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 entered into agreement to support debt refinancing for certain near-term maturities as well as to provide $400 million additional financing and revises 2022 outlook

October 20, 2022 – Hudson, Ohio, United States of America – Diebold Nixdorf, Incorporated (ISIN: US2536511031, the "Company") announces that the Company, certain of its subsidiaries and a group of certain creditors representing 78.8% of the aggregate principal amount of the term loans under the existing credit agreement dated November 23, 2015 (the "Existing Term Loans"), 59.3% of the aggregate principal amount of the Company's 8.5% Senior Notes due 2024 (the "2024 Senior Notes"), 91.8% of the aggregate principal amount of the Company's 9.375% Senior Notes due 2025 (the "2025 USD Senior Notes") and 85.4% of the aggregate principal amount of the 9.000% Senior Notes due 2025 issued by the Company's wholly-owned subsidiary Diebold Nixdorf Dutch Holding B.V. (the "2025 EUR Senior Notes") have agreed on the principal terms of a new money financing, recapitalization and exchanges that address certain near-term debt maturities and accordingly entered into a transaction support agreement (the "Transaction").

The transaction support agreement contemplates, among other things, that:

- The Company and certain of its subsidiaries will obtain a new $250 million asset-based credit facility (the "ABL Facility"), which will mature in July 2026, subject to a springing maturity to a date that is 91 days prior to the maturity of certain indebtedness of the Company or its subsidiaries above a certain threshold. The ABL Facility is expected to be provided by, and replace the commitments of, the Company's existing revolving credit lenders under the existing credit agreement.

- Diebold Nixdorf Holding Germany GmbH, a wholly-owned subsidiary of the Company, will obtain a new $400 million super-senior term loan credit facility (the "Super Senior Facility"), which will mature in July 2025. Certain current participating lenders who have signed the transaction support agreement have provided commitments subject to satisfaction of the conditions specified therein, totaling the full $400 million with respect to the Super Senior Facility, subject to additional participating creditors who sign the transaction support agreement by October 27, 2022 (the "Joinder Date") having the option to elect to provide a portion of the commitments with respect to the Super Senior Facility, which would replace certain of the existing commitments.

- Holders of Existing Term Loans will be offered the opportunity to exchange such Existing Term Loans at par into extended term loans (the "Extended Term Loans"), which will mature in July 2025. On the closing date, a portion of the proceeds of the Super Senior Facility will be applied to prepay 15% of the principal amount of the Extended Term Loans. In addition, the Company will be required to prepay the Extended Term Loans on December 31, 2023 in an amount equal to 5% of the principal amount of Existing Term Loans exchanged into Extended Term Loans, subject to satisfaction of a specified minimum liquidity threshold. If such minimum liquidity threshold is not satisfied on December 31, 2023, such prepayment will instead be required on December 31, 2024 subject to satisfaction of the same condition. Holders of Existing Term Loans who have signed the transaction support agreement prior to the Joinder Date will receive, on the closing date, a transaction premium of 3.0% of Extended Term Loans received in exchange for Existing Term Loans, paid in the form of Extended Term Loans.

- Holders of 2024 Senior Notes will be offered the opportunity to exchange such 2024 Senior Notes (i) at 95% of par into new secured notes issued by the Company (the "2L Notes"), which will mature in October 2026, and (ii) into a ratable amount of penny warrants (the "Warrants") exercisable for common shares in the Company, the total amount of which will represent 19.99% of the outstanding common shares in the Company. The Warrants will be non-detachable and not exercisable until April 2024, subject to certain exceptions. The Company will also solicit consents from holders of the 2024 Senior Notes to amend the indenture for the 2024 Senior Notes as necessary to, among other things, allow the Transaction, remove substantially all negative covenants and mandatory prepayments (to the extent permitted, including under applicable law), and to extend the grace period under the indenture for the 2024 Senior Notes applicable with respect to defaults in payment of interest to run until the maturity date of the 2024 Senior Notes. Holders of 2024 Senior Notes who have signed the transaction support agreement prior to the Joinder Date will receive, on the closing date, a transaction premium of 5.0% of the principal amount of such 2024 Senior Notes, paid in the Form of 2L Notes.

- The Company will also solicit consents from holders of the 2025 Senior Notes, to amend the indentures for the 2025 Senior Notes and related documentation as necessary to, among other things, allow the Transaction and provide the 2025 Senior Notes with certain covenant, collateral and guarantee enhancements. Holders of 2025 Senior Notes who have signed the transaction support agreement prior to the Joinder Date will receive, on the closing date, a transaction premium of 3.0% of such 2025 Senior Notes, paid in the form of 2025 Senior Notes.

- The Company will also solicit consents from lenders under the existing credit agreement to amend the existing credit agreement as necessary to, among other things, permit the Transaction, remove substantially all negative covenants and mandatory prepayments, and to direct the administrative agent to release the liens on certain collateral securing the Company's and the existing subsidiary guarantors' obligations under the existing credit agreement (in each case, to the extent permitted, including under applicable law).

The closing of the transaction is subject to the satisfaction of certain conditions, including execution and delivery of definitive documentation, receipt of all necessary consents to the consummation, including obtaining certain minimum consent- and exchange thresholds under the existing credit agreement and the indenture for the 2024 Senior Notes and certain consent thresholds under the indenture for the 2025 Senior Notes, as well as other customary closing conditions. If the closing date of the Transaction does not occur prior to December 20, 2022, an in-kind ticking fee in the form of additional loans under the Super Senior Facility will be paid at a rate per annum equal to 100% of the interest rate margin applicable to SOFR loans (as determined according to each party's commitment) under the Super Senior Facility. If the closing date of the transaction does not occur prior to December 31, 2022 (unless extended), the transaction support agreement will terminate.

Upon entering into the transaction support agreement with its lenders and bondholders, the Company today revised its outlook for full-year (FY) 2022 and its strategic operating model for FY2023 and FY2024 summarized below. Given the Company's elevated backlog and where we are in the year, the Company expects to have full coverage for forecast product revenue in 2022. The FY2022 operating forecast reflects the effects of supply chain challenges, which have led to deferred product revenue from FY2022 to FY2023 for approximately 2,500 ATMs, 2,000 self-checkout (SCO) and 7,000 electronic point of sale (EPOS) units. Adjusted EBITDA primarily reflects deferred revenue flow through. The updated unlevered free cash flow forecast reflects the normalization of working capital and certain cash costs related to the transaction support agreement process. The FY2023 strategic operating model reflects sufficient backlog coverage to satisfy 45-50% of FY2023 Product revenue. By year-end 2022, backlog is expected to be at approximately $1.3 billion, which equates to securing approximately 80% of FY2023 Product revenue. Additionally, 70% of the $2.1 billion Services business revenues are recurring, which provides for $1.4 billion in contract coverage of the FY2023 Services revenue.

	Prior Guidance FY2022	Revised FY2022 Operating Forecast	FY2023 Strategic Operating Model	FY2024 Strategic Operating Model
Total Revenue	\$3.55B - \$3.75B	~\$3.50B	~\$3.86B	~\$3.97B
Adjusted EBITDA (non-GAAP measure)[1]	\$320M - \$350M	~\$293M	~\$470M	~\$540M
Unlevered free cash flow (non-GAAP measure)[2]	~\$177M*	~(\$243)M**	~\$291M	~\$393M

[*] - Prior guidance of breakeven provided in Q2/2022 reflects the previously disclosed ~\$0 of levered free cash flow, inclusive of ~\$177M in cash interest payments.

[**] - Includes ~(\$62)M of financing fees associated with the transactions contemplated by the transaction support agreement.

[1] - With respect to the Company's adjusted EBITDA outlook, 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 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.

[2] – Unlevered 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 and the legal settlement for impaired cloud implementation costs, excluding the use of cash for the settlement of foreign exchange derivative instruments and excluding the use of cash for interest payments. With respect to the Company's non-GAAP unlevered free cash flow outlook, 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 NonGAAP Financial Measures" for additional information regarding the Company's use of non-GAAP financial measures.

Additionally, the Company is providing the following forecasted number of revenue units by product by year:

Units	FY2022	FY2023	FY2024
ATMs	52,000	60,000	63,000
SCOs	25,000	35,000	40,000
ePOS	127,000	134,000	134,000
ATMs	52,000	60,000	63,000

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 is also providing EBITDA and adjusted EBITDA in light of its credit agreement and the secured and unsecured senior notes. 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 release of August 02, 2022 and its financial statements as published under https://investors.dieboldnixdorf.com/.

Hudson, October 20, 2022
Diebold Nixdorf, Incorporated

Notifying Person:
Christine Marchuska
Vice President, Investor Relations
Telephone +1 (607) 206-9212
christine.marchuska@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," "believes," "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 participation by the Company's lenders/noteholders in the transactions contemplated by the transaction support agreement, the ability to negotiate and execute a definitive documentation with respect to the transactions contemplated by the transaction support agreement, the receipt of required consents to any or all of such transactions, satisfaction of any conditions in any such documentation, the availability of alternative transactions, the impact of publicity surrounding negotiations related to a potential transaction; 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 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+ cost savings plan; the success of the Company’s new products, including its DN Series line and EASY family of retail checkout solutions, and EV charging service business; 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; 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 conflict between Russia and Ukraine), 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 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, its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022, and in other documents the company files with the SEC.

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.