Diebold Nixdorf

Investor Presentation

May 2019



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 investment/(debt), EBITDA, adjusted EBITDA, return on invested capital, 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 our credit agreement and the issuance of our 8.5% senior notes due 2024.

Forward-looking Statements

This document 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 of the domination and profit and loss transfer agreement with Diebold Nixdorf AG ("DPLTA") and the outcome of the appraisal proceedings initiated in connection with the implementation of the DPLTA; 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 cost reductions and synergies; the company's ability to successfully operate its strategic alliances in China; the changes in political, economic or other factors such as interest rates, 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, including the impact of the Tax Act; the company's reliance on suppliers and any potential disruption to the company's global supply chain; changes in the company's relationships with customers, suppliers, distributors and/or partners in its business ventures; the impact of market and economic conditions on the financial services and retail industries; the capacity of the company's technology to keep pace with a rapidly evolving marketplace; pricing and other actions by competitors; the effect of legislative and regulatory actions in the United States and internationally; 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 company's ability to achieve benefits from its cost-reduction initiatives and other strategic initiatives, such as DN Now, including its planned restructuring actions, as well as its business process outsourcing initiatives; unanticipated litigation, claims or assessments, as well as the outcome/impact of any current/pending litigation, claims or assessments; the company's success in divesting, reorganizing or exiting non-core and/or non-accretive businesses; the company's ability to comply with covenants contained in the agreements governing its debt; 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, 2017 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.

Diebold Nixdorf



Overview

Diebold Nixdorf – the Global Leader in Connected Commerce

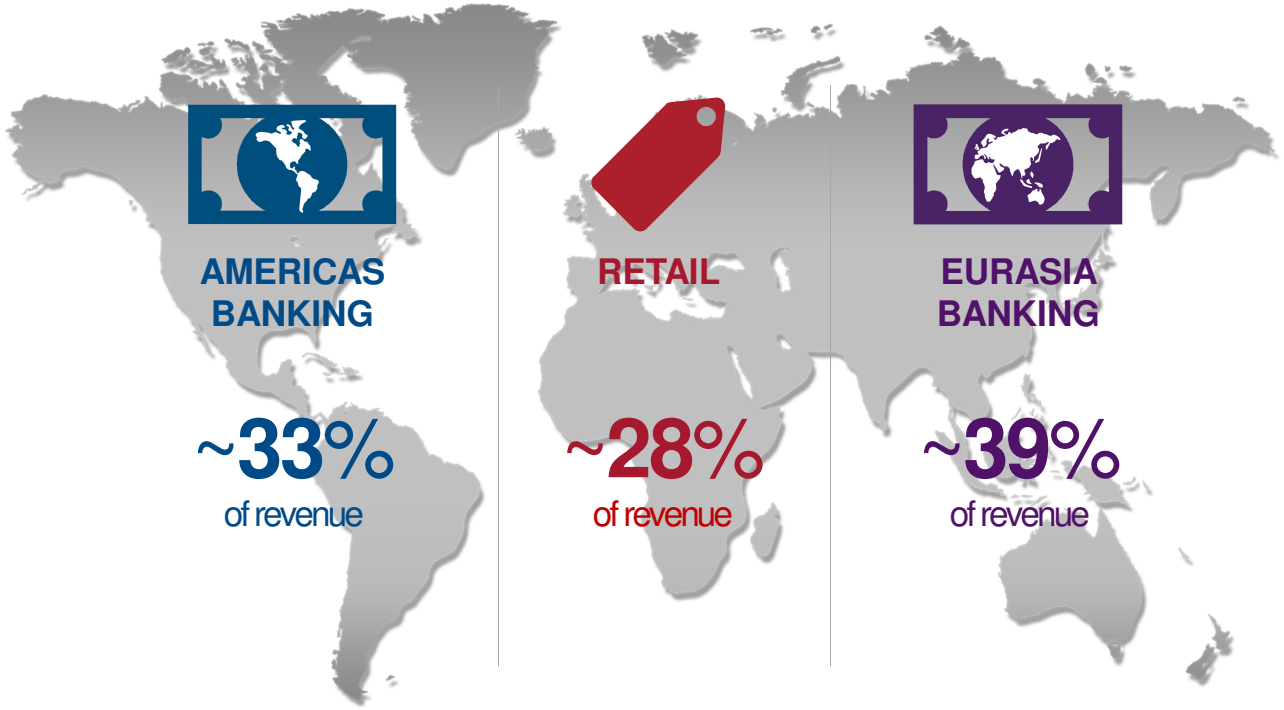
#1 ATM footprint globally and
#1 retail footprint in Europe

~$4.6 billion in revenue[1]

Presence in more
than 100 countries

~23,000 employees

~63% Services/Software
and ~37% Product



Note 1) Annual revenue for the twelve months ended December 31, 2018
Note 2) Segment revenue percentages are based on the twelve months ended December 31, 2018

What is Connected Commerce?

We are shaping the future of banking and shopping experiences



Single Function to
Seamless Journeys

DIY to
XaaS

Transactions to
Connections

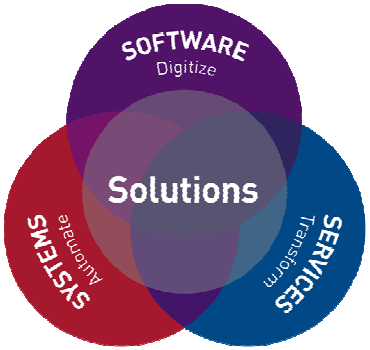
Microcosm to
Ecosystem

Diebold Nixdorf is a strategic provider of Connected Commerce Solutions for Banking and Retail Customers

Solutions

Banking

- Branch Transformation
- Mobile Banking
- Cash Cycle Management
- End-to End Security
- Consumer Centric Experiences



Retail

- Checkout Automation
- Store Lifecycle Management
- Consumer Engagement & Loyalty
- Digital Innovations
- Storevolution

Market position

~31% global market share[1] for ATMs

- Strong market share in America's and EMEA
- Recent wins include

Westpac, KeyBank, Emirates NBD, Banco do Brasil, Sparkasse Hannover, Banco Azteca

~21% EMEA market share[2] for point of sale *(ePOS)* and self-checkout *(SCO)*

- Modestly increasing market share globally
- Recent wins include

Marks & Spencer, IKEA, cdf 中免集团, Triumph, TESCO

1) Retail Banking Research 2018, based on Global ATM Market and Forecasts to 2023
2) Retail Banking Research 2018, based on Global ePOS and SCO

Core Market Drivers

DN Customers Market Drivers

CONTINUED DEMAND FOR PHYSICAL CURRENCY	AUTOMATION IN THE BRANCH	EXPANDING THE TRANSACTION SET	FINANCIAL INCLUSION
Continued use of cash for majority of transactions in both developing and developed economies	**Optimizing** the branch footprint and customer touchpoints while **increasingly digitizing** the consumer experience	**New features** such as cardless transactions, enhanced security, account set-up, recycling, video-teller, and advanced cash management	**Expanding financial services** to millions of un-banked and under-served customers

DN is at the forefront of providing innovative solutions to financial institutions

Transformation of Diebold Nixdorf

Moving Diebold Nixdorf forward to deliver sustainable value for investors

- **DN Now transformation:** launched a number of initiatives designed to drive improved profitability and cash flow. Achieving initial savings in Q4-18 and Q1-19
- **Revenue stability:** led by YoY cc growth in Retail and Americas Banking
- **Commitment to deleveraging:** suspended dividends, increasing earnings, harvesting working capital, and divesting non-core assets
- **Refreshing the Board:** new members aligned with company strategy, challenges and opportunities
  - ✓ Four new independent directors elected in April, 2019 – brings substantial leadership experience, operational expertise and relevant skill sets to bear for our DN Now transformation,
  - ✓ Seven of the thirteen Directors have been added in the past 18 months
  - ✓ New Chairman Gary Greenfield brings a strong background in company transformations
- **New management:** new CEO Gerrard Schmid and CFO Jeffrey Rutherford have the required operational expertise to drive results from DN Now transformation plans – DN continues to attract and retain strong leaders
- **Stakeholder engagement:** increasing communication with lenders, investors, and rating agencies

DN Leadership Team

Recent Notable Hires in Key Functions will Drive Future Value



Gerrard Schmid
President and Chief Executive Officer

RETAIL AND BANKING SEGMENTS



Octavio Marquez
Banking
Americas



Neil Emerson
Banking
Eurasia



Hermann Wimmer
Retail
Global

PRODUCT AND SERVICES GROUPS



Ulrich Näher
Systems



Alan Kerr
Software and
Revenue



Olaf Heyden
Services

ENABLEMENT FUNCTIONS



Jeffrey Rutherford
Finance



David Caldwell
Strategy & Corporate
Development



Jon Leiken
Legal



Julian Sparks
Digital / IT



Beth Patrick
Human
Resources

Joined Diebold Nixdorf in the last 18 months

Board of Directors

Gerrard Schmid and six independent directors added in last 18 months

Board is comprised of 12 Independent Directors plus DN's CEO

Patrick W. Allender



Retired Danaher CFO

Arthur F. Anton



Swagelok Co. CEO

Bruce Besanko



Kohl's Corp..CFO

Reynolds C. Bish



Kofax Limited CEO

Ellen M. Costello



Retired BMO CEO

Phillip R. Cox



Cox Financial Corp. CEO

Dr. Alexander Dibelius



CVC Capital Partners
Managing Partner

Dr. Dieter Düsedau



Former McKinsey & Co.
Senior Partner

Matthew Goldfarb



Southport Midstream Partners
Founding Partner

Gary G. Greenfield



Court Square Capital
Partner & DN's Chairman

Kent M. Stahl



Retired Wellington
Management Partner

Alan J. Weber



Weber Group. CEO

Joined Diebold Nixdorf's Board in the last 18 months

Q1-19 Results

Orders

- Orders declined 1% in cc
  - ✓ Strong growth in Americas Banking products and software driven by Windows 10 activity
  - ✓ Eurasia Banking contracted modestly due to slight declines in Europe, growth in the Middle East and Africa, and declines in Asia Pacific
  - ✓ Modest decline in Retail due to difficult compare for POS; experiencing good SCO growth in Europe

Revenue of $1.03B

- Total revenue growth of +3% YoY in cc excluding significant foreign exchange headwinds
  - ✓ Americas Banking growth of +11% YoY cc from products and software
  - ✓ Retail growth of +4% YoY cc from products
  - ✓ Eurasia Banking -4% YoY cc due to lower volume in Asian countries and a divestiture, which are masking modest growth in EMEA

Adjusted EBITDA [1] of $65M
Free Cash Use [1] of $72M

- Profit and cash flow improvements reflect initial benefits of DN Now
- YoY gross margin[1] expansion of 60 basis points
- Operating profit[1] expansion of 54% YoY - from $18M to $27M
- YoY adjusted EBITDA growth of $3M
- 56% YoY improvement to free cash flow, or more than $90M, due to improvements in collections, inventory management and other uses of cash

DN NOW

1) non-GAAP metrics

2019 Outlook – *as of 4/30/2019*

	2019E	Key expectations [2]
Total revenue	$4.4 – $4.5B	+ Growth in Americas Banking and Retail – Decline in Eurasia Banking reflecting stability in EMEA and YoY declines in Asia – Headwinds from foreign currency – Modest impact from divestitures
Adjusted EBITDA [1]	$380 - $420M ~9% margin	+ $160M savings from DN Now initiatives – $60M inflation & normalized compensation net of expected benefits from near-term divestitures – $20M of non-recurring benefits [3] from 2018
Free cash flow [1]	Break Even	Adjusted EBITDA[1] mid-point $400 Net working capital $100 Integration expense $0 Net interest expense ($190) Restructuring cash outflows ($130) Capital expenditures ($80) Cash taxes ($60) Other ($40)

1) non-GAAP metrics
2) Key expectations represent approximate YoY changes versus 2018 results
3) Mark-to-market accounting and bonus reversal benefits in 2018

Key Next Steps

Continued focus on enhancing profitability and balance sheet efficiency

Market leadership underpins continued growth in Retail and Americas Banking segments while revenue in Eurasia Banking stabilizes

DN Now initiatives driving adjusted EBITDA higher as incremental savings are realized

Increasing profitability, improving working capital performance, and eliminating integration spend leading to significant improvements in free cash flow

Deleveraging the capital structure and addressing upcoming maturities

Diebold Nixdorf

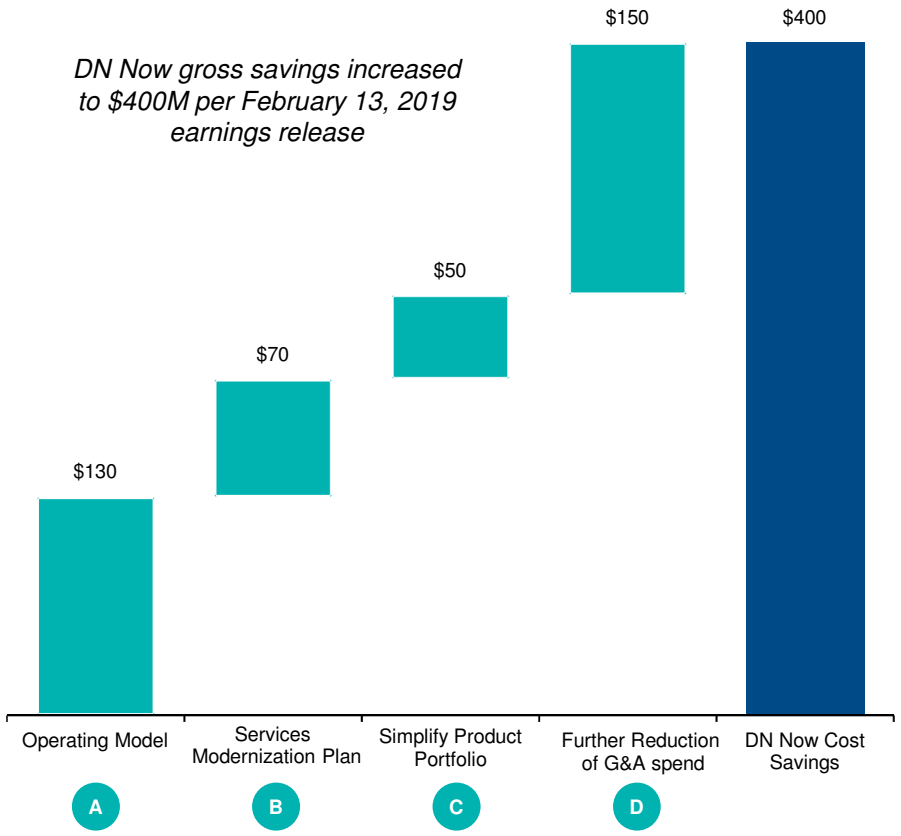


Update on DN Now

Actions to Deliver ~$400M Gross Savings

($ in millions)

Gross Savings[1]



Implementation Stage

A

Streamlined operating model:
- Global workforce aligned with demand
- More agile decision-making
- More efficient processes

B

Services modernization program:
- Upgrading customer touchpoints
- Automating incident reporting and response
- Standardizing processes

C

Simplify product portfolio:
- ~30% fewer ATM models
- Shorter lead times and reduced platform complexity
- Optimizing manufacturing footprint
- Introducing new, lower cost products

D

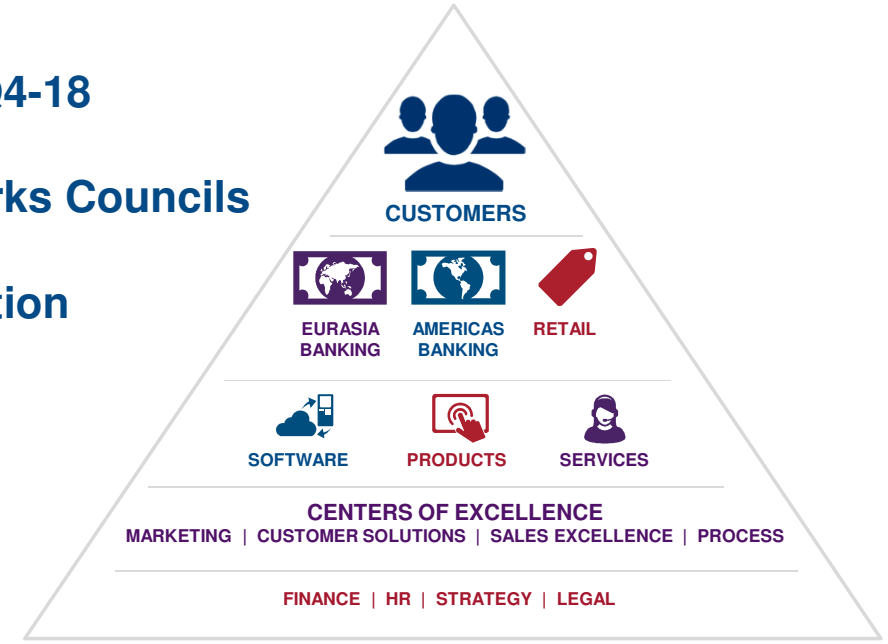
Further reduction of G&A spend:
- Further reducing general and administration expenses
  - Shared services, IT platforms, standard processes
  - Rationalizing real estate

[1] all numbers are approximate

A DN NOW Operating Model to Generate ~$130M Savings[1,2]

New Customer-Centric Model

- **Implemented in September, 2018**
- **Initial workforce alignment benefits realized in Q4-18**
- **Agreements reached with several European Works Councils**
- **Incents more agile decision-making & collaboration**



1) Expected annual cost savings of ~$130M savings through the year 2021
2) Savings target as of February 13, 2019

B DN NOW Services Modernization Plan

- Globally-consistent approach to Service delivery and management
- Key actions



Automating incident reporting & response

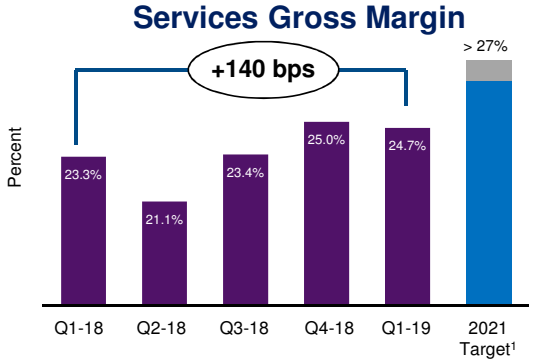


Standardizing processes



Upgrading customer touchpoints (ATM or POS)

- Value-based pricing on service contracts based on average age of ATM's



1) Non GAAP target as of February 13, 2019

DN AllConnect Services℠



15,000 SERVICE EXPERTS

Service Techs
Project Management
Service Desk



CONNECTED SERVICE PLATFORM

Monitoring
Dispatch
Global Data Engine
Analytics



ATM/POS

Installation
Maintenance & Availability
First Line
Second Line



BRANCH & STORE LIFECYCLE MANAGEMENT

End-to-End Process Outsourcing

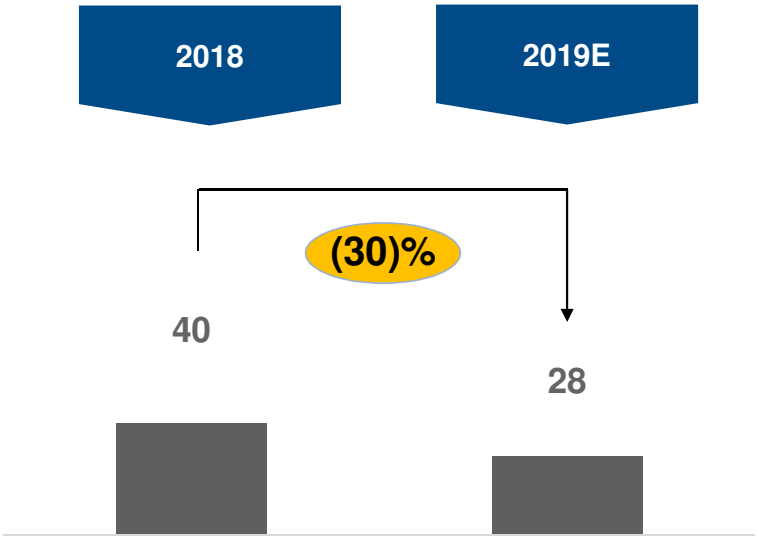


ATM AS A SERVICE

Turnkey Channel Management

C DN NOW Product Portfolio Rationalization

# of terminals
- ATMs
- Cash Recycling Systems
- Teller automation
- Kiosks



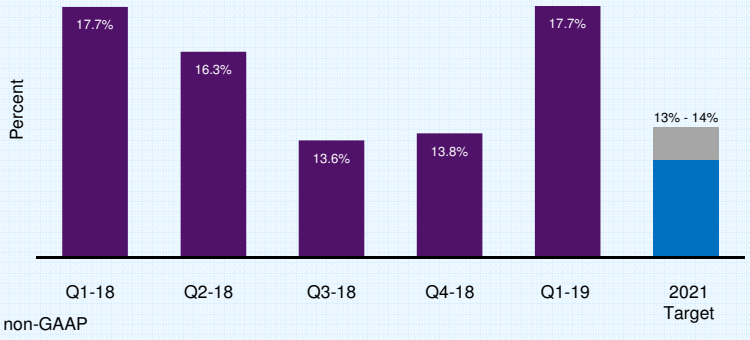
- Reducing legacy models leads to shorter lead times
- Optimizing manufacturing footprint
  - ✓ Closed factory in Goa, India
  - ✓ Further consolidation of sub-scale facilities – simplifying our supply chain
  - ✓ Shifting production to lower cost locations
- Newer products to be introduced
  - ✓ More modular design reduces material, production and servicing costs
  - ✓ Facilitates new data analytics in support of AllConnect Services Engine and supports greater software capabilities

DN NOW Further Reduction of SG&A Expenses

Focus areas

- Procurement – applying global spend analytics to consolidate and reduce third party spend
- Real Estate – consolidating under-utilized offices and evolve to a more agile work environment
- Finance – leveraging shared services and making greater use of automation
- Information Technology – optimizing legacy platforms and leveraging scale

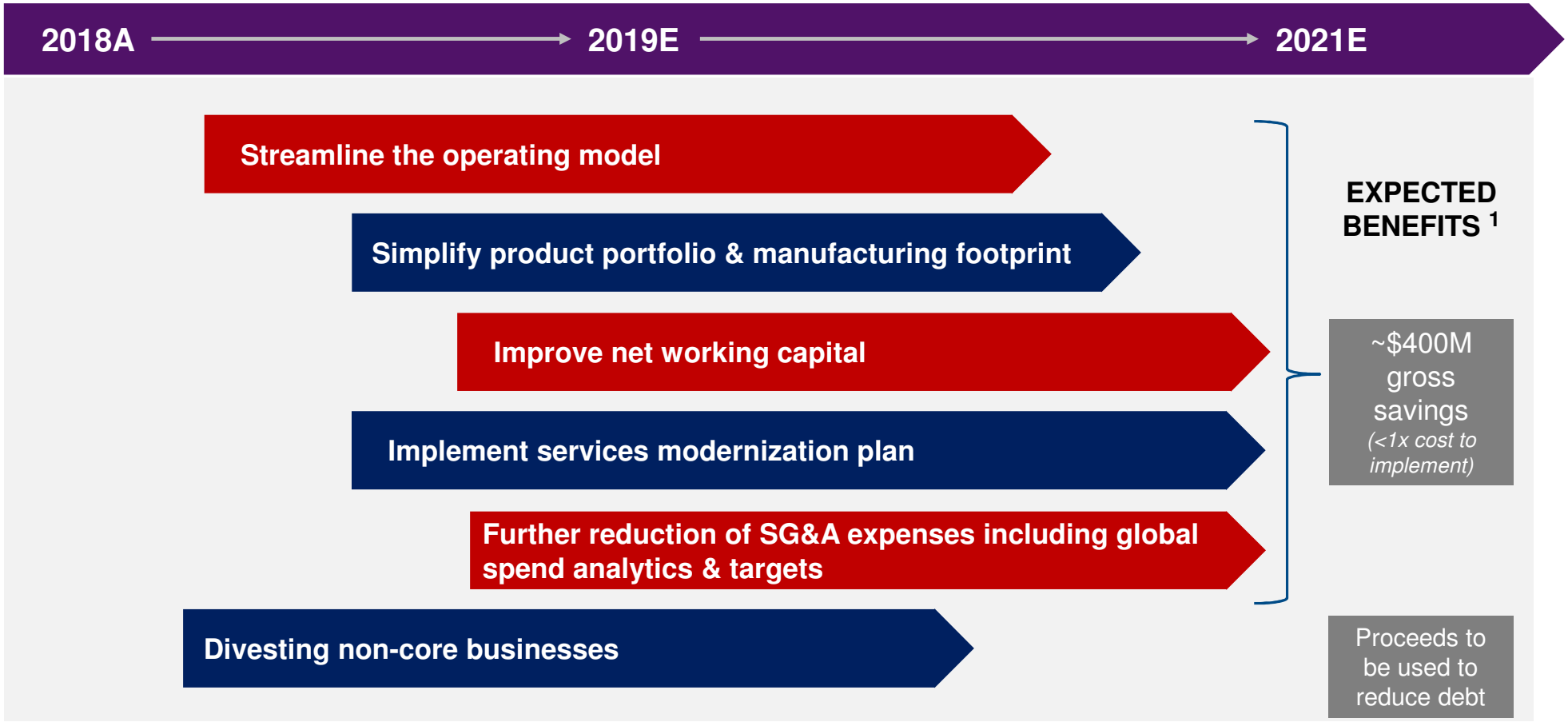
SG&A[1] as a % of Revenue



1) non-GAAP

- Q1-19 SG&A was 17.7% of revenue and includes ~120 bps or ~$13M of headwinds attributable to
  - ✓ Normalized compensation
  - ✓ Unfavorable mark-to-market entries for a legacy Wincor option program
  - ✓ Benefits in Q1-18 which did not recur

DN NOW Initiatives, Timeline & Savings Target of ~$400 Million



1) Cost reductions through the year 2021

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Key Investment Highlights

Investment Highlights

1. **Industry leader - #1 ATM footprint globally and #1 retail footprint in Europe**
2. **Critical partner in a key customer delivery channel for most financial institutions**
3. **Strong recurring revenue through high services attach rates, sticky contract base and leading software platform**
4. **Concrete DN Now levers for growth in profitability and free cash flow**
5. **Targeting net leverage below 3.0x by end of 2021**

1 RETAIL – Business at a Glance

#2
in Europe in retail software license sales**



#1
in **Retail Systems** in Europe*

Store Lifecycle MANAGEMENT
STORE CLOSURE · MARKET ENTRY · STORE OPENING · STORE OPERATIONS · STORE RENEWAL
Unique global offering



~$1.3 billion
in revenue



24
of **Top 25** retailers in Europe are our customers

Over 1 M
EPOS systems installed worldwide*

10 of 10
Global Fortune 500 petroleum companies are Diebold Nixdorf customers

Self-Checkout eXpress Checkout Kiosk
reddot award winner



TOP SUPPLIER RETAIL 2018
TOP SUPPLIER RETAIL 2017
TOP SUPPLIER RETAIL 2016
TOP SUPPLIER RETAIL 2015

Sources: Diebold Nixdorf -- Retail revenue for the twelve months ended March 31, 2018
RBR 2018: *Global EPOS & SCO and **Global POS Software – POS software licenses iBase for General Merchandise mid-2018.
Top retail supplier awards are presented by Lebensmittel Zeitung and by the EHI Retail Institute.

1 BANKING – Business at a Glance

#1 in **ATMs installed globally***



Serving nearly all of the top 100 Financial Institutions Globally

~$3.3 billion in revenue

#1 ATM multivendor monitoring software*

#2 total ATM application software*

Ranked #6 on the **2018** Financial Insights FinTech Ranking

>10,000 Service Technicians

Resolving >10M customer calls each year

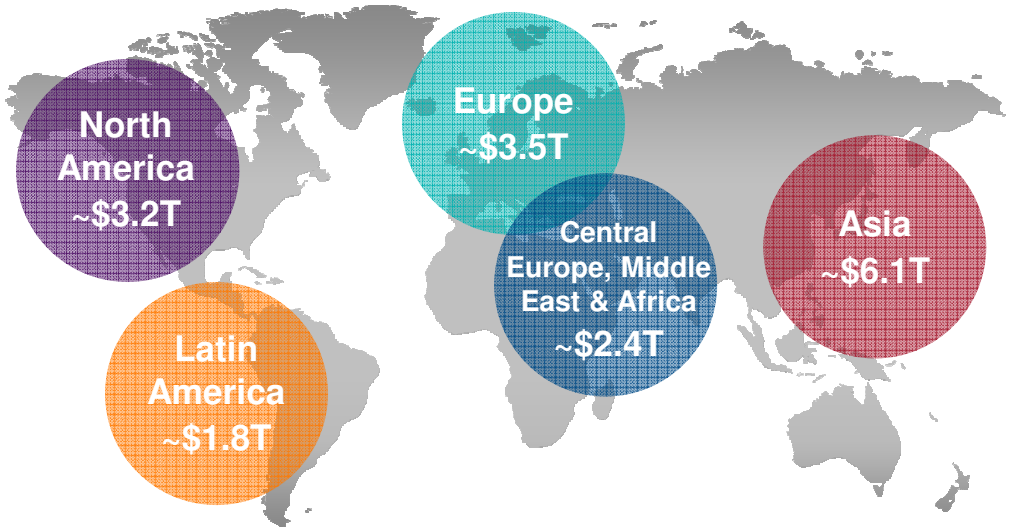


Gold Award for **Innovation** from **ATMIA**, for **Leadership** in **mobile-based card-less ATM transactions**

Sources: Diebold Nixdorf – Banking revenue for the twelve months ended March 31, 2018
* RBR 2018, ATM Software Market – ibase 2017 ; * RBR 2017, Global ATM market and forecasts to 2022 – ibase 2016
Financial Insights 2018 FinTech Rankings

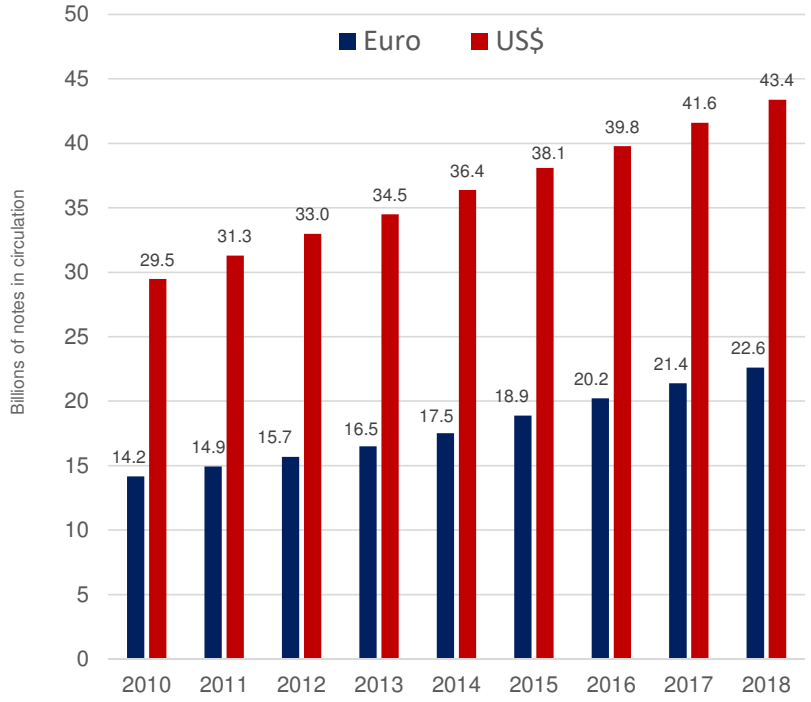
Physical Currency Plays a Vital Role in the Global Economy

Cash and checks underpin ~$17 trillion of global transactions



Source: Visa analysis of 2016 data from Oxford Economics, Nilson Report, Euromonitor, Haver Analytics, UK Card Association, Central Bank of the Russian Federation, Norges Bank, Swiss National Bank, Bank of Thailand, Reserve Bank of Australia, Federal Reserve, Statistics New Zealand, Saudi Arabia Monetary Agency and Central Bank of Ireland.

Physical currency growth of 4 – 6% CAGR



Source: U.S. Federal Reserve and Statistical Data Warehouse

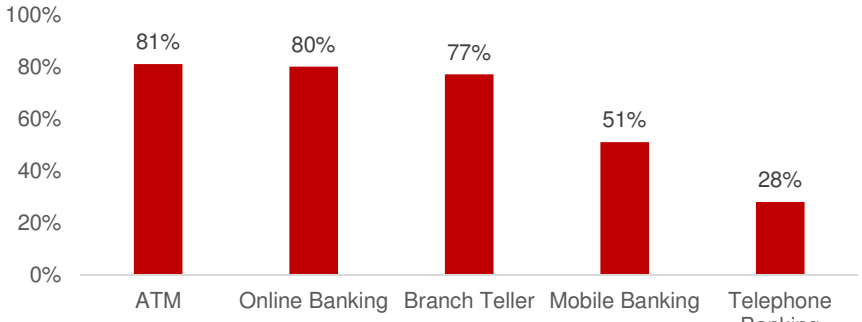
2 Key Banking Trends in the United States

From 2010 - 2017, large publicly-traded banks:

- **reduced the number of branches by 2.4% annually**
- **maintained the total number of ATMs in use**
- **increased ATMs per branch from 2.1 to 2.4**

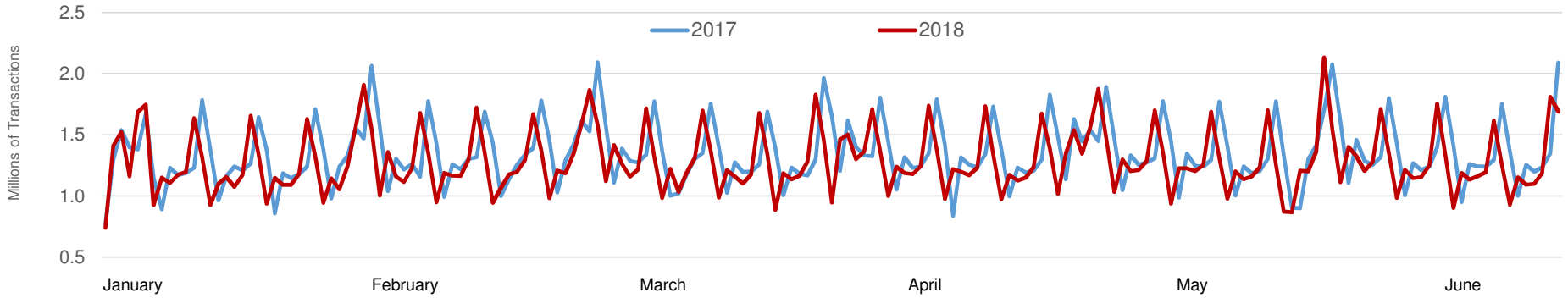
Source: Annual Reports from Bank of America, BB&T, Citigroup, Citizens Financial Group, Fifth Third Bancorp, JP Morgan Chase, PNC Bank, Regions Bank, SunTrust Banks, U.S. Bancorp and Wells Fargo.

ATMs & Online Banking Are the Most Popular Ways to Access Bank Accounts



Source: Federal Reserve, Credit Suisse estimates for 2017

ATM Transactions Mirror Bi-weekly Paycheck Cycle

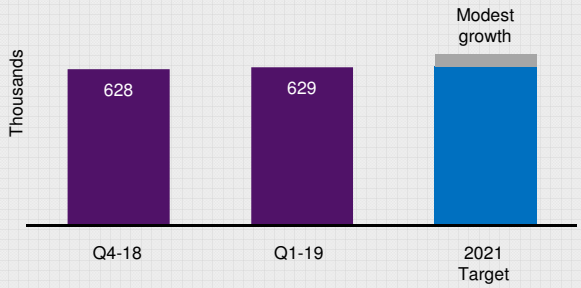


Source: Diebold Nixdorf information from a top 10 financial institution in the United States

3 Strong Recurring Revenue Base

Sticky Contract Base

ATM Service Contract Base[1]

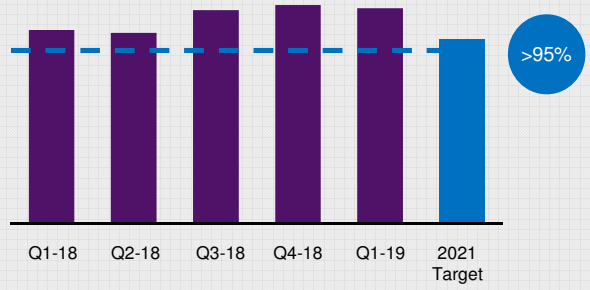


Key expectations

- Modest increases in the Americas & EMEA
- Modest decreases in Asia
- Further differentiate Services offering via Services Modernization Plan and DN AllConnect Engine

High Renewal Rates

TTM Renewal Rates[2,3]



Key expectations

- Customer-centric operating model
- Improved service levels achieved through Services Modernization Plan
- Greater focus on deal review processes

Leading global service capabilities
>50% of revenue

>95% renewal rate

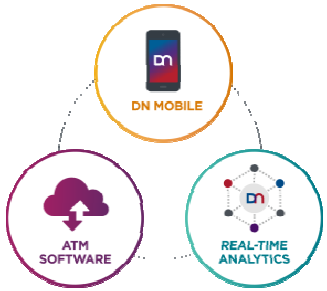
Line of sight on 2/3rd of revenue at start of fiscal year

1) Contract base for cash-based products under second line maintenance or managed service contract
2) Calculated as total contract value (US$) of successful service renewals divided by as total contract value (US$) of contracts up for renewal
3) Trailing 12-month calculation

3 Industry Leading Software Portfolio Enables Competitive Moat

Diebold Nixdorf software powers financial and retail institutions globally

DN Vynamic™



The industry's first end-to-end connected commerce software portfolio

VYNAMIC CONNECTION POINTS
World leading self-service application software

VYNAMIC TRANSACTION ENGINE
Automation tools to converge channels

VYNAMIC OPERATIONS
End-to-end support for your network

VYNAMIC ENGAGEMENT
Personalization and customization tools

VYNAMIC ANALYTICS
Actionable intelligence from multichannel data

VYNAMIC DIGITAL
Open, future proof retail and banking solutions for the modern era

Outlook for 2019 & Targets for 2021

2019 Outlook[1]

Revenue	**$4.4 - $4.5 billion**
Adjusted EBITDA[3]	**$380 - $420 million**
Adjusted EBITDA margin[1]	**~9%**

Key expectations for break-even free cash flow[3,4]

(in millions)

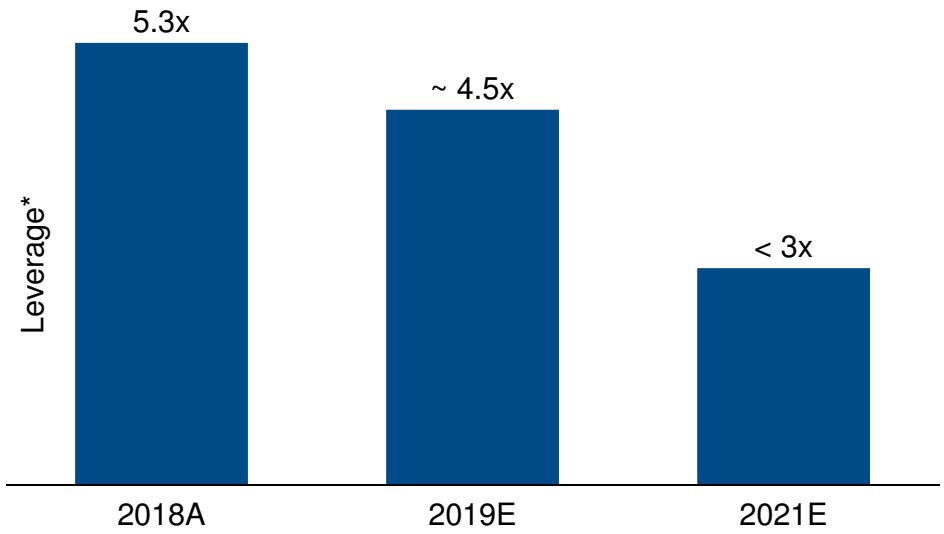
Adjusted EBITDA[1] mid-point	$400	Net interest expense	($190)
Net working capital	$100	Restructuring cash outflows	($130)
Integration expense	$0	Capital expenditures	($80)
		Cash taxes	($60)
		Other	($40)

2021 Targets[2]

Annual revenue growth	**2% – 4%**
Operating profit margin[3]	**~9%**
Adjusted EBITDA margin[3]	**~12%**
Free cash flow[3]	**>$200 million**
Leverage ratio[3,5]	**< 3 times**
ROIC[3,6]	**mid-teens**

1) As of April 30, 2019
2) As of February 13, 2019
3) non-GAAP metric
4) Key expectations represent approximate amounts for 2019
5) Net debt to trailing 12-months adjusted EBITDA
6) Return on invested capital (ROIC) is defined as tax-affected non-GAAP operating profit divided by invested capital

Committed to Deleveraging



Adj. EBITDA			
	$320M	$380M - $420M	~12% margin

Accomplishments

- ✓ Suspended quarterly dividends
- ✓ Services Modernization Plan - increased service GM% for three consecutive quarters
- ✓ New operating model - exited ~1,400 middle managers[2]
- ✓ Closed manufacturing facilities, exited Venezuela and CIT-Retail business
- ✓ Divested two non-core businesses
- ✓ Streamlined ATM configurations by 30%
- ✓ Announced closure of 7 leased offices in Europe
- ✓ Assigned ownership for across-the-board reductions in 3rd party spend
- ✓ Streamlined certain finance functions
- ✓ Reduced global telecom spend and US storage costs
- ✓ Improved net working capital as a percent of revenue from 24% to 19.1% YoY in Q1-19

Future Actions

- ➢ Continue execution of DN Now initiatives (incl. harvest working capital)
- ➢ Other non-core divestitures expected in coming quarters

1) Net debt to trailing 12-months adjusted EBITDA
2) From program inception through March 31, 2019

Diebold Nixdorf



Recent Financial Performance

YoY Revenue Variance and Mix

non-GAAP

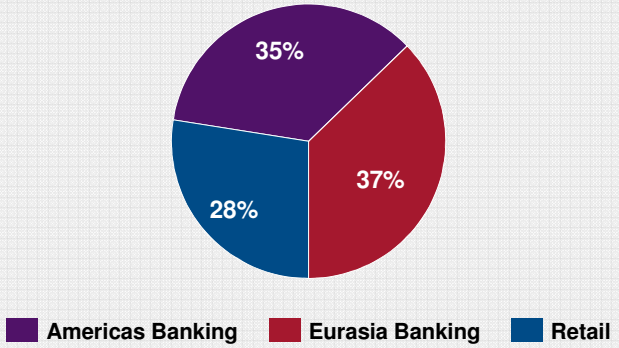
Revenue by Segment

$Millions	Q1-19	Q1-18	YoY Variance % GAAP	YoY Variance % CC
Eurasia – Banking	$383	$435	-12.0%	-4.2%
Americas – Banking	$363	$334	8.7%	10.6%
Retail	$283	$295	-4.3%	4.2%
TOTAL REVENUE	**$1,028**	**$1,064**	**-3.4%**	**3.0%**

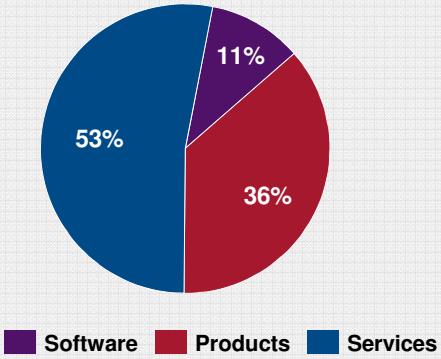
Revenue by Business Line

$Millions	Q1-19	Q1-18	YoY Variance % GAAP	YoY Variance % CC
Services	$544	$592	-8.1%	-2.9%
Products	$376	$352	6.6%	14.6%
Software	$108	$120	-9.4%	-1.9%
TOTAL REVENUE	**$1,028**	**$1,064**	**-3.4%**	**3.0%**

Revenue Mix by Segment for Q1-19



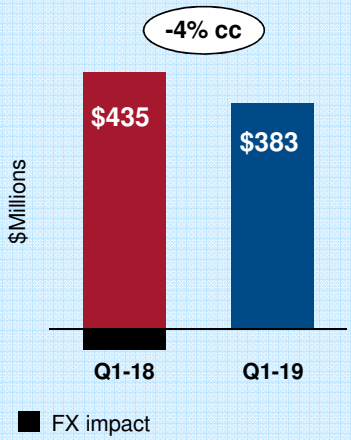
Revenue Mix by Business Line for Q1-19



 Note: Differences may occur due to rounding.

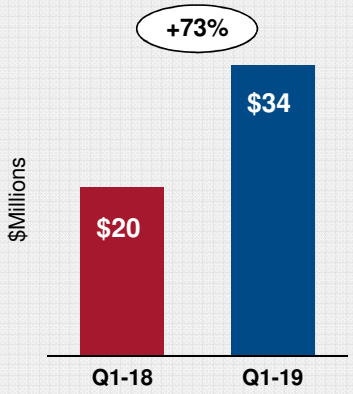
Eurasia Banking – Highlights for Q1-19
non-GAAP

Revenue



- Revenue decreased 4% YoY in constant currency excluding ~8% unfavorable impact from currency
- Declines in Asia Pacific due to roll off of a large maintenance service contract in India, hardware bidding discipline and a divestiture
- Modest growth in EMEA YoY

Operating Profit

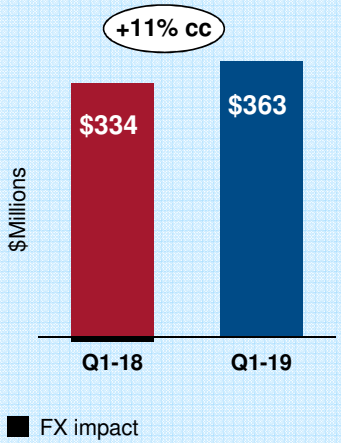


- YoY increase driven by
  - Hardware bid discipline benefit to gross product margins
  - Services modernization program benefit to gross services margins
  - DN Now initiatives which are reducing operating expense
  - Currency headwind of $4M YoY

 Note: Differences may occur due to rounding.

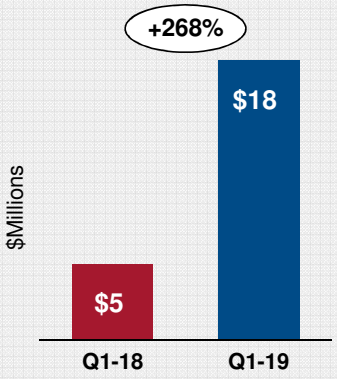
Americas Banking – Highlights Q1-19
non-GAAP

Revenue



- Revenue increased ~11% YoY in constant currency excluding ~2% unfavorable impact from currency
- Strong product growth YoY due to Windows 10 upgrades
- Strong software growth YoY
- Services was down slightly YoY

Operating Profit

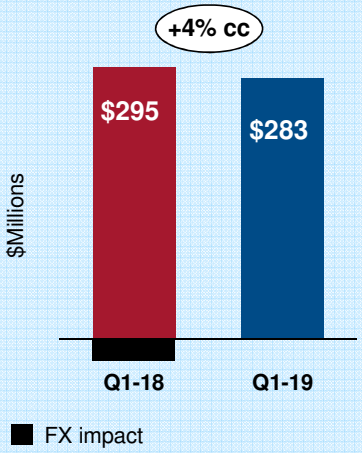


- YoY increase due to
  - Improving product volume and gross margins
  - Services modernization program benefit to gross services margins
  - DN Now initiatives which are reducing operating expense

 Note: Differences may occur due to rounding.

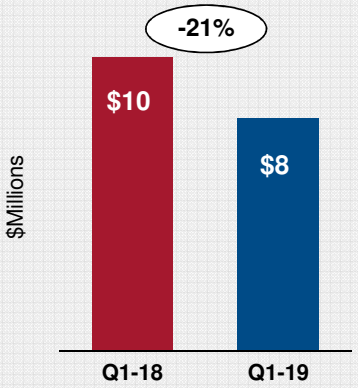
Retail – Highlights Q1-19
non-GAAP

Revenue



- Revenue increased 4% YoY in constant currency excluding ~8% unfavorable currency impact
- Products growth led by Europe and the Americas; partially offset by declines in services and software

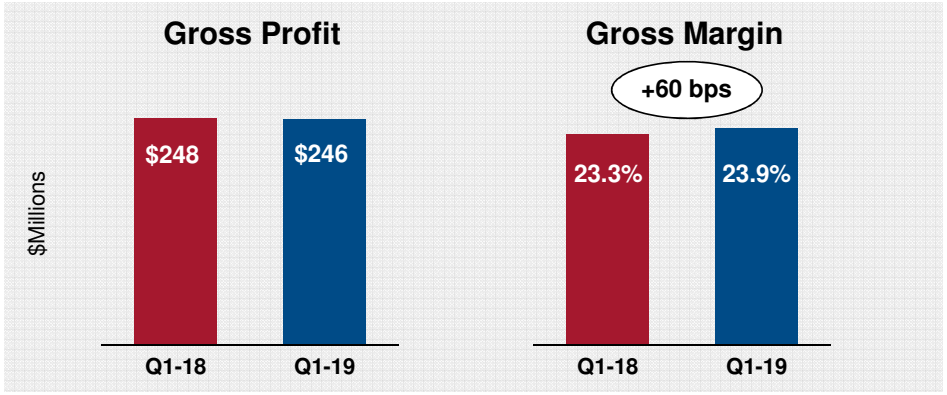
Operating Profit

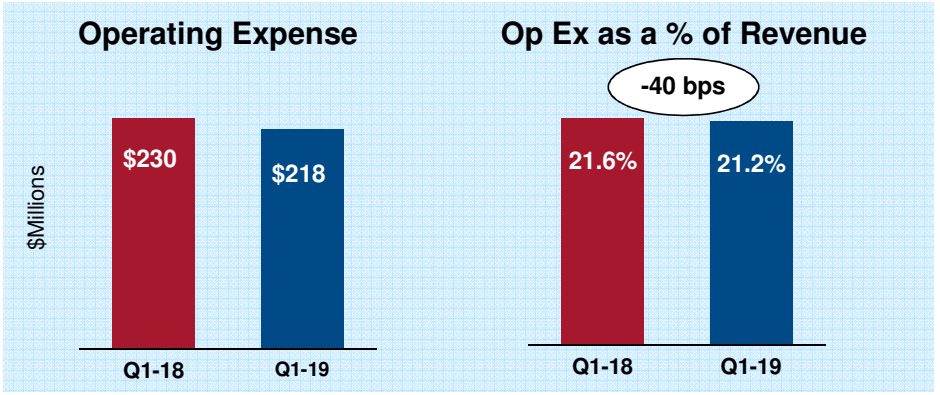


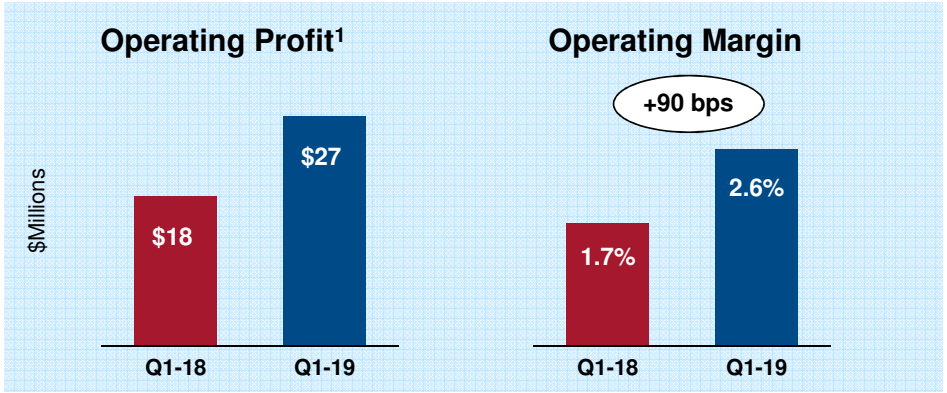
- YoY decrease due to
  - Unfavorable currency impact
  - Lower software volume combined with unfavorable solution mix drove gross profit decline
  - Underperformance in non-core business
  - Partially offset by DN Now savings

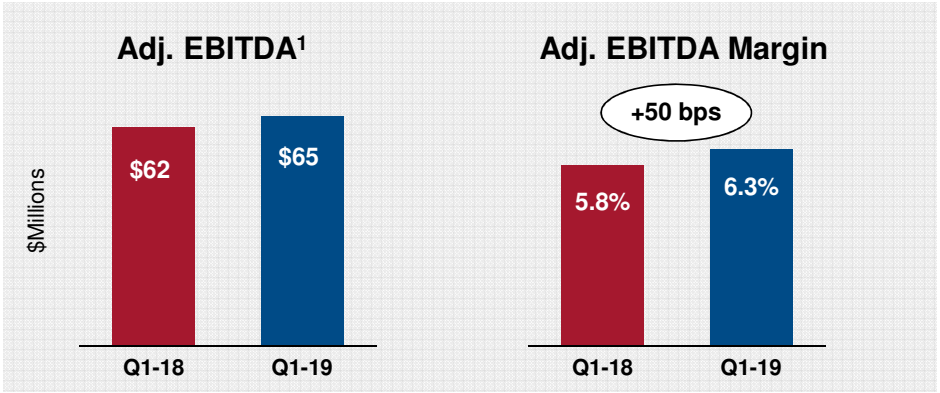
 Note: Differences may occur due to rounding.

Q1-19 Profitability
non-GAAP







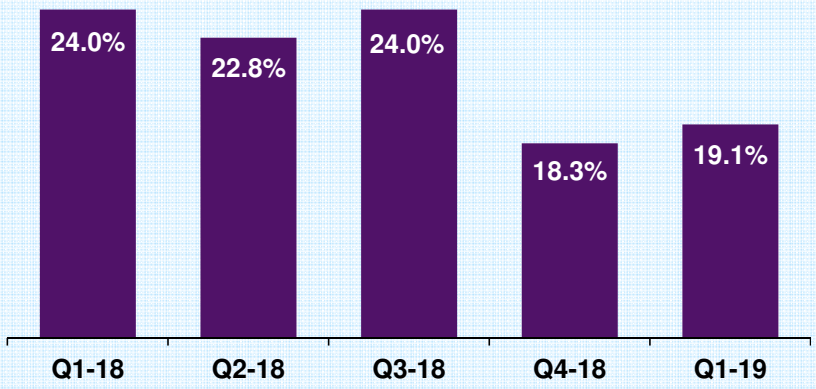


[1] 2019 operating profit includes ~$13M of headwinds attributable to normalized compensation, unfavorable mark-to-market entries for a legacy Wincor option program, and benefits in Q1-18 which did not recur

 Note: Differences may occur due to rounding.

Net Working Capital and Free Cash Flow

Net Working Capital[1] as a % of TTM Sales

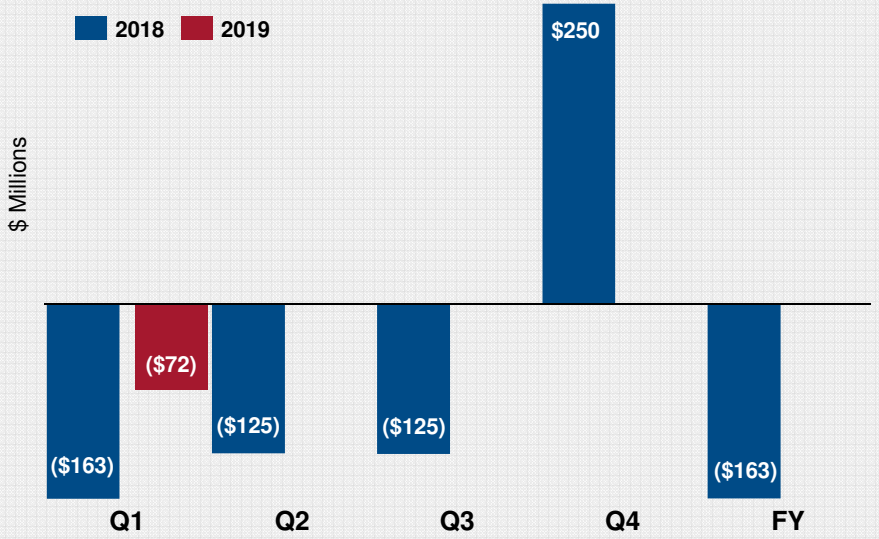


YoY improvements due to

- Strong cash collections
- Improved inventory management

1) Net working capital equals the sum of the balance sheet balances for trade receivables and inventories less accounts payable

Free Cash Flow



Free cash use in Q1-19 decreased by $91M YoY

- \+ Higher adjusted EBITDA
- \+ Net working capital improvements
- – Higher restructuring payments
- – Higher interest expense

Note: Free cash flow is a non-GAAP financial measure defined as net cash provided by (used in) operations less capital expenditures. Differences may occur due to rounding.

Income Tax Items

~$60M projected cash tax primarily from non U.S. subsidiaries

Projected $60M of Cash Taxes for 2019

- Cash income taxes are paid at individual legal entities
- Net operating losses at certain legal entities can not be utilized to offset pre-tax income in profitable entities
- ~$50M relates to projected pre-tax income from profitable foreign legal entities
- ~$10M relates to impacts of the US tax reform, timing of creditable withholding taxes and prior year taxes paid in 2019

Main Drivers of GAAP ETR

- US GAAP effective tax rate is an expense on a projected loss primarily due to the following drivers:
  - ✓ The impacts of collapsing the Company's Barbados structure in Q1, which were required by lenders in conjunction with the Term Loan A-1 capital raise
  - ✓ Projected full year tax expense associated with the US tax reform
  - ✓ Other items including uncertain tax positions and the deductibility of certain expenditures related to our non-core divestiture activities.

Main Drivers of Non-GAAP ETR

- Non-GAAP effective tax rate is built off of the GAAP rate and includes the following:
  - ✓ Restructuring and net non-routine items are recorded at a mid-20% blended rate
  - ✓ The Company recorded the Barbados collapse as a non-GAAP tax expense non-routine item in Q1

Diebold Nixdorf



Debt

Current Capitalization

($ in millions)

Description	As of Q1'19 Amount	% Cap	xLTM EBITDA	Rate	Maturity	CFR / CCR B3 / B-	Next Call Date	Next Call Price
Cash and cash equivalents[1]	$414							
Restricted Cash	94							
Total Cash	**$508**							
Reduced Revolving Credit Facility ($500mm) due 2020[2]	$135	5%		L + 350	Dec-20	B3 / B-	-	-
Term Loan A & Delayed Draw Term Loan A due 2020	287	10%		L + 350	Dec-20	B3 / B-	Current	Par
New Money Term Loan A-1 due 2022	638	21%		L + 925	Aug-22	B3 / B-	NC1	Various[3]
USD Term Loan B due 2023	417	14%		L + 275	Nov-23	B3 / B-	Current	Par
EUR Term Loan B (€363mm) due 2023	408	14%		E + 300	Nov-23	B3 / B-	Current	Par
Other Debt[4]	24	1%		Various	Various	NR / NR	-	-
Total Secured Debt	**$1,908**	**64%**	**5.9x**					
Net Secured Debt	*1,494*		*4.6x*					
8.50% Senior Notes due 2024	400	13%		8.500%	Apr-24	Caa2 / CCC+	Apr-24	106.375
Total Debt	**$2,308**	**77%**	**7.1x**					
Net Debt[5]	*1,894*	*1,800*	*5.9x*					
Market Capitalization as of 5/1/19[6]	686	23%						
Total Capitalization	**$2,994**	**100%**						
Non-controlling Interest	34							
Total Enterprise Value	**$2,613**		**8.1x**					
Memo:								
Q1'19 LTM Adj. EBITDA[7]	$323							

Pro Rata Pricing Grid[8]

Level	Total Net Leverage Ratio	Commitment Fee	Drawn Pricing
I	**> 3.75x but < 4.50x**	**50.00 bps**	**L + 350.0 bps**
II	> 3.00x but < 3.75x	45.00 bps	L + 325.0 bps
III	> 2.25x but < 3.00x	40.00 bps	L + 300.0 bps
IV	> 1.50x but < 2.25x	35.00 bps	L + 275.0 bps
V	> 0.75x but < 1.50x	32.50 bps	L + 262.5 bps
VI	< 0.75x	30.00 bps	L + 250.0 bps

Source: Company filings, FactSet

1) Includes short-term investments of $31.5mm and cash of $4.8mm, classified as assets available for sale in Q1'19
2) Reflects $20mm commitment reduction to existing Revolving Credit Facility
3) Make-whole call until 8/30/21 for all EoD or acceleration events, then 101 until 5/30/22 and par thereafter. Callable at 103 until 8/30/21 for all other mandatory or voluntary prepayments, stepping down to par on or after 8/30/21
4) Accounts for uncommitted lines of credit and short-term/long-term other debt to match 3/31/19 compliance indebtedness figure
5) Excludes $94mm restricted cash and $70mm unamortized fees
6) Based on 76.6mm common shares outstanding
7) See reconciliation in Appendix
8) Drawn pricing reflects 125 bps addition to drawn spread and 15 bps addition to commitment fee per August 2018 Amendment, classified as the Amendment Fee Rate

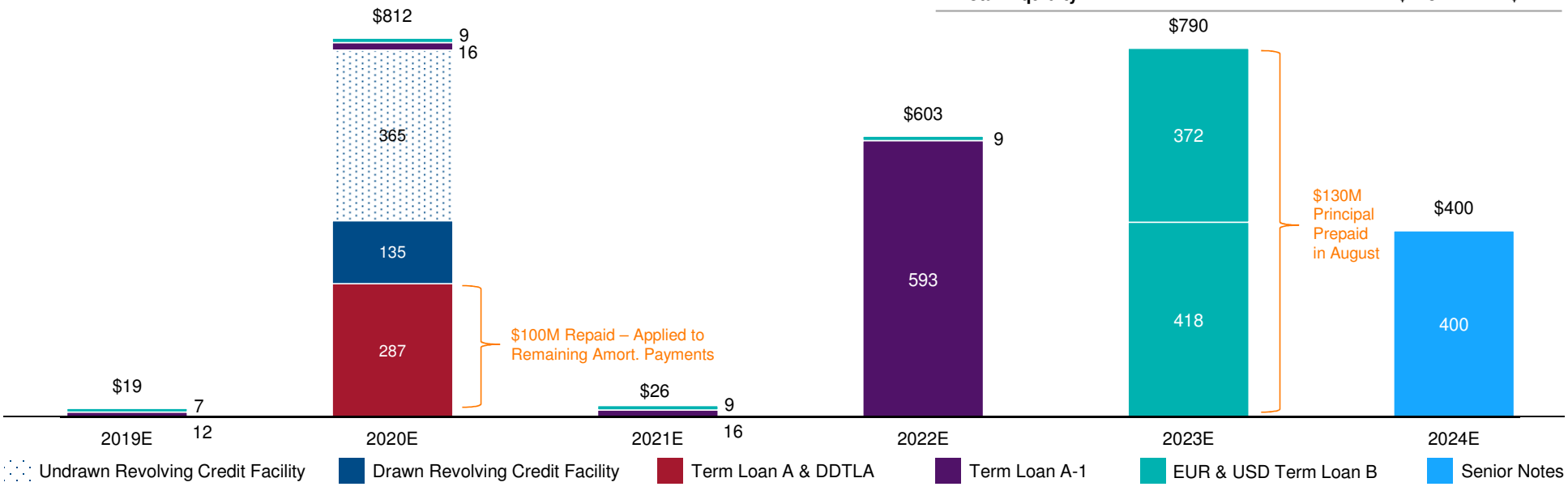
Debt Maturity and Amortization Schedule

($ in millions)

August 2018 financing improved liquidity position

Net debt to LTM Adjusted EBITDA[1] ~5.9x
Bank covenant maximum 7.0x

Available Cash and Liquidity	4Q18[2]	1Q19[2]
Cash, cash equivalents, & other investments	$388	$414
Escrowed cash DN AG shares	104	94
Unencumbered cash	$378	$404
Unused revolver[3]	347	337
Total Liquidity	**$725**	**$741**



1) Non-GAAP metric, see Appendix for reconciliation
2) Includes restricted cash of $7mm and $4.8mm as of 4Q18 and 1Q19, respectively, classified as assets available for sale
3) Net of outstanding Letters of Credit

Enhancement to Collateral

Enhanced collateral as required by credit agreement's covenant reset triggers

Equity Conversion & Pledge Intercompany Promissory Notes	Converted ~$0.9B of prior equity investments to intercompany loans which support collateralization. Pledged ~$1.2B of DN US intercompany promissory notes with DN Germany and DN Switzerland
Additional Guarantors & Control Agreements	Added US sub and Diebold Nixdorf Global Holding BV *(Dutch holding company)* as guarantors. Executed control agreement on material bank accounts in US
Perfect IP Security	Perfected security interest in material US-owned intellectual property assets registered in 13 countries *(5 in process)*. Executed collateral assignment agreement with respect to US / Germany joint IP development agreement
Additional Equity Pledge & Perfection	Pledged additional 35% equity interest for a total of 100% equity pledge in material 1st tier subsidiaries. Obtained local law perfection of pledges *(Switzerland in process)*

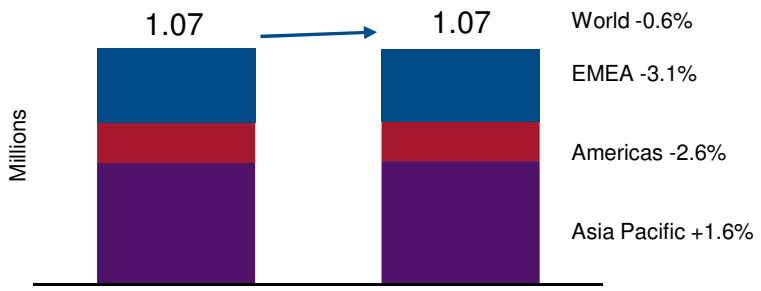
Diebold Nixdorf



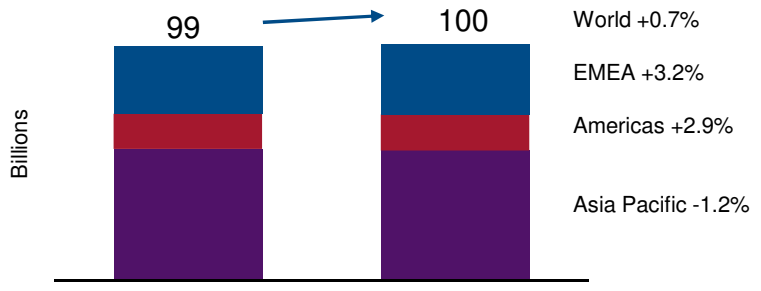
Appendix

ATM Trends by Geographic Region

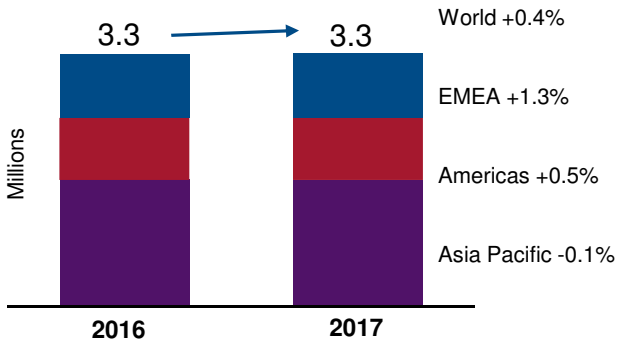
Number of Bank Branches



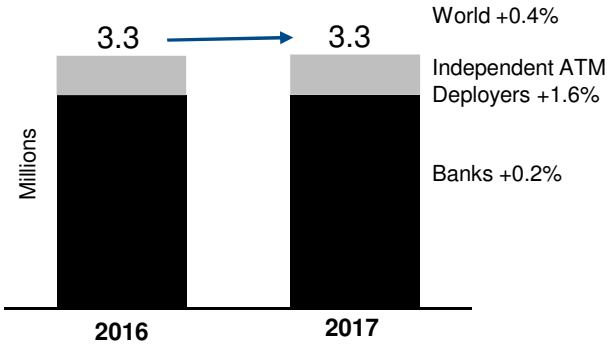
Volume of Cash Withdrawals



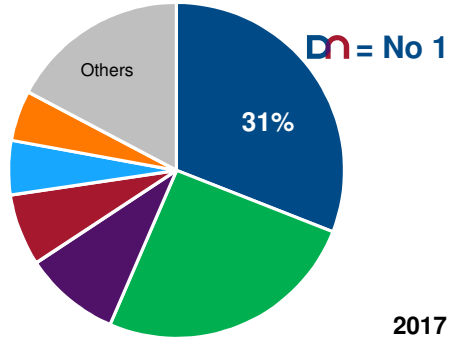
Installed Base of ATMs by Region



Installed Base of ATMs by Deployer



Market Share of Installed Base



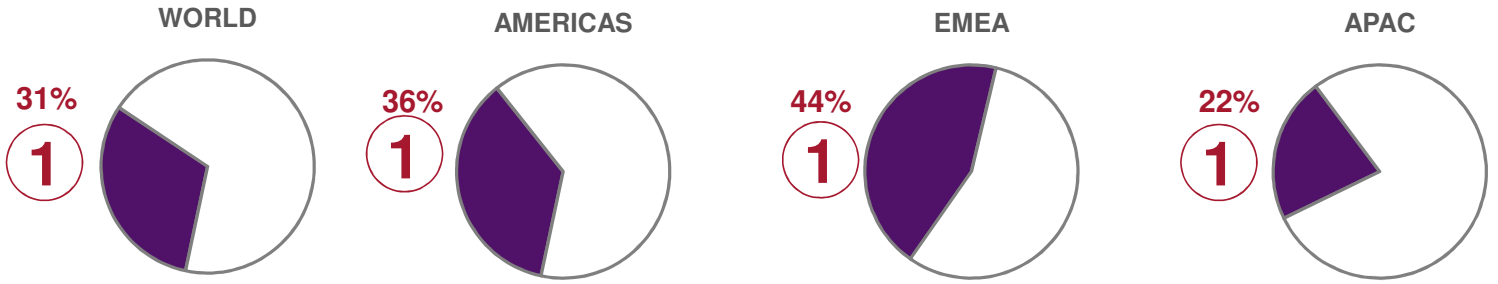
Source: RBR 2018, based on Global ATM Market and Forecasts to 2023

Banking: Diebold Nixdorf is the **global leader in ATM installations** and as well as in the Americas and in EMEA for ATM Application Software markets



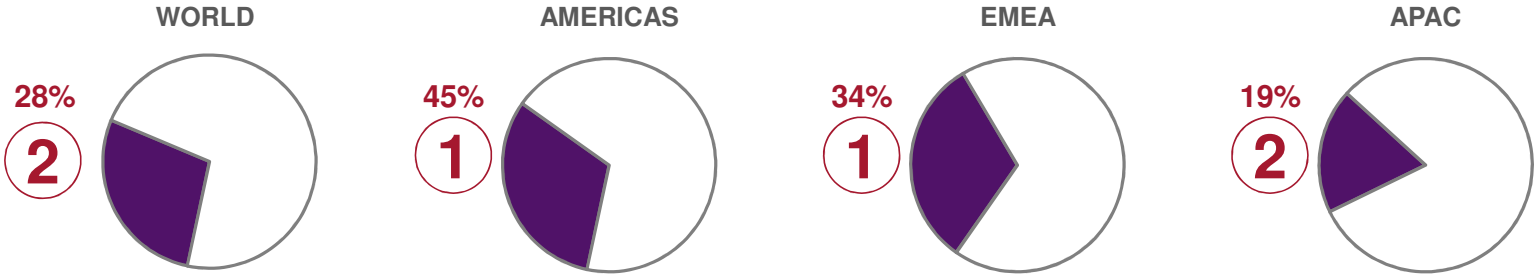


GLOBAL ATM HARDWARE – MARKET SHARES 2017 – installed base



Source: RBR 2018, Global ATM Market and Forecasts to 2023

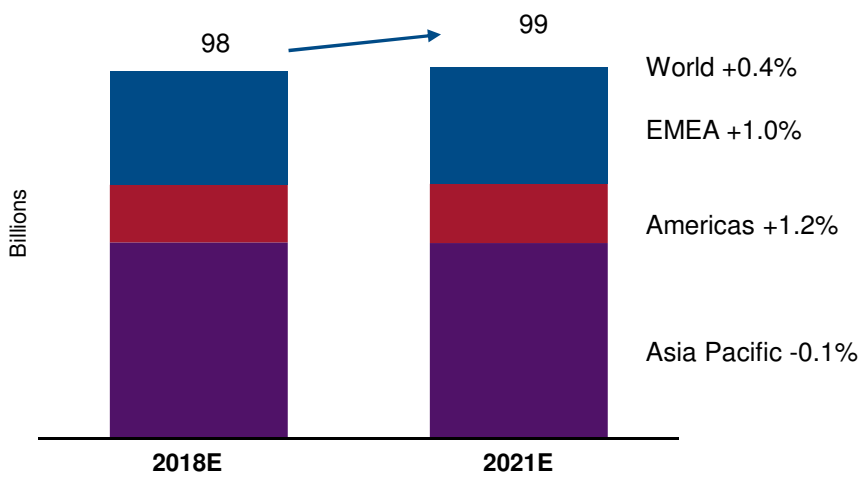
GLOBAL ATM APPLICATION SOFTWARE, HERE: TOTAL ATM APPLICATIONS MARKET – MARKET SHARES 2017- installed base



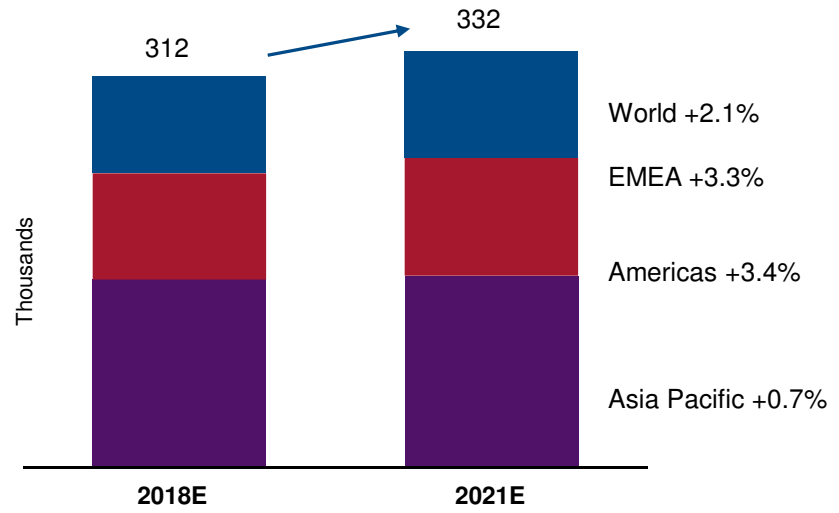
Source: RBR 2018 Global ATM Software

Cash Withdrawal and ATM Shipment Forecasts

Volume of Cash Withdrawals and 3-year CAGR



ATM Shipment Forecast and 3-year CAGR



Source: RBR 2018 – based on Global ATM Market and Forecasts to 2023

Banking Customer References

	KeyBank	DBS BANK	Garanti	bankdata	مصرف الراجحي Al Rajhi Bank
WHO	▪ ~1,100 branches ▪ HQ in North America	▪ 280 branches across 50 Asian cities ▪ HQ in Singapore	▪ 14.5 million customers across > 950 branches ▪ HQ in Turkey	▪ IT solutions provider for 11 Danish banks ▪ HQ in Denmark	▪ Largest Islamic bank with > 1000 locations ▪ HQ in Saudia Arabia
WHAT	▪ 1,400 ATMs w/Vista Terminal Application SW ▪ DN Vynamic View ▪ DN Vynamic Transaction Automation ▪ DN Vynamic Engagement	▪ Cash recycling systems ▪ Automated teller safes ▪ DN Vynamic View & Cash Management	▪ Cash recycling systems ▪ DN Vynamic Portfolio ▪ Total Implementation Services	▪ DN AllConnect Fleet Management Services ▪ DN Vynamic Security	▪ Custom self-service kiosks ▪ Biometric authentication
WHERE		▪ Asia Pacific	▪ EMEA	▪ EMEA	▪ EMEA
BENEFITS	▪ New transaction functionality ▪ Flexibility & integrations with in-house systems ▪ Improved operational tools and visibility	▪ Transformed branch cash ecosystems ▪ 10% YOY cost reductions ▪ Customer complaints reduced by 90% since 2012	▪ Omnichannel portfolio integration with self-service ▪ Optimized analytics & remote resolutions drive efficiency ▪ SPOC for delivery & installation	▪ Outsourced management of ~460 multivendor systems ▪ Proactive responses for terminal availability ▪ Software updates via remote distribution	▪ Improved customer experience with reduces line queues ▪ Routine transactions migrated to self-service ▪ Reduced costs per transaction

Integrated **BANKING** Solutions

SERVICES

Maintenance and Availability Services
Exceed the demands of an "always on" world

Total Implementation Services
Rely on trusted experts to deploy technology

Self-Service Fleet Management
Achieve the highest possible return on resources

Branch Lifecycle Management
Continually transform and streamline operations

ATM as a Service
Complete services solution with simplified billing

SOFTWARE

VYNAMIC™ CONNECTION POINTS
World leading self-service application software

VYNAMIC™ TRANSACTION ENGINE
Automation tools to converge channels

VYNAMIC™ OPERATIONS
End-to-end support for your network

VYNAMIC™ ENGAGEMENT
Personalization and customization tools

VYNAMIC™ ANALYTICS
Actionable intelligence from multichannel data

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Open, future proof solutions for the modern era

PRODUCTS

Cash Dispensers
Ideal for high-growth areas with mass-market applications

Intelligent Deposit
Offering rich transaction sets and advanced functionality

Cash Recyclers
Well suited for high-traffic, high-transaction-volume areas

Teller Automation
Streamlining processes to reduce costs and increase security

Kiosks
Optimizing branch staff capabilities while providing customer convenience

Transforming Stores and the Consumer Shopping Experience







Join the Storevolution™



Consumer Centricity | Store Digitalization | High Connectivity | Store as a Service

Mobility Solutions | Peripherals | Interactive Kiosks | Self-Checkout | POS Systems | Pay Tower

Retail Cash Management | Payment Solutions | Security | Reverse Vending | Fuel Solutions

DN Vynamic™ Retail Software Suite

Diebold Nixdorf AllConnect Services℠







Retail - Market Drivers

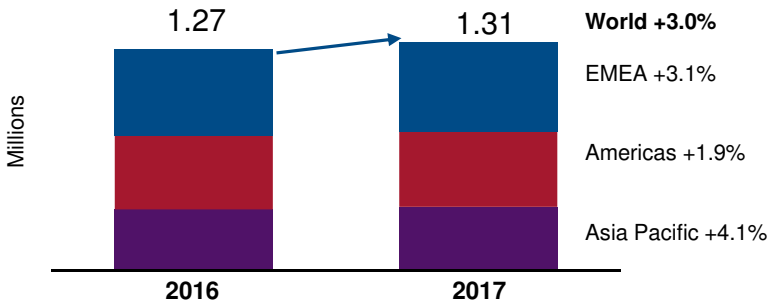
DN Customers Market Drivers

CONSUMER CONNECTEDNESS HAS ALTERED EXPECTATIONS	CONTINUED IMPORTANCE OF THE PHYSICAL STORE	PERSONALIZATION AND CUSTOMER EXPERIENCE	CONNECTED COMMERCE
Mobile and **social** have placed **information and power in the consumers' hands**	**Physical stores still remain relevant** with ~**90%** of global transactions	**Retailers** understand future relevance and loyalty means rethinking the customer journey and **increasingly digitizing** the consumer experience	Orchestrating **channel-agnostic journeys** requires data-driven and consumer-centric approaches to ensuring **secure and 'always on'** touchpoints

DN is at the forefront of providing innovative solutions to retailers

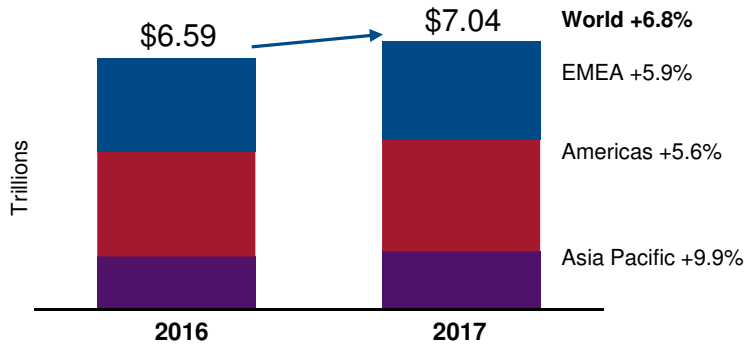
ePOS Trends by Geographic Region

Number of Retail Outlets



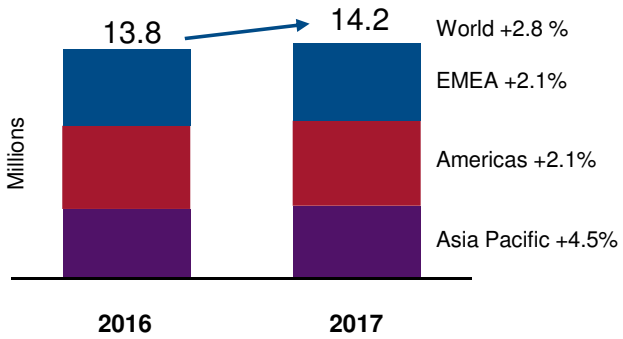
Source: Planet Retail 2018

Total Banner Sales



Source: Planet Retail 2018

Installed Base of ePOS by Region



Source: RBR 2018, Global EPOS and Self-Checkout

Installed Base of ePOS by Customer

Tier 1 retailers employ >5,000 POS

Large supermarkets/hypermarkets

Tier 2 retailers employ 1,000 – 5,000 POS

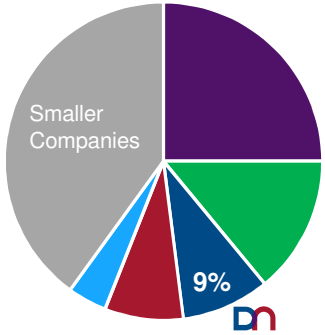
Inter-National store networks

Tier 3 retailers employ <1,000 POS

Specialty stores

Source: Diebold Nixdorf segmentation

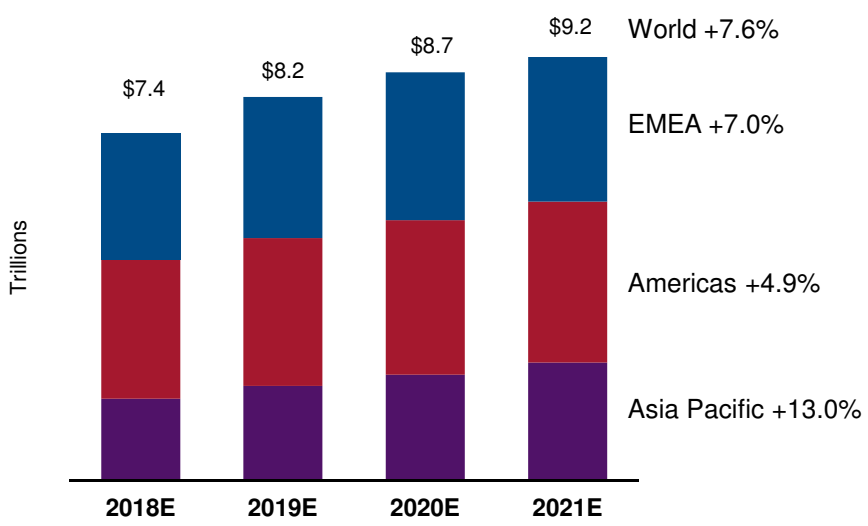
Market Share of Installed Base 2017



Source: RBR 2018, Global EPOS and Self-Checkout

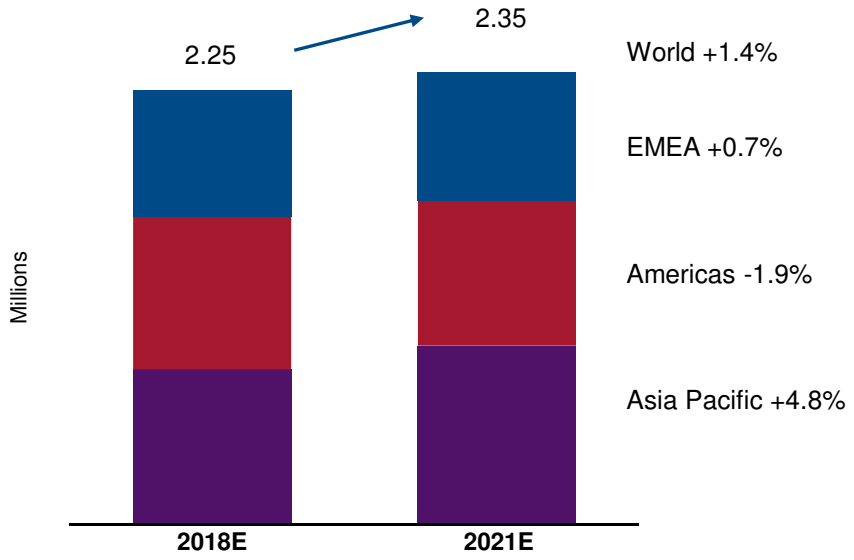
Total Banner Sales, ePOS & SCO Shipment Growth to 2021E

Total Banner Sales and CAGR



Source: Planet Retail RNG

ePOS & SCO Shipment Forecast and CAGR



Source: RBR 2018, Global EPOS and Self-Checkout

Retail Customer References

	Shell	TESCO	IKEA	Fashion Retailer	Quick Service Restaurant
WHO	▪ Leading petroleum company ▪ active in 80+ countries	▪ Food & general merchandiser ▪ HQ in UK, multi-national focus	▪ Home furnishing products ▪ HQ in Sweden	▪ Fashion Retailer ▪ multi-national focus ▪ HQ in Nordics; > 1,000 stores in 24 countries	▪ Quick Service Restaurant ▪ active in +100 countries ▪ HQ in Midwest of USA
WHAT	▪ NAMOS software licenses > 4,000 POS > 8,000 OPT > 14,000 Payment ▪ Cash Management ▪ EPOS	▪ 55,000 EPOS systems ▪ Managed Service ▪ Cash management ▪ Store Lifecycle Management	▪ 14,000 EPOS & SCOs ▪ Vynamic Retail SW Suite ▪ Retail Cash Management ▪ Store Lifecycle Management	▪ > 4,000 POS systems ▪ Vynamic Retail SW Suite ▪ Store Lifecycle Management	▪ Kiosk ▪ Store Lifecycle Management
WHERE	▪ EMEA ▪ Asia Pacific ▪ Americas	▪ EMEA ▪ Asia Pacific	▪ EMEA ▪ Asia Pacific ▪ Americas	▪ EMEA ▪ Asia Pacific ▪ Americas	▪ EMEA ▪ Asia Pacific ▪ Americas
BENEFITS	▪ Standardized and **global SW Platform** covering E2E processes ▪ **Higher efficiency and significant cost savings** due to process automation ▪ Better **customer experience**	▪ **Significant cost savings** due to process automation and optimization ▪ **Merging digital and physical** to improve the customer experience ▪ **Innovation** of customer checkout journey	▪ **Automation** of store-, checkout- and cash management processes ▪ **Lower project costs** thanks to one end-to-end solution partner	▪ **End-to-end services** for high store availability ▪ Seamless **global** expansion via efficient project processes ▪ **Seamless** shopper experience	▪ Better **consumer experience** ▪ **Higher sales** – checks per person are on average 15-20% higher ▪ **Higher efficiency** due to process automation

Integrated **RETAIL** Solutions

SERVICES



Maintenance and Availability Services

Exceed the demands of an always-on world.



Total Implementation Services

Rely on trusted experts to deploy your technology.



Managed Mobility Services

Realize the opportunities of a highly connected enterprise.



Store Lifecycle Management

Continually transform and streamline operations.

SOFTWARE



VYNAMIC™ CONNECTION POINTS

World leading self-service application software



VYNAMIC™ TRANSACTION ENGINE

Automation tools to converge channels



VYNAMIC™ OPERATIONS

End-to-end support for your network



VYNAMIC™ ENGAGEMENT

Personalization and customization tools



VYNAMIC™ ANALYTICS

Actionable intelligence from multichannel data



VYNAMIC™ DIGITAL

Open, future proof solutions for the modern era

PRODUCTS



POS Systems

Reliable, future-proven and outstanding POS technology



Interactive Kiosks

Rich, relevant information at the touch of a button



Self-Checkout

Empower consumers to complete their own retail journeys



Pay Tower

Offer comprehensive payment options for various checkout scenarios



Retail Cash Management

Enable secure, cost-effective cash management for any retail-store format



Reverse Vending

The modular platform concept for the newest generation of Reverse Vending Machines



Electronic Shelf Labeling

A complete portfolio of segmented and graphic shelf labels in a variety of sizes



Peripherals

The holistic portfolio of ruggedized peripherals designed for the POS

Diebold Nixdorf



Supplemental Schedules

Adjusted EBITDA and SG&A Expense Reconciliation

GAAP to non-GAAP ($Millions)

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Revenue (GAAP)	**$1,064**	**$1,106**	**$1,119**	**$1,290**	**$4,579**	**$1,028**
Net income (loss)	**($66)**	**($128)**	**($245)**	**($128)**	**($566)**	**($132)**
Income tax (benefit) expense	19	(30)	45	3	37	60
Interest income	(4)	(2)	(2)	(1)	(9)	(3)
Interest expense	26	28	45	55	155	51
Depreciation & amortization[1]	62	58	58	57	234	53
EBITDA	**$38**	**($73)**	**($99)**	**($14)**	**($148)**	**$30**
Share-based compensation	14	7	7	9	37	9
Foreign exchange gain (loss), net	1	3	(2)	0	2	(3)
Miscellaneous, net	0	3	2	(0)	4	1
Equity in earnings (loss) of unconsolidated subsidiaries, net	(1)	(1)	(3)	18	13	0
Restructuring expenses	4	2	38	21	65	4
Non-routine expenses, net[2]	6	100	150	90	347	23
Adjusted EBITDA	**$62**	**$41**	**$93**	**$124**	**$320**	**$65**
Adjusted EBITDA % GAAP revenue	5.8%	3.7%	8.3%	9.6%	7.0%	6.3%

	Q1-18	Q2-18	Q3-18	Q4-18	2018	Q1-19
Total SG&A (GAAP)	**$228**	**$220**	**$216**	**$222**	**$886**	**$228**
Total Restructuring Expense	1	3	29	0	33	2
Total Non-Routine Expense	38	36	35	44	153	45
Total Restructuring & Non-Routine Expense	40	39	64	44	187	47
Total SG&A (non-GAAP)	**$188**	**$181**	**$152**	**$178**	**$699**	**$182**
non-GAAP SG&A % GAAP revenue	17.7%	16.3%	13.6%	13.8%	15.3%	17.7%

Adjusted EBITDA outlook for 2019 of $380 million - $420 million

With respect to the company's non-GAAP adjusted EBITDA outlook for 2019, 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.

[1] Deferred financing fees have been removed from depreciation and amortization.
[2] 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.

Operating Profit – Segment View

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	2018	Q1-19
Eurasia Banking	20	18	44	68	150	34
Americas Banking	5	(3)	2	14	17	18
Retail	10	6	18	13	47	8
Total Operational Segments	**$35**	**$20**	**$64**	**$95**	**$214**	**$60**
Corporate	(17)	(15)	(8)	(12)	(52)	(33)
Total Restructuring Expense	(4)	(2)	(38)	(21)	(65)	(4)
Total Non-Routine Expense	(37)	(130)	(178)	(115)	(460)	(48)
Total Restructuring & Non-Routine Expense	(41)	(132)	(217)	(135)	(525)	(52)
Total Diebold Nixdorf (GAAP)	**($24)**	**($127)**	**($160)**	**($52)**	**($363)**	**($24)**

Note: Differences may occur due to rounding.

Q1 2019 Profit & Loss Statement
Reconciliation GAAP to non-GAAP ($Millions)

	2019 (GAAP)	% of Net Sales	Restructuring	Legal / consulting and 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	544.2	52.9%	-	-	-	-	-	-	-	544.2	52.9%
Products	375.7	36.5%	-	-	-	-	-	-	-	375.7	36.5%
Software	108.2	10.5%	-	-	-	-	-	-	-	108.2	10.5%
Total Revenue	**1,028.1**	**100.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,028.1**	**100.0%**
Services	133.4	24.5%	1.2	-	-	-	-	(0.1)	-	134.6	24.7%
Products	83.7	22.3%	0.1	-	-	-	1.6	(3.5)	-	81.9	21.8%
Software	27.0	25.0%	0.2	-	-	-	1.8	-	-	29.1	26.9%
Total Gross Profit	244.1	23.7%	1.5	-	-	-	3.4	(3.6)	-	245.5	23.9%
Operating Expenses											
Selling, G & A	228.4		(2.2)	(20.8)	-	0.4	(21.2)	-	(3.0)	181.6	
R , D & E	36.9		(0.1)	-	-	-	-	-	-	36.8	
(Gain)/Loss on Assets	3.4		-	-	(3.4)	-	-	-	-	0.0	
Impairment of Assets	-		-	-	-	-	-	-	-	-	
Total Operating Expense	268.6	**26.1%**	(2.3)	(20.8)	(3.4)	0.4	(21.2)	-	(3.0)	218.4	**21.2%**
Total Operating Profit (loss)	(24.5)	-2.4%	3.9	20.8	3.4	(0.4)	24.6	(3.6)	3.0	27.1	2.6%

 Note: Differences may occur due to rounding.

Q1 2018 Profit & Loss Statement
Reconciliation GAAP to non-GAAP ($Millions)

	2018 (GAAP)	% of Net Sales	Restructuring	Legal / consulting and deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory provision	Other non-routine inc/exp	2018 (non-GAAP)	% of Net Sales
Services	592.2	55.7%	-	-	-	-	-	-	-	592.2	55.7%
Products	352.5	33.1%	-	-	-	-	-	-	-	352.5	33.1%
Software	119.5	11.2%	-	-	-	-	-	-	-	119.5	11.2%
Total Revenue	**1,064.2**	**100.0%**	-	-	-	-	-	-	-	**1,064.2**	**100.0%**
Services	134.4	22.7%	1.5	-	-	1.0	-	1.0	0.2	138.0	23.3%
Products	68.0	19.3%	0.6	-	-	-	3.5	0.3	(3.7)	68.7	19.5%
Software	36.0	30.1%	0.4	-	-	-	3.9	0.5	0.0	40.8	34.1%
Total Gross Profit	238.4	22.4%	2.6	-	-	1.0	7.4	1.7	(3.5)	247.5	23.3%
Operating Expenses											
Selling, G & A	227.8		(1.3)	(0.3)	-	(14.2)	(23.8)	-	(0.1)	188.0	
R, D & E	41.7		-	-	-	-	-	-	-	41.7	
(Gain)/Loss on Assets	(7.7)		-	-	7.8	-	-	-	-	0.1	
Impairment of Assets	-		-	-	-	-	-	-	-	-	
Total Operating Expense	261.9	**24.6%**	(1.3)	(0.3)	7.8	(14.2)	(23.8)	-	(0.1)	229.9	**21.6%**
Total Operating Profit (loss)	(23.5)	-2.2%	3.9	0.3	(7.8)	15.2	31.2	1.7	(3.4)	17.6	1.7%

 Note: Differences may occur due to rounding.

2018 Profit & Loss Statement
Reconciliation GAAP to non-GAAP ($Millions)

	2018 (GAAP)	% of Net Sales	Restructuring	Impairment	Legal / consulting and deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory special charges	Other non-routine inc/exp	2018 (non-GAAP)	% of Net Sales
Services	2,376.2	51.9%	-	-	-	-	-	-	-	-	2,376.2	51.9%
Products	1,697.5	37.1%	-	-	-	-	-	-	-	-	1,697.5	37.1%
Software	505.0	11.0%	-	-	-	-	-	-	-	-	505.0	11.0%
Total Revenue	**4,578.6**	**100.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,578.6**	**100.0%**
Services	503.1	21.2%	15.1	-	-	-	3.3	-	27.2	2.6	551.3	23.2%
Products	251.0	14.8%	9.6	-	-	-	0.5	11.4	45.6	(8.5)	309.6	18.2%
Software	136.9	27.1%	3.9	-	-	-	0.0	12.9	1.7	0.6	156.0	30.9%
Total Gross Profit	890.9	19.5%	28.6	-	-	-	3.8	24.3	74.5	(5.3)	1,016.8	22.2%
Operating Expenses												
Selling, G & A	885.7		(33.4)	-	(18.3)	-	(43.4)	(89.1)	-	(2.7)	698.9	
R , D & E	157.4		(3.0)	-	-	-	-	-	-	-	154.4	
(Gain)/Loss on Assets	(6.7)		-	-	(1.0)	9.0	-	-	-	-	1.2	
Impairment of Assets	217.5		-	(217.5)	-	-	-	-	-	-	(0.0)	
Total Operating Expense	1,253.9	**27.4%**	(36.3)	(217.5)	(19.3)	9.0	(43.4)	(89.1)	-	(2.7)	854.5	**18.7%**
Total Operating Profit (loss)	(362.9)	-7.9%	65.0	217.5	19.3	(9.0)	47.2	113.4	74.5	(2.7)	162.3	3.5%

 Note: Differences may occur due to rounding.

Free Cash Flow Reconciliation from Continuing Operations
($Millions)

	1Q18	2Q18	3Q18	4Q18	1Q19
Net cash provided by (used in) operating activities - continuing	($142)	($114)	($115)	$268	($57)
Capital expenditures - continuing	(20)	(10)	(10)	(18)	(15)
Free cash flow (use) (non-GAAP measure)	**(163)**	**(125)**	**(125)**	**250**	**(72)**

	2018	2019 Guidance
Net cash provided by (used in) operating activities - continuing	($104)	~$80
Capital expenditures - continuing	(59)	~(80)
Free cash flow (use) (non-GAAP measure)	**($163)**	**Break even**

Note: Differences may occur due to rounding.