Investment Community Conference Call

Fourth Quarter and Full-Year 2021 Earnings

February 10, 2022



DieboldNixdorf.com

Use of Non-GAAP Financial Information

To supplement its 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, segment gross profit/margin 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 expenditures and working capital requirements. The company is also providing EBITDA and adjusted EBITDA in light of its credit agreement and the issuance of its 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 on non-GAAP Financial Measures, please refer to the “Supplemental Slides.”

Forward-Looking Statements

This document 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 the 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 sustain benefits from its cost-reduction initiatives and to achieve other strategic initiatives; 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; 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 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, 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, 2020 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.

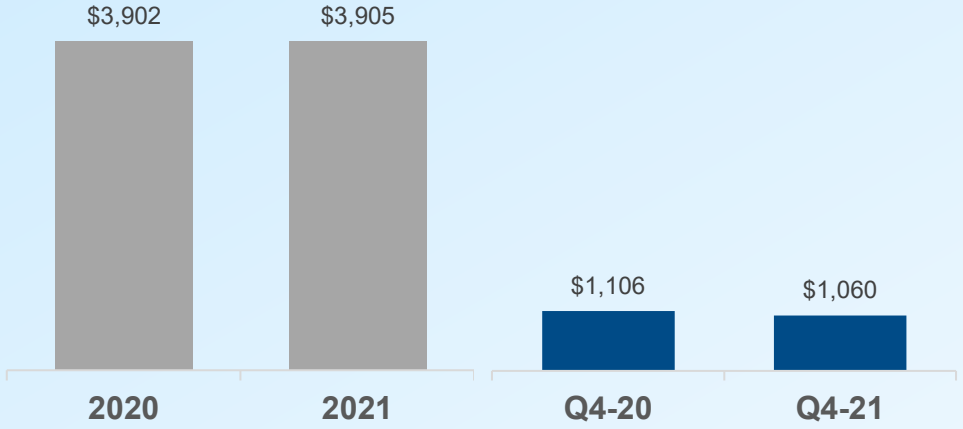
2021 Trends & Highlights

- High interest in self-service solutions
- Retail growth being driven by customer momentum for our self-checkout (SCO) devices which is currently outpacing the market in Europe
- Banking customers focused on automation and efficiency with strong demand for our DN Series™ cash recyclers
- Achieved ~150k milestone of banking self-service devices connected to AllConnect℠ Data Engine
- Market leading Services capabilities attracting strong growth opportunities in new horizontals such as EV Charging Services
- Despite challenging supply chain environment shipped more ATMs, SCOs and POS than 2020

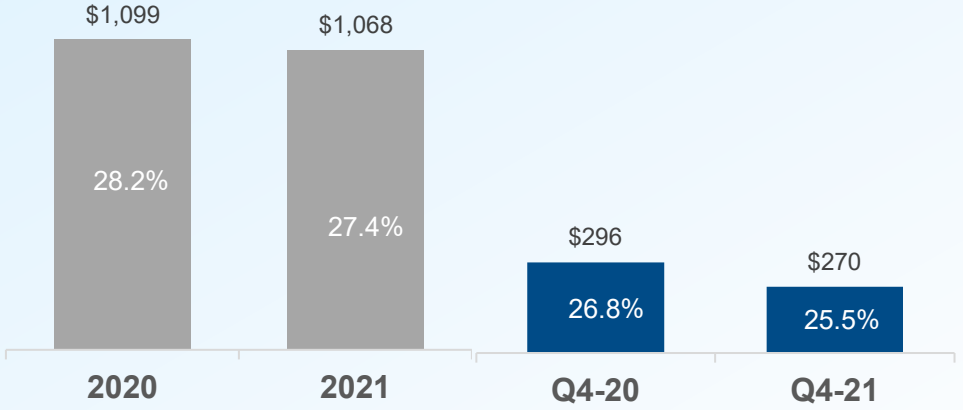


Q4 2021 and FY 2021 Financial Highlights

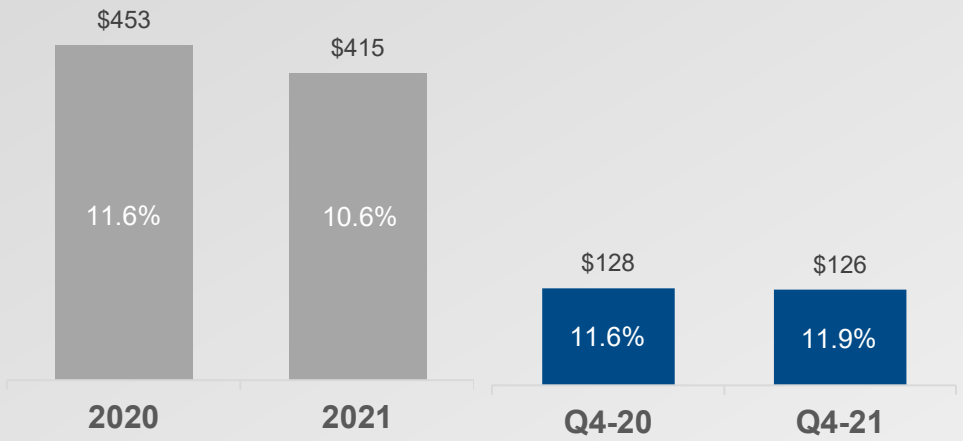
Total Revenue



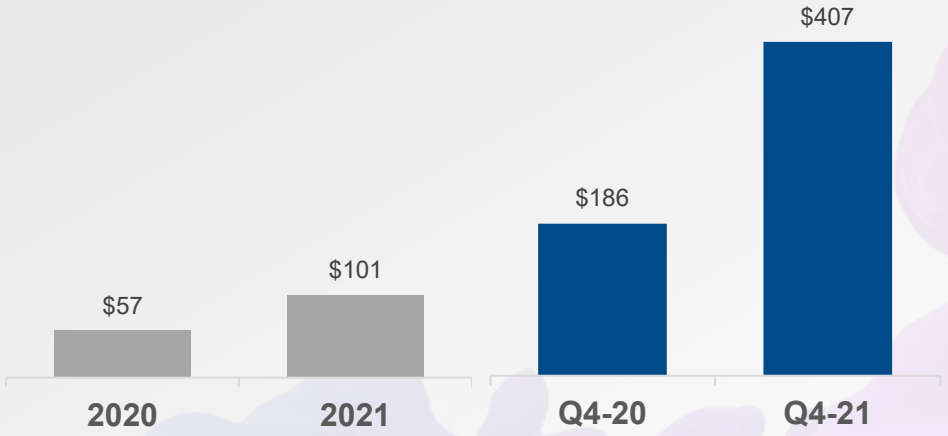
Gross Profit[1] & Gross Margin[1]



Adj. EBITDA[1] & Adj. EBITDA Margin[1]



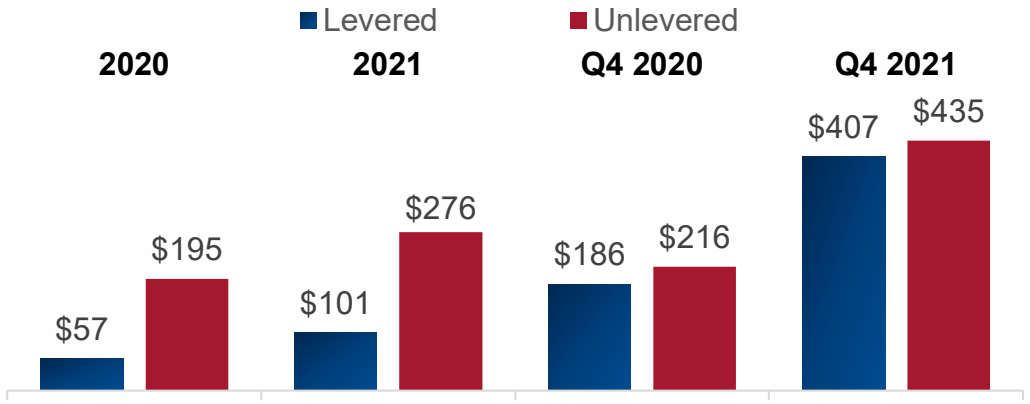
Free Cash Flow[1]



1) Non-GAAP metric. See “Use of Non-GAAP Financial Information” and the “Supplemental Slides” for additional information. Note: Differences may occur due to rounding.

Free Cash Flow, Leverage and Debt Maturities

Levered & Unlevered Free Cash Flow[1]



- Unlevered free cash source of $276M reflects lower EBITDA and higher cash use on inventory investment due to supply chain challenges and strong orders, capital expenditures, and interest, partially offset by lower restructuring payments, all compared to the prior year same period.
- Leverage ratio[2] increased to 4.6x with net debt[3] of $1,866M and TTM adjusted EBITDA[1] of $415M
- Available liquidity[3] of $584M

Debt Maturities

Facilities	Balances as of December 31, 2021 ($M)	Interest Rate Index & Margin[4]	Maturity Dates
Revolving Credit ($369 at 12/31/21)[5]	$61	LIBOR +4.25%	July 2023
Term Loan B US$	$386	LIBOR +2.75%	November 2023
Term Loan B €	$380	EURIBOR +3.00%	November 2023
US$ 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	$396	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 $3.1M of cash in assets held for sale, which was not realized as of December 31, 2021.
3) Net debt and liquidity as of December 31, 2021. 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 $369M at December 31, 2021, which will be reduced by $39M in April 2022 as certain lenders exit the facility in accordance with the termination of their commitments.

Outlook for 2022

	2021A	2022E	Key Expectations[2]
Total Revenue	$3.9B	$4.0 - $4.2B	Reflects approximately $150M in revenue deferral from 2021 to 2022, and organic growth and pricing growth, partially offset by modeled divestitures and terminated low-profit service contracts and potential ongoing logistics and supply chain disruptions
Adjusted EBITDA[1]	$415M	$440 – $460M	YoY improvement[2] driven by + Gross profit improvements from increased volume, pricing actions, as well as continued execution on Services efficiency initiatives – Continued non-billable raw material, freight and wage inflation headwinds – Increased SG&A associated with labor costs and internal investments
Free cash flow[1]	$101M	$130 – $150M	Culmination of the DN Now transformation and restructuring program ($50M) Normalization of working capital
ROIC[1]	~15%	~17%	Increased Operating Profit as well as Free Cash Flow conversion

1) Non-GAAP metrics
2) Key expectations represent approximate year-over-year changes versus 2021 results

Supplemental Slides



Q4 QTD 2021 Profit & Loss Statement

Reconciliation of GAAP to non-GAAP ($Millions)

	2021 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Loss making contract related to discontinued offering	Legal / deal expense	Divestiture of Fixed Assets	Inventory gain / change	Other non-routine income / expense	2021 (non-GAAP)	% of Net Sales
Services	478.6	45.2%								478.6	45.2%
Products	456.1	43.0%								456.1	43.0%
Software	124.9	11.8%								124.9	11.8%
Total Revenue	1,059.6	100.0%								1,059.6	100.0%
Services	141.3	29.5%	2.2	-	(1.4)	-	-	2.1	(0.4)	143.8	30.0%
Products	64.6	14.2%	1.1	-	-	-	-	4.5	0.1	70.3	15.4%
Software	52.4	42.0%	2.1	-	1.9	-	-		(0.1)	56.3	45.1%
Total Gross Profit	258.3	24.4%	5.4	-	0.5	-	-	6.6	(0.4)	270.4	25.5%
Operating Expenses											
Selling, G & A	171.9		(17.0)	(18.9)	0.3	(4.2)	-	-	(0.8)	131.3	
R , D & E	31.0		(1.5)	-	-	-	-	-	-	29.5	
(Gain)/Loss of Sale	5.0		(0.6)	-	-	-	(3.9)	-	-	0.5	
Impairment of Assets	1.0		-	-	-	-	-	-	(1.3)	(0.3)	
Total Operating Expense	208.9	19.7%	(19.1)	(18.9)	0.3	(4.2)	(3.9)	-	(2.1)	161.0	15.2%
Total Operating Profit (loss)	49.4	4.7%	24.5	18.9	0.2	4.2	3.9	6.6	1.7	109.4	10.3%

Q4 QTD 2020 Profit & Loss Statement

Reconciliation of GAAP to non-GAAP ($Millions)

	2020 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Costs related to previously divested businesses	Legal / deal expense	Divestiture of Fixed Assets	Other non-routine income/expense	2020 (non-GAAP)	% of Net Sales
Services	525.8	47.5%							525.8	47.5%
Products	453.9	41.1%							453.9	41.1%
Software	126.2	11.4%							126.2	11.4%
Total Revenue	1,105.9	100.0%							1,105.9	100.0%
Services	150.1	28.5%	5.6	-	-	-	-	(1.1)	154.6	29.4%
Products	78.2	17.2%	5.4	-	(0.2)	-	-	4.3	87.7	19.3%
Software	48.2	38.2%	5.5	-	-	-	-	-	53.7	42.6%
Total Gross Profit	276.5	25.0%	16.5	-	(0.2)	-	-	3.2	296.0	26.8%
Operating Expenses										
Selling, G & A	228.9		(51.7)	(19.7)	-	(0.2)	-	(1.9)	155.4	
R , D & E	40.0		(3.4)	-	-	-	-	(0.7)	35.9	
(Gain)/Loss on Sale	(1.5)		-	-	-	-	1.5	-	-	
Impairment of Assets	3.4		-	-	-	-	-	(3.4)	-	
Total Operating Expense	270.8	24.5%	(55.1)	(19.7)	-	(0.2)	1.5	(6.0)	191.3	17.3%
Total Operating Profit (loss)	5.7	0.5%	71.6	19.7	(0.2)	0.2	(1.5)	9.2	104.7	9.5%

2021 YTD Profit & Loss Statement

Reconciliation of GAAP to non-GAAP ($Millions)

	2021 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Loss making contract related to discontinued offering	Legal / deal expense	Divestiture of Fixed Assets	Inventory gain / change	Other non-routine income / expense	2021 (non-GAAP)	% of Net Sales
Services	1,927.6	49.3%								1,927.7	49.3%
Products	1,518.1	38.9%								1,518.1	38.9%
Software	459.5	11.8%								459.5	11.8%
Total Revenue	3,905.2	100.0%								3,905.2	100.0%
Services	561.9	29.1%	10.8	-	0.9	-	-	2.1	(6.2)	569.5	29.5%
Products	276.3	18.2%	2.9	-	-	-	-	4.5	0.4	284.1	18.7%
Software	205.2	44.7%	6.3	-	1.9	-	-	-	1.4	214.8	46.7%
Total Gross Profit	1,043.4	26.7%	20.0	-	2.8	-	-	6.6	(4.4)	1,068.4	27.4%
Operating Expenses											
Selling, G & A	775.6		(78.4)	(78.2)	-	(8.1)	-	-	(1.8)	609.1	
R , D & E	126.3		0.1	-	-	-	-	-	-	126.4	
(Gain)/Loss on Sale	3.1		(0.6)	-	-	-	(2.0)	-	(0.3)	0.2	
Impairment of Assets	1.3		-	-	-	-	-	-	(1.3)	-	
Total Operating Expense	906.3	23.2%	(78.9)	(78.2)	-	(8.1)	(2.0)	-	(3.4)	735.7	18.8%
Total Operating Profit (loss)	137.1	3.5%	98.9	78.2	2.8	8.1	2.0	6.6	(1.0)	332.7	8.5%

2020 YTD Profit & Loss Statement

Reconciliation of GAAP to non-GAAP ($Millions)

	2020 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Amortization of Wincor Nixdorf purchase accounting intangible assets (non-cash)	Loss making contract related to discontinued offering	Costs related to previously divested businesses	Legal / deal expense	Divestiture of Fixed Assets	Inventory gain / change	Other non-routine income / expense	2020 (non-GAAP)	% of Net Sales
Services	1,997.1	51.2%									1,997.1	51.2%
Products	1,448.9	37.1%									1,448.9	37.1%
Software	456.3	11.7%									456.3	11.7%
Total Revenue	3,902.3	100.0%									3,902.3	100.0%
Services	548.5	27.5%	7.4	-	25.5	-	-	-	2.5	(3.5)	580.4	29.1%
Products	290.3	20.0%	8.0	3.5	-	4.6	-	-	(0.2)	5.3	311.5	21.5%
Software	196.2	43.0%	6.9	4.0	-	-	-	-	-	-	207.1	45.4%
Total Gross Profit	1,035.0	26.5%	22.3	7.5	25.5	4.6	-	-	2.3	1.8	1,099.0	28.2%
Operating Expenses												
Selling, G & A	858.6		(153.1)	(75.4)	-	-	(8.4)	-	-	(4.4)	617.3	
R , D & E	133.4		(6.4)	-	-	-	-	-	-	(0.9)	126.1	
(Gain)/Loss on Sale	11.5		-	-	-	-	-	(11.3)	-	-	0.2	
Impairment of Assets	7.5		-	-	-	-	-	-	-	(7.5)	-	
Total Operating Expense	1,011.0	25.9%	(159.5)	(75.4)	-	-	(8.4)	(11.3)	-	(12.8)	743.6	19.1%
Total Operating Profit (loss)	24.0	0.6%	181.8	82.9	25.5	4.6	8.4	11.3	2.3	14.6	355.4	9.1%

Revenue Variance for FX, Divestitures & Related Actions

($Millions)

Segment View

$Millions	Q4-21	Q4-20	Variance F/(U)	Variance %	2021	2020	Variance F/(U)	Variance %
Eurasia Banking Revenue (GAAP)	**377**	**419**	**(42)**	**-10.0%**	**1,354**	**1,431**	**(77)**	**-5.4%**
FX Impact	-	(14)			-	39		
Divestitures and Related Actions	-	(10)			-	(45)		
Eurasia Banking Adjusted Revenue (Non-GAAP)	**377**	**395**	**(18)**	**-4.6%**	**1,354**	**1,425**	**(71)**	**-5.0%**
Americas Banking Revenue (GAAP)	**386**	**375**	**11**	**2.9%**	**1,357**	**1,419**	**(62)**	**-4.4%**
FX Impact	-	(2)			-	(2)		
Divestitures and Related Actions	-	(2)			-	(10)		
Americas Banking Adjusted Revenue (Non-GAAP)	**386**	**371**	**15**	**4.0%**	**1,357**	**1,407**	**(50)**	**-3.6%**
Retail Revenue (GAAP)	**297**	**312**	**(15)**	**-4.8%**	**1,194**	**1,052**	**142**	**13.5%**
FX Impact	-	(6)			-	37		
Divestitures and Related Actions	-	(1)			-	(5)		
Retail Adjusted Revenue (Non-GAAP)	**297**	**305**	**(8)**	**-2.6%**	**1,194**	**1,084**	**110**	**10.1%**
Total Revenue (GAAP)	**1,060**	**1,106**	**(46)**	**-4.2%**	**3,905**	**3,902**	**3**	**0.1%**
Fx Impact	-	(22)		-2.0%	-	74		1.9%
Divestitures and Related Actions	-	(13)		-1.2%	-	(60)		-1.5%
Total Adjusted Revenue	**1,060**	**1,071**	**(11)**	**-1.0%**	**3,905**	**3,916**	**(11)**	**-0.3%**

Revenue Variance for FX, Divestitures & Related Actions

($Millions)

Business Line

$Millions	Q4-21	Q4-20	Variance F/(U)	Variance %	2021	2020	Variance F/(U)	Variance %
Services Revenue (GAAP)	**479**	**526**	**(47)**	**-8.9%**	**1,928**	**1,997**	**(69)**	**-3.5%**
FX Impact	-	(9)			-	40		
Divestitures and Related Actions	-	(5)			-	(31)		
Services Adj. Revenue (Non-GAAP)	**479**	**512**	**(33)**	**-6.4%**	**1,928**	**2,006**	**(78)**	**-3.9%**
Products Revenue (GAAP)	**456**	**454**	**2**	**0.4%**	**1,518**	**1,449**	**69**	**4.8%**
FX Impact	-	(10)			-	23		
Divestitures and Related Actions	-	(6)			-	(14)		
Products Adj. Revenue (Non-GAAP)	**456**	**438**	**18**	**4.1%**	**1,518**	**1,458**	**60**	**4.1%**
Software Revenue (GAAP)	**125**	**126**	**(1)**	**-0.8%**	**459**	**456**	**3**	**0.7%**
FX Impact	-	(3)			-	11		
Divestitures and Related Actions	-	(2)			-	(15)		
Software Adj. Revenue (Non-GAAP)	**125**	**121**	**4**	**3.3%**	**459**	**452**	**7**	**1.5%**
Total Revenue (GAAP)	**1,060**	**1,106**	**(46)**	**-4.2%**	**3,905**	**3,902**	**3**	**0.1%**
FX Impact	-	(22)		-2.0%	-	74		1.9%
Divestitures and Related Actions	-	(13)		-1.2%	-	(60)		-1.5%
Total Adjusted Revenue	**1,060**	**1,071**	**(11)**	**-1.0%**	**3,905**	**3,916**	**(11)**	**-0.3%**

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

Reconciliation of GAAP to non-GAAP ($Millions)

Segment View

$Millions	Q4-21	Q4-20	Variance F/(U)	Variance %	2021	2020	Variance F/(U)	Variance %
Eurasia Banking Gross Profit (Non-GAAP)	**99**	**123**	**(24)**	**-19.5%**	**387**	**428**	**(41)**	**-9.7%**
FX Impact	-	(3)			-	17		
Divestitures and Related Actions	-	(5)			-	(10)		
Eurasia Banking Adjusted Gross Profit (Non-GAAP)	**99**	**115**	**(16)**	**-13.9%**	**387**	**435**	**(48)**	**-11.0%**
Americas Banking Gross Profit (Non-GAAP)	**97**	**100**	**(3)**	**-3.0%**	**369**	**415**	**(46)**	**-11.1%**
FX Impact	-	(1)			-	(4)		
Divestitures and Related Actions	-	-			-	(2)		
Americas Banking Adjusted Gross Profit (Non-GAAP)	**97**	**99**	**(2)**	**-2.0%**	**369**	**409**	**(40)**	**-9.8%**
Retail Gross Profit (Non-GAAP)	**74**	**73**	**1**	**1.4%**	**312**	**256**	**56**	**21.9%**
FX Impact	-	(1)			-	9		
Divestitures and Related Actions	-	-			-	-		
Retail Adjusted Gross Profit (Non-GAAP)	**74**	**72**	**2**	**2.8%**	**312**	**265**	**47**	**17.7%**
Total Gross Profit (Non-GAAP)	**270**	**296**	**(26)**	**-8.8%**	**1,068**	**1,099**	**(31)**	**-2.8%**
Fx Impact	-	(5)		-1.7%	-	22		2.0%
Divestitures and Related Actions	-	(5)		-1.7%	-	(12)		-1.1%
Total Adjusted Gross Profit	**270**	**286**	**(16)**	**-5.6%**	**1,068**	**1,109**	**(41)**	**-3.7%**

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

Reconciliation of GAAP to non-GAAP ($Millions)

Business Line

$Millions	Q4-21	Q4-20	Variance F/(U)	Variance %	2021	2020	Variance F/(U)	Variance %
Services Gross Profit (Non-GAAP)	**144**	**154**	**(10)**	**-6.5%**	**569**	**580**	**(11)**	**-1.9%**
FX Impact	-	(2)			-	7		
Divestitures and Related Actions	-	(4)			-	(5)		
Services Adj. Gross Profit (Non-GAAP)	**144**	**148**	**(4)**	**-2.7%**	**569**	**582**	**(13)**	**-2.2%**
Products Gross Profit (Non-GAAP)	**70**	**88**	**(18)**	**-20.5%**	**284**	**312**	**(28)**	**-9.0%**
FX Impact	-	(2)			-	9		
Divestitures and Related Actions	-	(1)			-	(5)		
Products Adj. Gross Profit (Non-GAAP)	**70**	**85**	**(15)**	**-17.6%**	**284**	**316**	**(32)**	**-10.1%**
Software Gross Profit (Non-GAAP)	**56**	**54**	**2**	**3.7%**	**215**	**207**	**8**	**3.9%**
FX Impact	-	(1)			-	6		
Divestitures and Related Actions	-	-			-	(2)		
Software Adj. Gross Profit (Non-GAAP)	**56**	**53**	**3**	**5.7%**	**215**	**211**	**4**	**1.9%**
Total Gross Profit (Non-GAAP)	**270**	**296**	**(26)**	**-8.8%**	**1,068**	**1,099**	**(31)**	**-2.8%**
Fx Impact	-	(5)		-1.7%	-	22		2.0%
Divestitures and Related Actions	-	(5)		-1.7%	-	(12)		-1.1%
Total Adjusted Gross Profit	**270**	**286**	**(16)**	**-5.6%**	**1,068**	**1,109**	**(41)**	**-3.7%**

Gross Profit & Operating Expense - YTD

Reconciliation of GAAP to non-GAAP ($Millions)

Gross Profit – Segment View

	2020	2021
Americas Banking	1,419	1,357
Eurasia Banking	1,431	1,354
Retail	1,052	1,194
Revenue (GAAP)	**$ 3,902**	**3,905**
Americas Banking	417	374
Eurasia Banking	377	362
Retail	241	307
Total Gross Profit (GAAP)	**$ 1,035**	**1,043**
Total Restructuring & DN Now Transformation Expense	22	20
Total Non-Routine Expense	42	5
Total Retructuring, DN Now Transformation & Non-Routine Expense	64	25
Total Gross Profit (Non-GAAP)	**$ 1,099**	**$ 1,068**
Total Gross Margin (Non-GAAP)	28.2 %	27.4 %

Operating Expense

	2020	2021
Revenue (GAAP)	**$ 3,902**	**3,905**
Total Operating Expense (GAAP)	**$ 1,011**	**906**
Total Restructuring & DN Now Transformation Expense	(160)	(79)
Total Non-Routine Expense	(107)	(91)
Total Retructuring, DN Now Transformation & Non-Routine Expense	(267)	(170)
Total Operating Expense (non-GAAP)	**744**	**736**
Non-GAAP Operating Expense as a % of GAAP Revenue	19.1 %	18.8 %
Operating Profit (non-GAAP)	**$ 355**	**$ 333**
Non-GAAP Operating Profit Margin	9.1 %	8.5 %

Gross Profit & Operating Expense - QTD

Reconciliation of GAAP to non-GAAP ($Millions)

Gross Profit – Segment View

	Q4-20	Q4-21
Americas Banking	375	386
Eurasia Banking	419	377
Retail	312	297
Revenue (GAAP)	**$ 1,106**	**1,060**
Americas Banking	101	97
Eurasia Banking	114	88
Retail	62	73
Total Gross Profit (GAAP)	**$ 277**	**258**
Total Restructuring & DN Now Transformation Expense	16	5
Total Non-Routine Expense	3	7
Total Retructuring, DN Now Transformation & Non-Routine Expense	19	12
Total Gross Profit (Non-GAAP)	**$ 296**	**$ 270**
Total Gross Margin (Non-GAAP)	26.8 %	25.5 %

Operating Expense

	Q4-20	Q4-21
Revenue (GAAP)	**$ 1,106**	**1,060**
Total Operating Expense (GAAP)	**$ 271**	**209**
Total Restructuring & DN Now Transformation Expense	(55)	(19)
Total Non-Routine Expense	(25)	(29)
Total Retructuring, DN Now Transformation & Non-Routine Expense	(80)	(48)
Total Operating Expense (non-GAAP)	**191**	**161**
Non-GAAP Operating Expense as a % of GAAP Revenue	17.3 %	15.2 %
Operating Profit (non-GAAP)	**$ 105**	**$ 109**
Non-GAAP Operating Profit Margin	9.5 %	10.3 %

Adjusted EBITDA

Reconciliation of GAAP to non-GAAP ($Millions)

Adjusted EBITDA

	Q4 2020	Q4 2021
GAAP Revenue	**$ 1,106**	**$ 1,060**
GAAP Net Income	**(50)**	**(38)**
Income tax expense (benefit)	4	39
Interest income	(1)	(1)
Interest expense	52	46
Depreciation and amortization	42	34
EBITDA	**46**	**80**
Share-based compensation	4	1
Foreign exchange (gain) loss, net	5	3
Miscellaneous, net	(3)	3
Equity in earnings of unconsolidated	(1)	(2)
Restructuring and DN Now transformation	69	25
Non-routine expenses, net	8	16
Adjusted EBITDA	**$ 128**	**$ 126**
Adjusted EBITDA as a % of GAAP Revenue	11.6 %	11.9 %

Trailing 12-month Adjusted EBITDA Reconciliation

	TTM 12/31/2020	TTM 12/31/2021
GAAP Revenue	**$ 3,902**	**$ 3,905**
GAAP Net Income	**(268)**	**(78)**
Income tax expense (benefit)	(1)	28
Interest income	(7)	(6)
Interest expense	293	195
Depreciation and amortization	180	149
EBITDA	**198**	**288**
Share-based compensation	15	14
Foreign exchange (gain) loss, net	14	2
Miscellaneous, net	(7)	(3)
Equity in earnings of unconsolidated	(1)	(1)
Restructuring and DN Now transformation	167	97
Non-routine expenses, net	67	19
Adjusted EBITDA	**$ 453**	**$ 415**
Adjusted EBITDA as a % of GAAP Revenue	11.6 %	10.6 %

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 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 Information" for additional information regarding our use of non-GAAP financial measures.

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 amortization of Wincor Nixdorf intangible assets, which are included in depreciation and amortization.

Note: Differences may occur due to rounding.

Free Cash Flow

Reconciliation of GAAP to non-GAAP ($Millions)

	Q4-20	Q4-21	2020-YTD	2021-YTD
Net cash provided (used) by operating activities (GAAP measure)	215	415	18	123
Excluding the impact of changes in cash of assets held for sale and the use of cash for M&A activities	(13)	8	25	21
Excluding the use of cash for the settlement of foreign exchange derivative instruments	—	—	32	5
Excluding the termination of certain interest rate swaps due to debt refinancing	4	—	10	—
Proceeds from the surrender of company-owned life insurance policies	—	—	16	—
Capitalized software development	(5)	(10)	(17)	(31)
Capital expenditures	(15)	(6)	(27)	(17)
Free cash flow/(use) (non-GAAP measure)	**186**	**407**	**57**	**101**
Add Back: Cash Interest	(30)	(28)	(138)	(175)
Unlevered Free Cash Flow (Use) (non-GAAP Measure)	**216**	**435**	**195**	**276**

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.

Return on Invested Capital & Net Debt

($Millions)

Return on Invested Capital (ROIC)

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

Net Debt

$ Millions	December 31, 2020	December 31, 2021
Cash, cash equivalents, restricted cash and short-term investments (GAAP measure)	362	423
Cash included in assets held for sale	3	3
Debt instruments	(2,346)	(2,293)
Net debt (non-GAAP measure)	**$ (1,982)**	**$ (1,866)**

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 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 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