

Diebold Nixdorf, Incorporated
Hudson, Ohio, United States of America

Public Disclosure of Inside Information pursuant to Article 17 Regulation (EU) No 596/2014

Diebold Nixdorf reports 2023 first quarter financial results and updates guidance / Ongoing conversations with banking and lending partners

May 3, 2023 – Hudson, Ohio, United States of America – Diebold Nixdorf, Incorporated (ISIN: US2536511031, the “Company”) today reports its first quarter 2023 financial results and updates its guidance. In the first quarter of 2023, total revenue amounted to \$858.1 million, representing a \$28.3 million (3.4%) increase from the prior-year period, or an 8.7% increase excluding the impact of foreign currency and divestitures, primarily due to strong banking unit volume. Gross profit was at \$209.3 million, a 13% improvement from the prior-year period. The Company is in ongoing conversations with banking and lending partners to address short- and long-term liquidity needs and capital structure, deleveraging the balance sheet and continuing to normalize vendor relationships to deliver for its customers. It is expected that any resulting deleveraging transaction will substantially or fully dilute shareholder equity.

Summary financial results (unaudited) were as follows:

(\$ in millions, except per share data)	Three month ended					
	March 31, 2023		March 31, 2022		% Change	
	GAAP	Non-GAAP ¹	GAAP	Non-GAAP ¹	GAAP	Non-GAAP
Total net sales	\$ 858.1	\$ 853.3	\$ 829.8	\$ 824.4	3.4	3.5
Gross profit	\$ 209.3	\$ 209.4	\$ 185.3	\$ 186.2	13.0	12.5
Operating (loss) profit	\$ (2.1)	\$ 50.0	\$ (83.4)	\$ (0.9)	97.5	N/M
Operating margin	(0.2)%	5.9%	(10.1)%	(0.1)%	990 bps	600 bps
Net loss	\$ (111.5)	\$ (67.6)	\$ (183.9)	\$ (121.3)	39.4	44.3
Diluted loss per share ²	\$ (1.40)	\$ (0.85)	\$ (2.33)	\$ (1.54)	39.9	44.8
Adjusted EBITDA	\$ 63.7		\$ 15.0			

• Total net sales increased 3.4%, or \$28.3 million year-over-year, primarily due to strong banking unit volume

• Non-GAAP operating profit rose to \$50.0 million and Non-GAAP operating margin increased 600 bps to 5.9% due primarily to increased sales, a reduction in inflationary costs, and costs savings measures.

¹ - Please see “Non-GAAP Financial Measures” for information regarding the Company’s use of non-GAAP financial measures.

² - Represents Diluted earnings (loss) per share attributable to Diebold Nixdorf, Incorporated.

(\$ in millions)	Q1 2023		Q1 2022	Trailing twelve months (TTM) March 31, 2023
Net cash (used) provided by operating activities (GAAP measure)	\$	(95.9)	\$	(257.6)
Excluding the impact of changes in cash of assets held for sale and the use of cash for M&A activities		6.5		8.3
Excluding the use of cash for the settlement of foreign exchange derivative instruments		–		0.6
Excluding the use of cash for the legal settlement related to the impaired cloud- based ERP implementation fees		–		16.2
Capital expenditures		(5.7)		(26.1)
Capitalized software development		(5.4)		(26.5)
Free cash flow (use) (Non-GAAP measure)	\$	(100.5)	\$	(285.1)

Add back: cash interest	\$ 25.5	\$ 58.6	\$ 198.5
Unlevered free cash flow (use) (Non-GAAP measure)	\$ (75.0)	\$ (175.8)	\$ (86.6)

• Free cash use of \$100.5 million in the first quarter 2023 was favorable by \$133.9 million versus the prior year quarter reflecting improved profitability and timing of disbursements.

Based on quarterly results, the Company updates its FY 2023 outlook as stated below. The outlook is contingent upon the Company's ability to successfully navigate bank and lender conversations regarding the short and long-term liquidity and capital structure and assumes a full year of uninterrupted operations.

	Prior FY2023		
	FY2022 Actuals	Strategic Operating Model	FY2023 Outlook
Revenue Units	ATMs: 49,000 SCOs: 22,000 EPOs: 126,000	ATMs: ~60,000 SCOs: ~35,000 EPOs: ~134,000	ATMs: ~60,000 SCOs: ~35,000 EPOs: ~134,000
Total Revenue	\$3.46B	~\$3.86B	~\$3.7B-\$3.9B
Adjusted EBITDA (non-GAAP measure) ¹	\$265M	~\$470M	~\$380M-\$420M

¹ - With respect to the Company's adjusted EBITDA outlook for 2023, the Company is not providing a reconciliation to the most directly comparable GAAP financial measures 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 future restructuring and refinancing 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, operating profit and net income calculated and presented in accordance with GAAP. Please see "Non-GAAP Financial Measures" for additional information regarding the Company's use of non-GAAP financial measures.

Non-GAAP Financial Measures

To supplement the Company's 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) and unlevered 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 current year exchange rates. The Company uses these non-GAAP financial measures, in addition to GAAP financial measures, to evaluate its operating and financial performance and to compare such performance to that of prior periods and to the performance of its 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 its operating and financial performance and trends in its 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. The Company provides EBITDA and Adjusted EBITDA because it believes that investors and securities analysts will find EBITDA and adjusted EBITDA to be useful measures for evaluating its operating performance and comparing its operating performance with that of similar companies that have different capital structures and for evaluating its ability to meet its future debt service, capital expenditure and working capital requirements. The Company considers 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 and the legal settlement for impaired cloud implementation costs, 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 additional information regarding the Company's use of non-GAAP financial measures, please refer to the Company's press releases of February 3, 2023, May 3, 2023 and its financial statements as published under <https://investors.dieboldnixdorf.com/>.

Hudson, May 3, 2023
Diebold Nixdorf, Incorporated

Notifying Person:
Christopher Sikora
Vice President, Investor Relations
Telephone +1 (330) 280-6430
Christopher.sikora@dieboldnixdorf.com

Disclaimer

This ad hoc notice does not constitute an offer to sell or buy, nor the solicitation of an offer to sell or buy, any securities referred to herein. Any solicitation or offer will only be made pursuant to an offering memorandum and disclosure statement and only to such persons and in such jurisdictions as is permitted under applicable law.

Forward-Looking Statements

This ad hoc notice may contain statements that are not historical information and are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. These forward-looking statements include, but are not limited to, projections, statements regarding the Company's expected future performance (including expected results of operations and financial guidance), future financial condition, potential impact of the ongoing coronavirus (COVID-19) pandemic, anticipated operating results, strategy plans, future liquidity and financial position.

Statements can generally be identified as forward looking because they include words such as “believes,” “anticipates,” “expects,” “intends,” “plans,” “will,” “estimates,” “potential,” “target,” “predict,” “project,” “seek,” and variations thereof or “could,” “should” or words of similar meaning. Statements that describe the Company's future plans, objectives or goals are also forward-looking statements, which reflect the current views of the Company with respect to future events and are subject to assumptions, risks and uncertainties that could cause actual results to differ materially. Although the Company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, the economy, its knowledge of its business, and key performance indicators that impact the Company, these forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The factors that may affect the Company's results include, among others: the overall impact of the 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 Company's ability to improve its operating performance and its cash, liquidity and financial position; the Company's ability to successfully work with its lenders with respect to a long-term solution for its capital structure, leverage ratio and liquidity needs; the ability of the Company to raise necessary equity capital to pay the 2024 Senior Notes at maturity if there is insufficient participation in the Public 2024 Exchange Offer; the Company's ability to improve its operating performance and its cash, liquidity and financial position; the Company's ability to successfully work with its lenders with respect to a long-term solution for its capital structure, leverage ratio and liquidity needs; the Company's ability to generate sufficient cash or have sufficient access to capital resources to service its debt, which, if unsuccessful or insufficient, could force the Company to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness; the Company's ability to comply with the covenants contained in the agreements governing its debt and to successfully refinance its debt in the future; the Company's ability to successfully convert its backlog into sales, including our ability to overcome supply chain and liquidity challenges; the ultimate impact of the ongoing COVID-19 pandemic and other public health emergencies, 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 continue to achieve benefits from its cost-reduction initiatives and other strategic initiatives, such as the current \$150m-plus cost savings plan; the success of the Company's new products, including its DN Series line and EASY family of retail checkout solutions, and electronic vehicle charging service business; the impact of a cybersecurity breach or operational failure on the Company's business; the Company's ability to attract, retain and motivate key employees; the Company's reliance on suppliers, subcontractors and availability of raw materials and other components; 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 ultimate 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 (which was dismissed in the Company's favor at the lower court level in May 2022) and the merger/squeeze-out; the impact of market and economic conditions, including the bankruptcies, restructuring 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; the impact of 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 war between Russia and Ukraine and the tension between the U.S. and China), disruption in energy supply, 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 applicable laws and 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, 2022.

Except to the extent required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements.