Diebold Nixdorf Reaffirms 2017 Guidance And Provides 2020 Financial Targets

February 28, 2017

Company also introduces DN2020 roadmap; establishes net cost improvement target of $200 million

NORTH CANTON, Ohio, Feb. 28, 2017 /PRNewswire/ -- In advance of its Investor Day meeting today in New York, Diebold Nixdorf, Incorporated (NYSE: DBD) is reaffirming its full-year 2017 financial guidance. The company is also introducing its multi-year business integration and cost-savings program, named DN2020, and providing key financial targets for 2020.

For 2017, the company continues to expect full-year revenue to be in the range of $5.0 billion to $5.1 billion, net loss in the range of $55 million to $30 million, and adjusted EBITDA in the range of $440 million to $470 million. The company also expects earnings per share of approximately $(0.70) to $(0.40), or $1.40 to $1.70 on a non-GAAP basis, and a non-GAAP effective tax rate[1] of approximately 30 percent for the full year. Restructuring charges and non-routine expense include M&A and legal fees.

In addition, Diebold Nixdorf today is introducing its multi-year business integration roadmap, DN2020. The plan will align the company's employees around executing common strategies and goals linked to six key areas over the next three years:

- Further developing the company's strategy around Connected Commerce
- Achieving financial excellence;
- Continued success in integration;
- Implementing operational excellence around services, manufacturing and supply chain;
- Building a performance-based culture while continuing to attract and retain top talent;
- And establishing sales excellence

Associated with this program for 2020, the company is targeting a net cost improvement target of $200 million. Also for 2020, Diebold Nixdorf is targeting revenue of approximately $5.5 billion, operating profit of more than 9 percent, adjusted EBITDA of approximately $650 million and non-GAAP earnings per share of approximately $3.50 [2].

As previously announced, Diebold Nixdorf is hosting its Investor Day meeting in New York today, beginning at 9:00 a.m. ET. The presentation will be webcast live (audio only) and accessible on the company's website at http://investors.dieboldnixdorf.com/. Investors are encouraged to listen to the webcast as it will contain new information about the company's integration progress, targets and future operating plans.

The previous statements are based on current expectations. These statements are forward-looking and actual results may differ materially. These statements do not include the potential impact of any future mergers, acquisitions, disposals, currency fluctuations or other business combinations. Please refer to the tables below for additional information.

	2017 Outlook
Total Revenue	**$5.0B - $5.1B**
Net Income (Loss)	**$(55 million) - $(30 million)**
Adjusted EBITDA	**$440 million - $470 million**
2017 EPS (GAAP)	**$(0.70) - $(0.40)**
Restructuring	~ 0.45
Non-routine (income)/expense	
Acquisition, divestiture and integration fees	~ 0.65
Wincor Nixdorf purchase accounting adjustments	~ 1.90
Total non-routine (income)/expense	~ 2.55

Tax impact of restructuring and non-routine (income)/expense items	~ (0.90)
Total Adjusted EPS (non-GAAP measure)	**$1.40 - $1.70**

[1] - With respect to the company's non-GAAP tax rate outlook for 2017, we are not providing the most directly comparable GAAP financial measure or corresponding reconciliation because we are unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. Our expected non-GAAP tax rate excludes primarily the future impact of restructuring actions, net non-routine items, acquisition, divestiture and integration related expenses and purchase accounting fair value adjustments. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, our future period tax rate 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.

[2] - Based on 30% non-GAAP effective tax rate.

Non-GAAP Financial Measures and Other 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 investment/(debt), EBITDA, adjusted EBITDA, non-GAAP effective tax rate 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 issuance of our credit agreement and 8.5% senior notes due 2024. With respect to the company's financial targets for 2020, the inability to predict the amount and timing of future items makes a detailed reconciliation of these projections impracticable.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated adjusted revenue growth, adjusted internal revenue growth, adjusted diluted earnings per share, and adjusted earnings per share growth. 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 and outcome of the review of the business combination with Diebold Nixdorf, AG by the Competition and Markets Authority in the United Kingdom; the implementation and ultimate impact of the domination and profit and loss transfer agreement with Diebold Nixdorf, AG; the ultimate outcome and results of integrating the operations of the company and Diebold Nixdorf, AG; the ultimate outcome of the company's pricing, operating and tax strategies applied to Diebold Nixdorf, AG and the ultimate ability to realize synergies; the company's ability to successfully launch and operate its joint ventures in China with the Inspur Group and Aisino Corp.; 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; global economic conditions, including any additional deterioration and disruption in the financial 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; 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 acquisitions into its operations; the impact of the company's strategic initiatives; 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, including but not limited to the company's Brazil tax dispute; potential security violations to the company's information technology systems; the investment performance of our pension plan assets, which could require us to increase our 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 the company's ability to achieve benefits from its cost-reduction initiatives and other strategic changes, including its multi-year realignment plan and other restructuring actions, as well as its business process outsourcing initiative; 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, 2016, the Registration Statement on Form S-4 filed in connection with the business combination with Wincor Nixdorf (now known as Diebold Nixdorf, AG) 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 as of the date of this press release.

About Diebold Nixdorf

Diebold Nixdorf, Incorporated (NYSE:DBD) is a world leader in enabling connected commerce for millions of consumers each day across the financial and retail industries. Its software-defined solutions bridge the physical and digital worlds of cash and consumer transactions conveniently, securely and efficiently. As an innovation partner for nearly all of the world's top 100 financial institutions and a majority of the top 25 global retailers, Diebold Nixdorf delivers unparalleled services and technology that are essential to evolve in an 'always on' and changing consumer landscape.

Diebold Nixdorf has a presence in more than 130 countries with approximately 25,000 employees worldwide. The organization maintains corporate offices in North Canton, Ohio, USA and Paderborn, Germany. Shares are traded on the New York and Frankfurt Stock Exchanges under the symbol 'DBD'. Visit www.DieboldNixdorf.com for more information.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/diebold-nixdorf-reaffirms-2017-guidance-and-provides-2020-financial-targets-300414470.html

SOURCE Diebold Nixdorf

Media Relations: Mike Jacobsen, APR, +1 330 490 3796, michael.jacobsen@dieboldnixdorf.com; Investor Relations: Steve Virostek, +1 330 490 6319, steve.virostek@dieboldnixdorf.com