007	\$1,067	\$1,048	\$1,016				
Restructuring & DN Now Transformation Expenses	28	14	8	29	28	31	24	10	9	8				
Non-Routine Expenses	67	53	35	97	91	82	75	32	59	73				
TTM Gross Profit (non-GAAP)	\$1,096	\$1,050	\$1,018	\$1,025	\$1,023	\$1,077	\$1,106	\$1,109	\$1,116	\$1,097				
non-GAAP Gross Profit % GAAP Revenue	24.0%	23.1%	22.4%	22.4%	22.5%	23.5%	24.3%	25.2%	26.0%	27.2%				

Gross Profit and Operating Expense Reconciliation

Reconciliation GAAP to non-GAAP (\$Millions)

Gross Profit – Segment View

	Q1-19	Q2-19	Q3-19	Q4-19	2019	Q1-20	Q2-19
Revenue (GAAP)	\$1,028	\$1,150	\$1,079	\$1,152	\$4,409	\$911	\$890
Americas Banking	363	420	404	418	1,604	345	331
Eurasia Banking	383	430	405	432	1,650	311	338
Retail	283	300	270	302	1,155	256	221
Total Gross Profit (GAAP)	\$246	\$279	\$271	\$270	\$1,067	\$227	\$248
Americas Banking	82	97	99	108	385	104	107
Eurasia Banking	109	121	118	127	476	90	102
Retail	56	66	58	68	248	60	55
Total Restructuring and DN Now Transformation Expenses	(2)	(3)	(2)	(3)	(10)	(1)	(2)
Total Non-Routine Expense	0	(1)	(2)	(29)	(32)	(26)	(15)
Total Restructuring, DN Now Transformation & Non-Routine Expense	(1)	(4)	(4)	(33)	(42)	(27)	(17)
Total Gross Profit (non-GAAP)	\$247	\$283	\$276	\$303	\$1,109	\$254	\$264
Total Gross Margin (Non- GAAP)	24.1%	24.6%	25.5%	26.3%	25.2%	27.9%	29.7%
Americas Banking	22.7%	23.0%	24.5%	25.8%	24.0%	30.3%	32.4%
Eurasia Banking	28.5%	28.1%	29.2%	29.5%	28.8%	28.9%	30.3%
Retail	19.7%	22.0%	21.6%	22.5%	21.5%	23.4%	24.7%

Operating Expense

	Q1-19	Q2-19	Q3-19	Q4-19	2019	Q1-20	Q2-19
Revenue (GAAP)	\$1,028	\$1,150	\$1,079	\$1,152	\$4,409	\$911	\$890
Total Operating Expense (GAAP)	\$271	\$272	\$248	\$303	\$1,094	\$253	\$227
Selling and administrative expense	184	172	173	169	697	160	136
Research, development and engineering expense	37	36	37	33	142	31	30
Other	0	1	(0)	1	1	(0)	0
Total Restructuring and DN Now Transformation Expenses	14	26	18	48	105	41	25
Total Non-Routine Expense	37	37	21	53	148	21	36
Total Restructuring, DN Now Transformation & Non-Routine Expense	50	63	39	100	253	62	61
Total Operating Expense (non-GAAP)	\$220	\$209	\$209	\$203	\$841	\$191	\$166
Non-GAAP operating expense as a % of GAAP Revenue	21.4%	18.2%	19.4%	17.6%	19.1%	21.0%	18.6%



Adjusted EBITDA

Reconciliation GAAP to non-GAAP (\$Millions)

Adjusted EBITDA Reconciliation

\$Millions	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
Revenue (GAAP)	\$1,123	\$1,250	\$1,064	\$1,106	\$1,119	\$1,290	\$1,028	\$1,150	\$1,079	\$1,152	\$911	\$890
Net income (loss)	(\$33)	(\$103)	(\$66)	(\$116)	(\$220)	(\$128)	(\$132)	(\$55)	(\$35)	(\$123)	(\$93)	(\$23)
Income tax (benefit) expense	(1)	89	19	(30)	45	3	60	9	5	42	20	(3)
Interest income	(4)	(5)	(4)	(2)	(2)	(1)	(3)	(2)	(2)	(2)	(1)	(2)
Interest expense	28	27	26	28	45	55	51	50	52	50	48	48
Depreciation & amortization ¹	66	64	62	58	58	57	53	52	49	49	49	46
EBITDA	\$56	\$73	\$38	(\$61)	(\$74)	(\$14)	\$30	\$54	\$70	\$16	\$23	\$65
Share-based compensation	8	11	14	7	7	9	9	5	5	5	4	4
Foreign exchange gain (loss), net	(3)	(1)	1	3	(2)	0	(3)	5	2	1	(0)	8
Miscellaneous, net	1	(0)	0	3	2	(0)	1	0	1	1	1	(7)
Equity in earnings (loss) of unconsolidated subsidiaries, net	0	(7)	(1)	(1)	(3)	18	0	0	(1)	(1)	0	0
Restructuring & DN Now Transformation Expenses ²	17	5	4	2	41	32	15	28	20	49	36	23
Non-routine expenses, net ³	41	24	6	88	123	78	12	14	0	60	26	29
Adjusted EBITDA	\$121	\$105	\$62	\$41	\$93	\$124	\$65	\$107	\$98	\$131	\$89	\$122
Adjusted EBITDA % GAAP revenue	10.8%	8.4%	5.8%	3.7%	8.3%	9.6%	6.3%	9.3%	9.1%	11.4%	9.8%	13.7%

Adjusted EBITDA - Trailing 12-month Reconciliation

\$Millions	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
Revenue (GAAP)	\$4,571	\$4,542	\$4,539	\$4,579	\$4,543	\$4,587	\$4,547	\$4,409	\$4,291	\$4,032
Net income (loss)	(\$225)	(\$317)	(\$504)	(\$529)	(\$595)	(\$534)	(\$350)	(\$345)	(\$306)	(\$274)
Income tax (benefit) expense	71	77	123	37	78	117	77	117	76	64
Interest income	(17)	(14)	(12)	(9)	(8)	(8)	(8)	(9)	(8)	(8)
Interest expense	113	109	126	155	180	201	209	203	200	198
Depreciation & amortization ¹	248	251	242	234	226	220	212	204	200	194
EBITDA	\$188	\$106	(\$24)	(\$111)	(\$119)	(\$4)	\$140	\$170	\$163	\$174
Share-based compensation	41	39	38	37	32	30	29	24	19	17
Foreign exchange gain (loss), net	2	1	2	2	(2)	0	4	5	7	10
Miscellaneous, net	1	4	4	4	5	3	3	4	3	(4)
Equity in earnings (loss) of unconsolidated subsidiaries, net	(10)	(9)	(12)	13	15	16	18	(1)	(1)	(2)
Restructuring & DN Now Transformation Expenses ²	40	28	52	79	91	117	96	113	134	128
Non-routine expenses, net ³	95	159	241	295	301	227	104	86	101	116
Adjusted EBITDA	\$358	\$329	\$301	\$320	\$323	\$389	\$394	\$401	\$425	\$441
Adjusted EBITDA % GAAP revenue	7.8%	7.2%	6.6%	7.0%	7.1%	8.5%	8.7%	9.1%	9.9%	10.9%

- 1) Deferred financing fees have been removed from depreciation and amortization.
- 2) Excludes accelerated ERP depreciation, included in depreciation and amortization
- 3) Net non-routine expenses excludes the Wincor Nixdorf purchase accounting adjustments, which are included in depreciation and amortization.

Note: Differences may occur due to rounding.

Adjusted EBITDA outlook for 2020 of \$400 million - \$440 million

With respect to the company's non-GAAP adjusted EBITDA outlook for 2020, 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 restructuring actions and 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 Measures" for additional information regarding our use of non-GAAP financial measures.

Free Cash Flow and Net Debt Reconciliations

(\$Millions)

Free Cash Flow Reconciliation

	Q2-18	Q3-18	Q4-18	2018	Q1-19	Q2-19	Q3-19	Q4-19	2019	1Q-20	2Q-20	2020 Outlook
Net cash provided by (used in) operating activities - continuing - GAAP	(\$114)	(\$115)	\$268	(\$104)	(\$57)	(\$11)	\$75	\$128	\$136	(\$80)	(\$91)	\$45 - \$55
Excluding the impact of changes in assets held for sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20	\$2	
Excluding the impact of FX Hedging	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19	
Capital expenditures	(10)	(10)	(18)	(59)	(15)	(6)	(10)	(13)	(43)	(5)	(3)	~(25)
Free cash flow (use) (non-GAAP measure)	(\$125)	(\$125)	\$250	(\$163)	(\$72)	(\$16)	\$65	\$116	\$93	(\$65)	(\$73)	\$20 - \$30
Add Back: Cash Interest	(34)	(18)	(56)	(123)	(40)	(54)	(37)	(52)	(183)	(34)	(51)	
Unlevered Free cash flow (use) (non-GAAP measure)	(\$91)	(\$107)	\$306	(\$40)	(\$32)	\$38	\$102	\$168	\$275	(\$31)	(\$22)	

Trailing 12-month Free Cash Flow Reconciliation

	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	1Q-20	2Q-20
Net cash provided by (used in) operating activities - continuing - GAAP	(\$34)	(\$100)	(\$104)	(\$19)	\$85	\$275	\$136	\$113	\$33
Excluding the impact of changes in assets held for sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20	\$22
Excluding the impact of FX Hedging	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19
Capital expenditures	(74)	(68)	(59)	(53)	(48)	(48)	(43)	(34)	(32)
Free cash flow (use) (non-GAAP measure)	(\$108)	(\$168)	(\$163)	(\$72)	\$37	\$227	\$93	\$100	\$42
	0	0	0						
Add Back: Cash Interest	(98)	(101)	(123)	(148)	(168)	(186)	(183)	(177)	(174)
Unlevered Free cash flow (use) (non-GAAP measure)	(\$9)	(\$67)	(\$40)	\$76	\$205	\$413	\$275	\$277	\$217

Net Debt Reconciliation

\$Millions	6/30/2020	6/30/2019
Cash, cash equivalents, restricted cash and short term investments (GAAP measure)	455	273
Cash included in assets held for sale	2	4
Debt instruments	(2,465)	(2,216)
Net debt (non-GAAP measure)	(2,007)	(1,939)