Diebold Nixdorf

Diebold Nixdorf, Incorporated
Lender Presentation

February 12, 2020



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), unlevered free cash flow/(use), net debt, EBITDA, adjusted EBITDA, non-GAAP effective tax rate, adjusted revenue and constant currency results and results adjusted for portfolio-shaping actions. 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 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 future debt service, capital expenditures and working capital requirements. The company also provides EBITDA and adjusted EBITDA in light of its 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 appraisal proceedings initiated in connection with the implementation of the domination and profit and loss transfer agreement with Diebold Nixdorf AG and the merger squeeze-out; the success of the company's new products, including its DN Series line; 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; interest rate foreign currency exchange rate fluctuations, including the impact of currency devaluations in countries experiencing high inflation rates; 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, including any additional deterioration and disruption in the financial and service markets 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; 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 achieve benefits from its cost reduction initiatives and other strategic initiatives including its planned restructuring actions, as well as its business process outsourcing initiative; 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; 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 maintain effective internal controls; the company's ability to comply with covenants contained in the agreements governing its debt; the investment performance of the company's pension plan assets, which could require the company to increase its 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; the company's ability to refinance its debt when necessary or desirable; 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, 2018 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.

Agenda & Today's Speakers

Introduction & Amendment Overview	**Tim Lynch** *Vice President, J.P. Morgan*
Business & Financial Update	**Gerrard Schmid** *CEO, Diebold Nixdorf*
	Jeff Rutherford *CFO, Diebold Nixdorf*
Q&A	

Diebold Nixdorf



Amendment Overview

Situation Overview and 51% Amendment Request

- Diebold Nixdorf, Incorporated ("Diebold Nixdorf" or the "Company") is seeking an amendment to its existing Senior Secured Credit Facilities
- The proposed amendment would permit the incurrence of new forms of secured or unsecured debt to refinance credit facilities indebtedness at some time in the future ("Refinancing Debt")
  - Currently, permitted Refinancing Facilities are limited to revolving credit facilities and pari passu term loans
- Any Refinancing Debt will be subject to similar provisions as existing Refinancing Facilities
  - Tenor required to be outside the facilities being refinanced and have a longer weighted average life
  - Any secured Refinancing Debt is required to be pari passu or junior with existing secured facilities and subject to satisfactory Intercreditor Agreement
  - Applications of proceeds from any Refinancing Debt can be applied to prepay any existing class of secured indebtedness at the Company's discretion
- The proposed amendment also amends the definition of Permitted Indebtedness to allow for the refinance certain unsecured debt with secured debt, subject to pro forma compliance with Secured Total Leverage Ratio ≤ 3.0x and other customary terms
- The proposed amendment amends the Dutch Auction provision to enable Dutch Auctions for all term loan facilities
- The amendment is a 51% vote across the Senior Secured Credit Facilities (2020 RC, 2022 RC, TLA, TLA-1, USD TLB, and EUR TLB)
- **J.P. Morgan as Lead Arranger and Administrative Agent is supportive of the amendment**
- **Amendment consent fee:** 12.5 bps paid to consenting lenders on existing 2020 RC, 2022 RC, TLA, TLA-1, USD TLB, and EUR TLB commitments
- **Amendment consents are due by 3:00pm ET on Friday, February 21st**

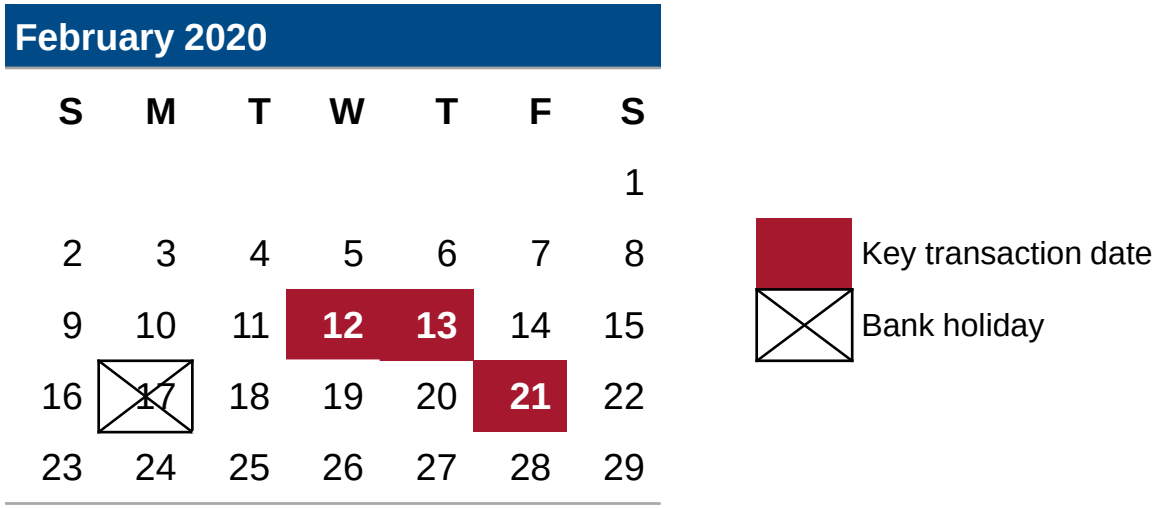
Existing Capitalization

($ millions)	As of 12/31/19	xEBITDA
Cash & cash equivalents and short term investments	$388	
$69mm Revolving Credit Facility due December 2020	-	-
$344mm Revolving Credit Facility due April 2022	-	-
Term Loan A due April 2022	370	0.9x
Term Loan A-1 due August 2022	619	1.5x
USD Term Loan B due November 2023	409	1.0x
EUR Term Loan B due November 2023	400	1.0x
Total secured debt	**$1,798**	**4.5x**
Total secured net debt	**$1,410**	**3.5x**
8.5% Senior Notes due April 2024	400	1.0x
Other debt[1]	8	0.0x
Total debt[2]	**$2,206**	**5.5x**
Total net debt[2]	**$1,818**	**4.5x**
Market capitalization as of 02/10/2020	960	
Enterprise value	**$2,777**	**6.9x**
LTM EBITDA as of 12/31/2019[3]	**$401**	

Facilities voting on 51% amendment request

1) Does not include unamortized financing fees 2) Note: Excludes unamortized financing fees (~$65mm) 3) Refer to appendix for reconciliation

Amendment timeline



Date	Event
February 12, 2019	Lender Conference Call
February 13, 2019	Amendment posted to Lenders
February 21, 2019	Lender consents and signature pages due via LendAmend
Week of February 24th or thereafter	Closing and effectiveness

Diebold Nixdorf



Business & Financial Update

Transformation – Year 1 Financial Progress

Meeting/Exceeding 2019 Expectations

	Outlook[1]	Actuals
Revenue (B)	**$4.4 - $4.5**	**$4.409**
		Includes YoY currency headwinds of ~$150M
Adjusted EBITDA[2] (M)	**$380 - $420**	**$401**
		YoY increase of ~25%
Free cash flow[2] (M)	**break-even**	**$93**

Strong Improvements to Profit Margins, Cash flow and Leverage[2]

	2018	2019	△
Gross margin	**22.4%**	**25.2%**	**280 bps**
Services GM%	23.2%	26.5%	330 bps
Products GM%	18.3%	21.3%	300 bps
Software GM%	32.4%	33.1%	70 bps
Adjusted EBITDA margin	**7.0%**	**9.1%**	**210 bps**
Free cash flow (M)	**($163)**	**$93**	**$256**
Unlevered free cash flow (M)	**($40)**	**$275**	**$315**
Leverage ratio[3]	**5.5x**	**4.4x**	**(1.1x)**

1) Outlook provided on February 13, 2019
2) Non-GAAP metrics
3) Net debt to trailing 12-months adjusted EBITDA

Transformation – Year 1 Operating Accomplishments

Enhance Innovation & Differentiation

Banking

- Launched DN Series - next generation banking solutions
- Introduced DN AllConnect Data Engine – cloud-based analytics platform
- Ranked #1 global provider of deposit automation[1]

Retail

- Increased retail self-checkout shipments by >50% YoY
- Ranked #1 global provider of self-service ordering kiosks[2]
- Launched a new, all-in-one, smaller footprint POS terminal

Increase Operating Efficiency

Services Modernization Plan

- >140K proactive HW/SW upgrades
- Implemented best practices globally

Products

- Continued to optimize manufacturing facilities
- Streamlined ATM lineup by ~30%

Functional G&A Costs

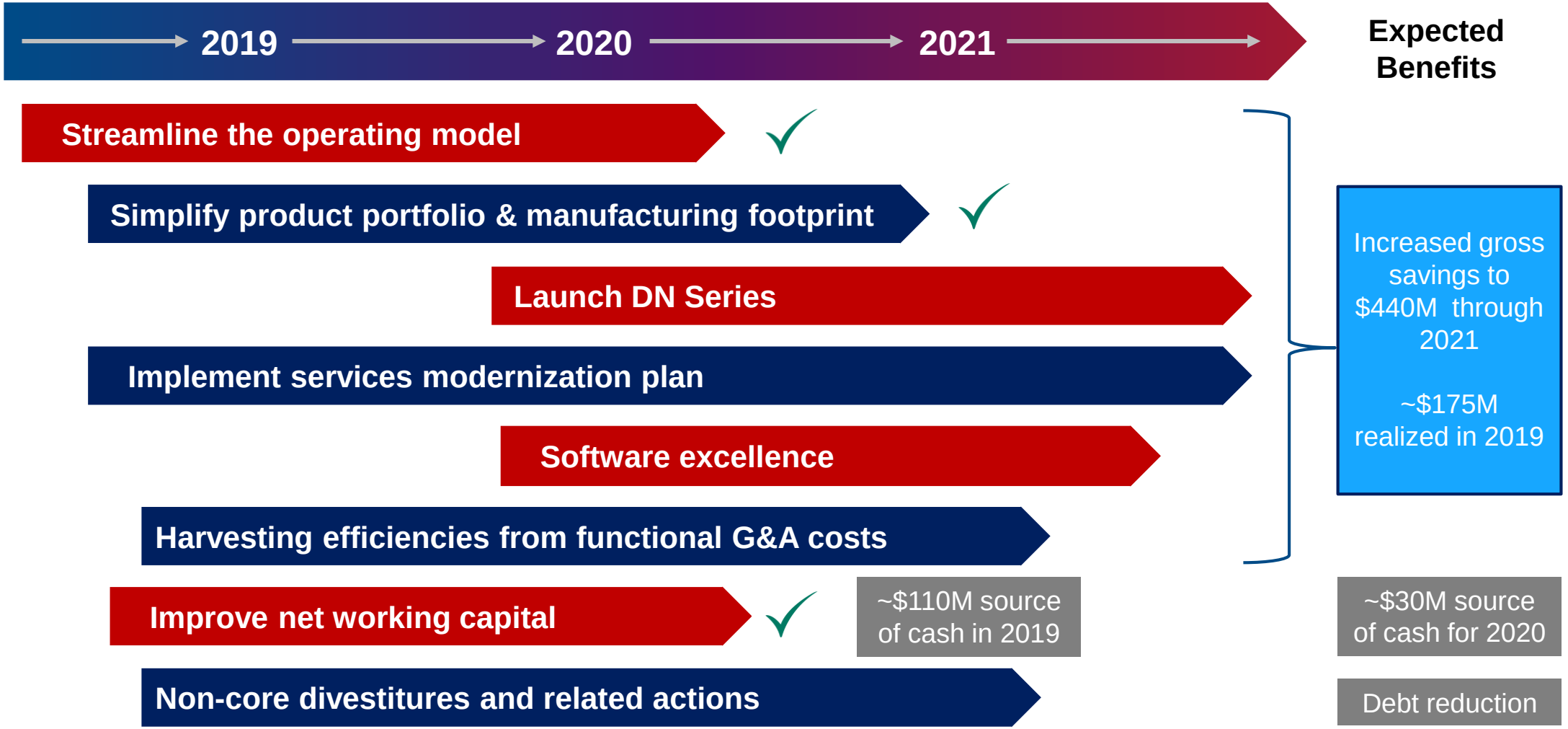
- Implemented new, leaner operating model
- Reduced office space by 10%

Improve Balance Sheet and Capital Structure

- Harvested $110M of cash from net working capital during 2019
- Amended & Extended ~$800M of Revolving Credit Facility and Term-loan A to April, 2022
- Completed squeeze-out of Diebold Nixdorf AG minority shareholders

1) Retail Banking Research 2019 Deposit Automation and Recycling
2) Retail Banking Research 2020 Global Self-Ordering Kiosks
3) Defined as cash plus available borrowings under revolving credit facility

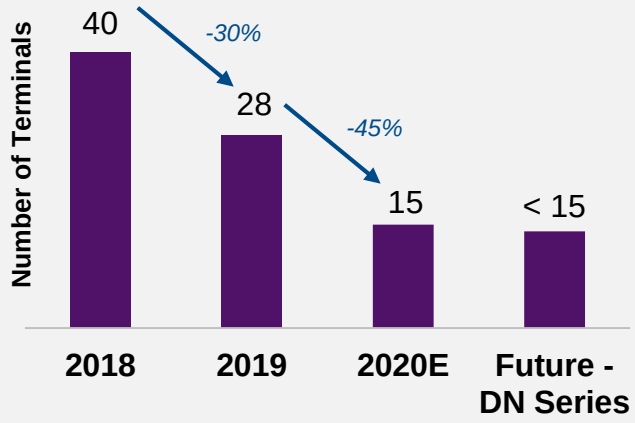
Increasing DN NOW Savings Target from $400 Million to $440 Million



Simplify the Product Portfolio and Launch DN Series™

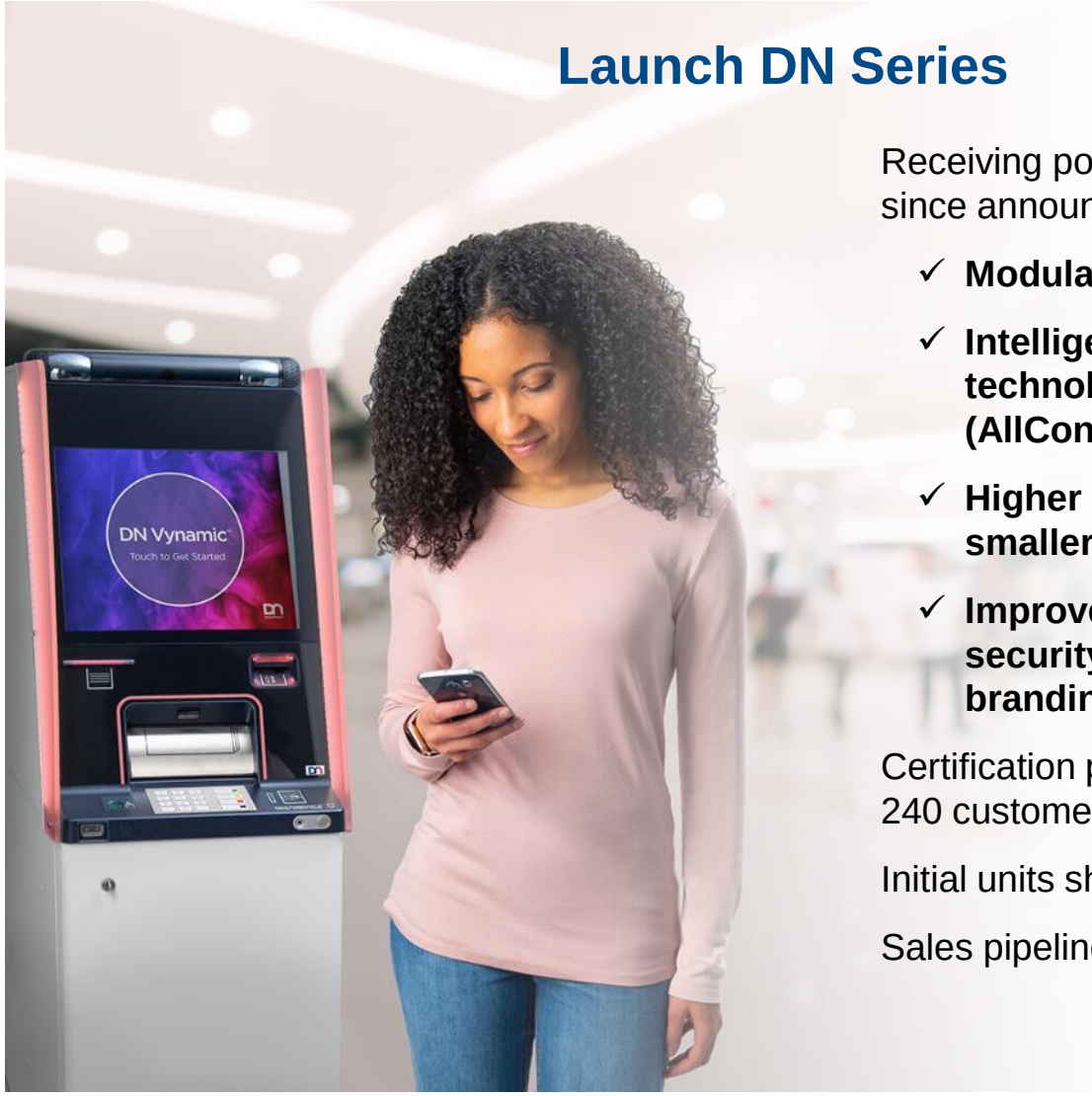
Simplify Product Portfolio

- Optimizing ATM lineup to streamline the supply chain and shorten lead times



- Optimizing manufacturing footprint
  - ✓ Consolidation of sub-scale facilities
  - ✓ Shifting production to lower cost locations

Launch DN Series



Receiving positive customer feedback since announcing DN Series in mid-2019

- ✓ **Modular and upgradeable**
- ✓ **Intelligent use of sensor technology & machine learning (AllConnect Data Engine)**
- ✓ **Higher capacity cassettes in a smaller footprint**
- ✓ **Improved physical and digital security features with increased branding options**

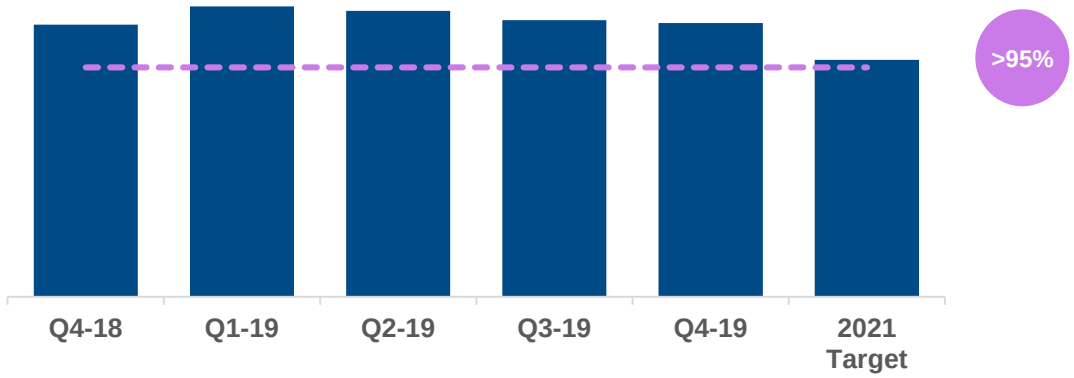
Certification process is underway with 240 customers across ~35 countries

Initial units shipped in Q4-19

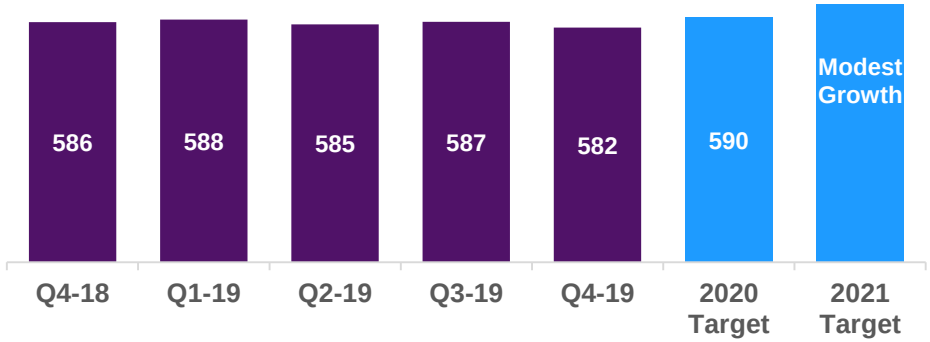
Sales pipeline is growing

Services Modernization Plan and Key Metrics

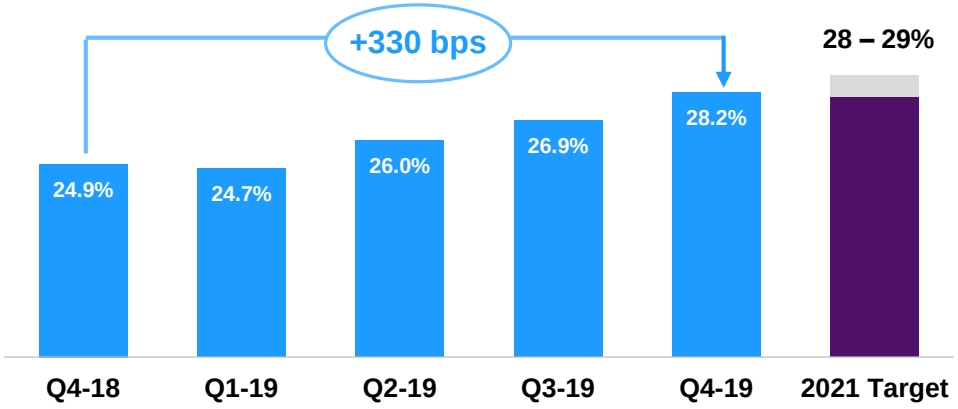
TTM Service Renewal Rates[1]



ATM Service Contract Base[2]



Services Gross Margin[3]



2020 Priorities

- ✓ Continue Services Modernization activities
- ✓ Grow the ATM contract base
- ✓ Grow retail self-checkout services business
- ✓ Leverage AllConnect Data Engine to improve operational efficiencies across the installed base of products

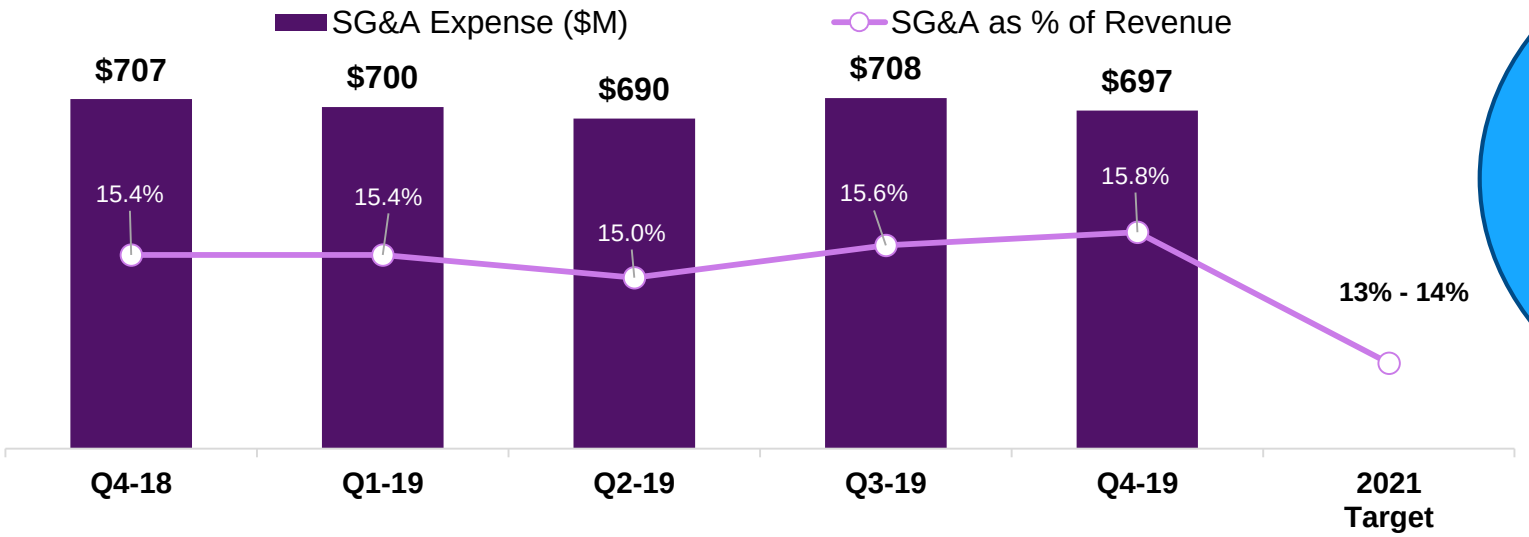
1) Trailing 12-month calculation of total contract value (US$) of successful service renewals divided by total contract value (US$) of contracts up for renewal
2) Contract base for cash-based products under 2nd line maintenance or managed service contract, excluding ~35,000 units which will be deconsolidated following DN's minority ownership position in its China joint venture in Q1-20.
3) Non-GAAP metrics

DN NOW Harvesting Efficiencies from Functional G&A Costs in 2020

Focus areas

- **Finance Transformation** – centralizing and automating core functions
- **Optimizing Information Technology Spend** – optimizing legacy platforms and enhancing digital capabilities
- **Streamlining Procurement** – applying global spend analytics to consolidate and reduce third party spend
- **Consolidating Real Estate** – better utilization of office space and embracing a more agile work environment

TTM Selling, General & Administrative Expense[1] as a % of Revenue

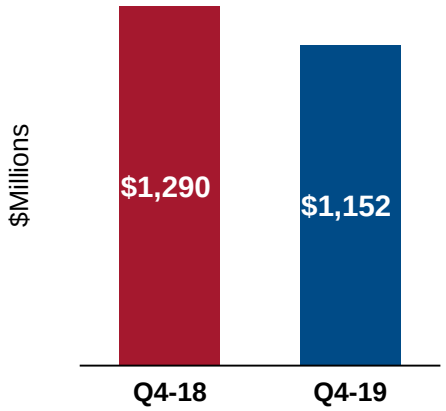


For Q4-19, SG&A Expense[1] of $169M and SG&A Expense[1] as a percent of revenue of 14.7% were the lowest for any quarter of 2019

1) Non-GAAP metric

Q4-19 Financials In-Line with Company Outlook

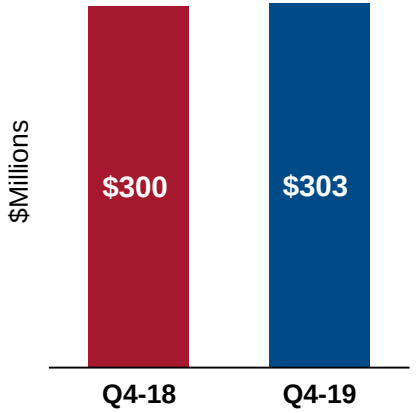
Revenue



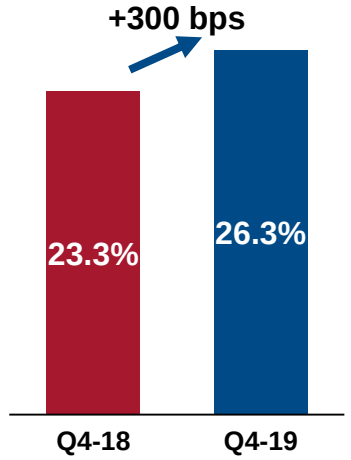
- ~260 bps YoY headwinds from currency and divestitures
- Compares with strong Q4-18 result
- Pro-actively reducing exposure to low-margin business

Higher quality revenue contributes to profit improvements

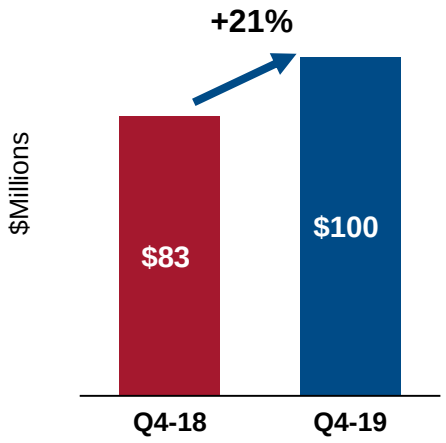
Gross Profit[1]



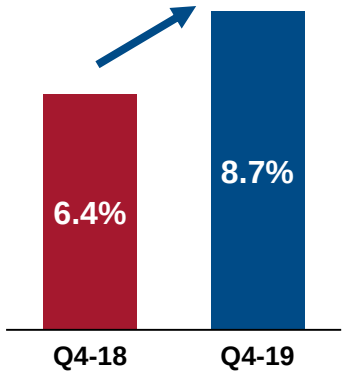
Gross Margin[1]



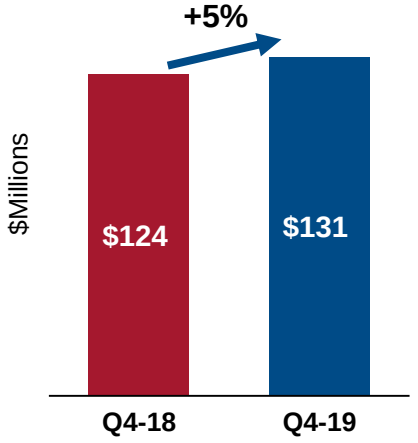
Operating Profit[1]



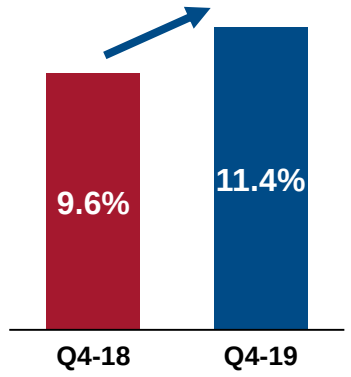
Operating Margin[1]



Adj. EBITDA[1]

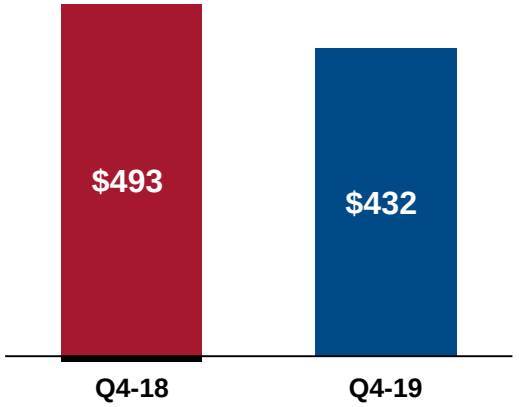
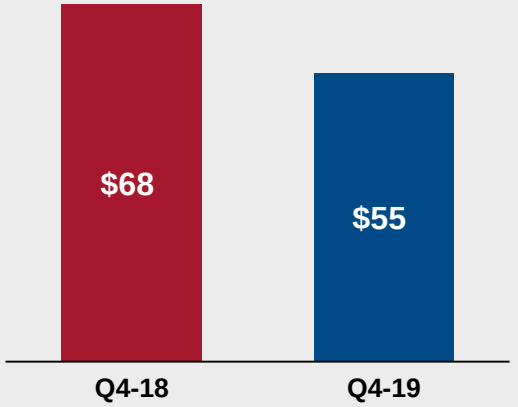
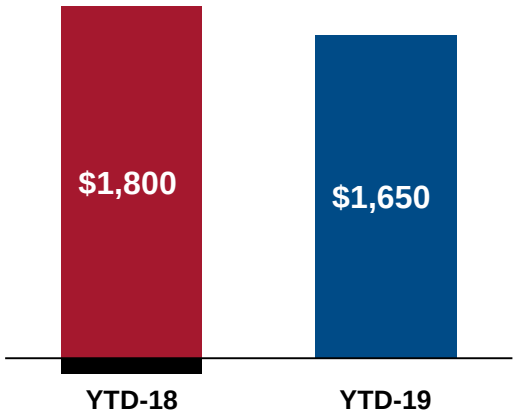
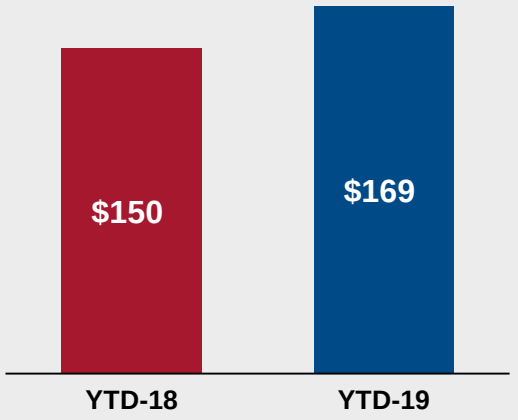


Adj. EBITDA Margin[1]



1) Non-GAAP metrics
Note: Differences may occur due to rounding.

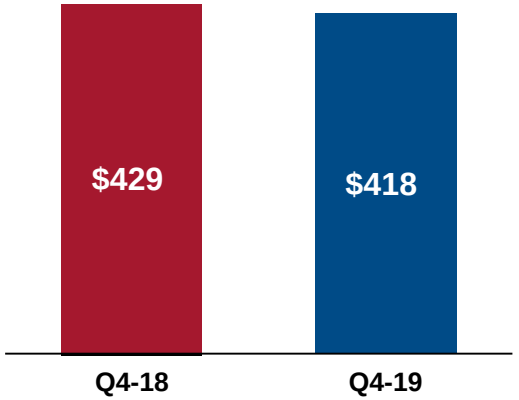
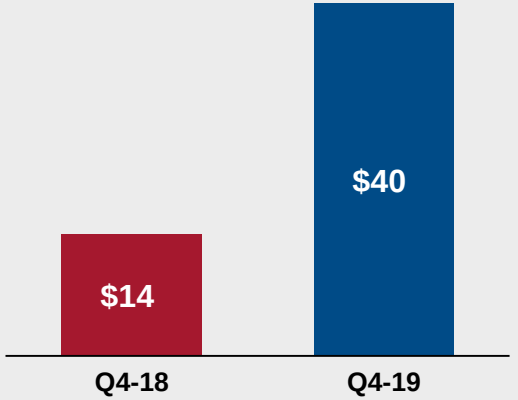
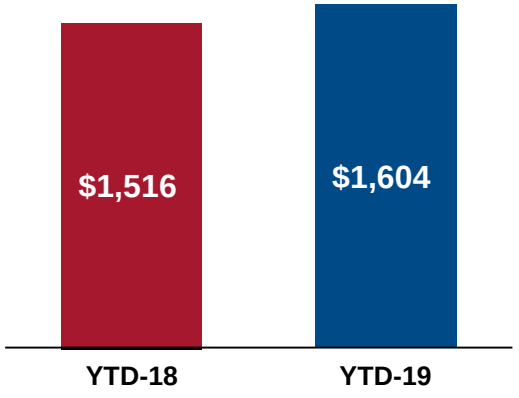
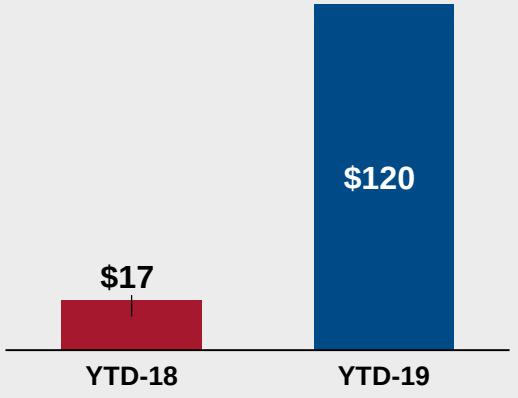
Eurasia Banking Results In-Line with Company Outlook

	Revenue ($M)		Operating Profit[1] ($M)	
Fourth Quarter		-12.5% as reported; -8.8% excluding currency and divestitures Remaining YoY variance primarily driven by • Reducing exposure to low-margin business • Compares with strong Q4-18 result		YoY variance driven by • Revenue flow through • Lower software gross margin • Services modernization plan is benefitting gross services margins • Currency headwind of $1M
Full Year		-8.4% as reported; -2.4% excluding currency and divestitures Remaining YoY variance primarily driven by • Reducing exposure to low-margin business • Product volume growth in EMEA and declines in Asia		YoY increase from • Lower operating expense and higher gross service margins due to DN Now initiatives • Increased product gross margin due to DN Now initiatives • Currency headwind of $10M

FX impact

1) Non-GAAP metrics

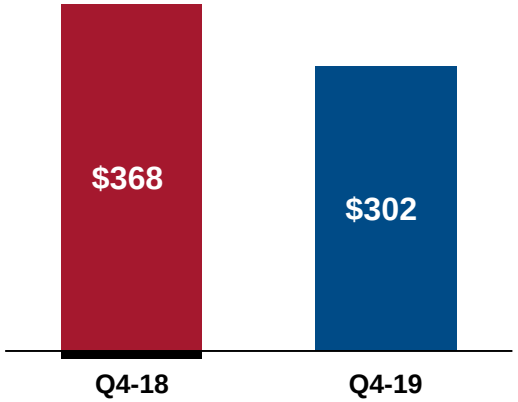
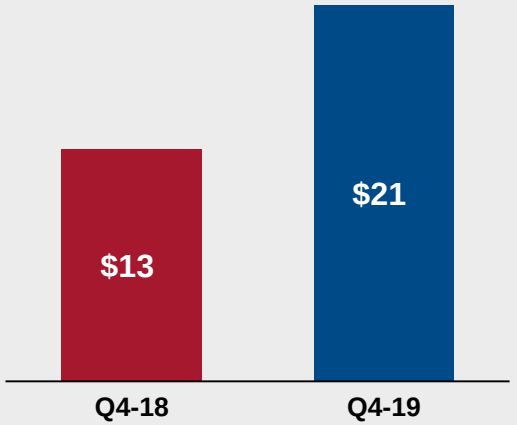
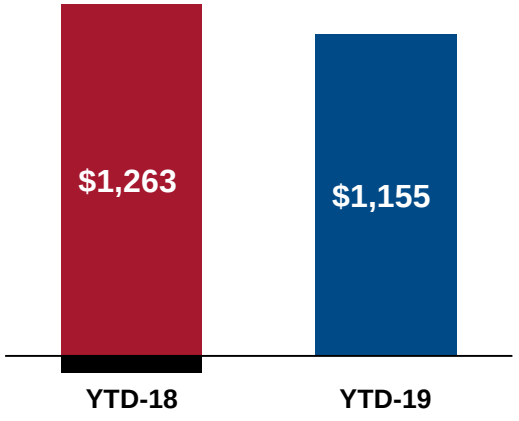
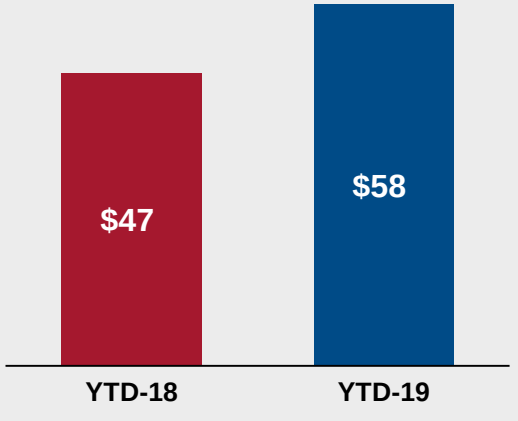
Americas Banking Results In-Line with Company Outlook

	Revenue ($M)		Operating Profit[1] ($M)	
Fourth Quarter		-2.6% as reported; -1.5% excluding currency and divestitures Remaining YoY variance primarily driven by • Strong product volume Q4-18 for Latin America • Partially offset by product and software growth in North America		YoY increase due to • Product and services gross margin expansion from DN Now actions • Software gross margin increase due to favorable mix • Lower R&D expense
Full Year		+5.8% as reported; +7.0% excluding currency and divestitures Remaining YoY variance primarily driven by • Product volume growth from ATM upgrades and adoption of cash recyclers • Modest declines in services, partially offset by software growth		YoY increase due to • Product revenue growth and gross margin expansion from DN Now • Services modernization plan is benefitting gross services margins • Lower operating expense YoY

■ FX impact

1) Non-GAAP metrics

Retail Results In-Line with Company Outlook

	Revenue ($M)		Operating Profit[1] ($M)	
Fourth Quarter		-17.8% as reported; -15.0% excluding currency and divestitures YoY variance primarily driven by • Compares with strong Q4-18 POS activity, partially offset by growing self-checkout volume • Reducing exposure to low margin business		YoY increase from • Higher quality revenue • DN Now initiatives which enhanced gross margins and reduced operating expense
Full Year		-8.5% as reported; -2.5% excluding currency and divestitures YoY variance primarily driven by • Moderating demand for POS, partially offset by growing self-checkout volumes • Reducing exposure to low margin business		YoY increase from • Higher quality revenue • DN Now initiatives which enhanced gross margins and reduced operating expense

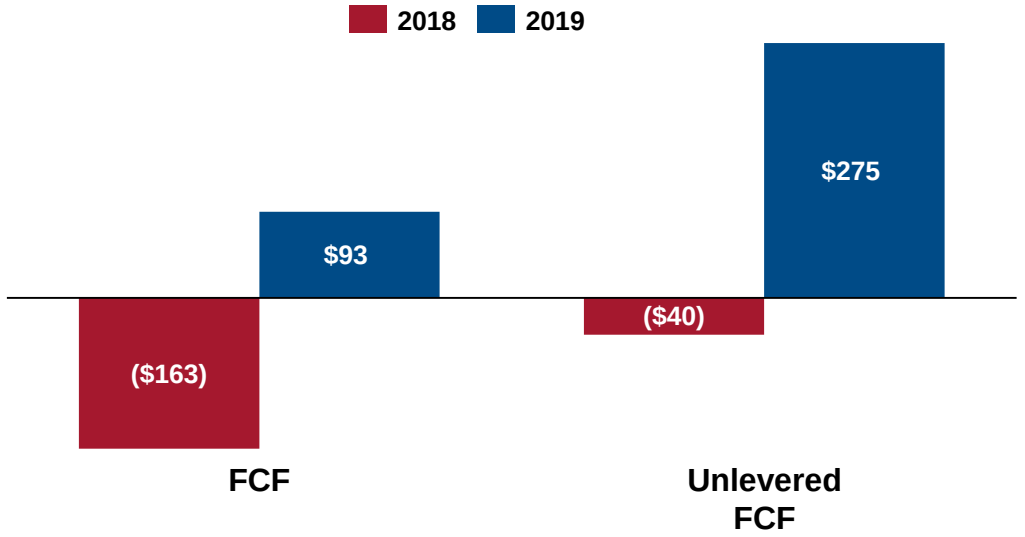
FX impact

1) Non-GAAP metrics

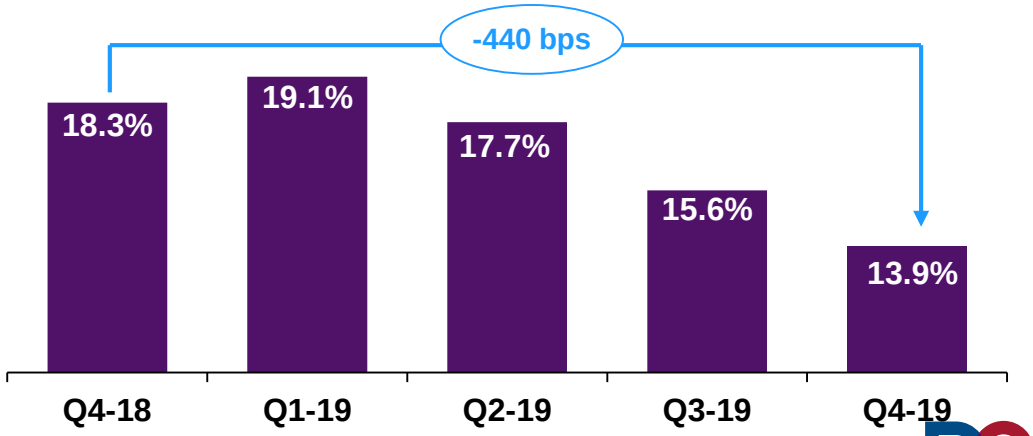
Free Cash Flow Improvements

- **2019 free cash flow of $93M**
- **YoY increase of $256M; drivers include**
  - \+ Higher adjusted EBITDA from DN Now initiatives
  - \+ Harvesting net working capital of $110M
  - \+ Lower capex
  - – $60M higher interest payments
- **Q4-19 free cash flow $116M**
- **YoY drivers include**
  - \+ Higher adjusted EBITDA from DN Now initiatives
  - \+ Lower restructuring payments
  - – Consistent collections efficiency throughout 2019 drove lower opportunity for Q4-19

Levered and Unlevered Cash Flow[1] (M)



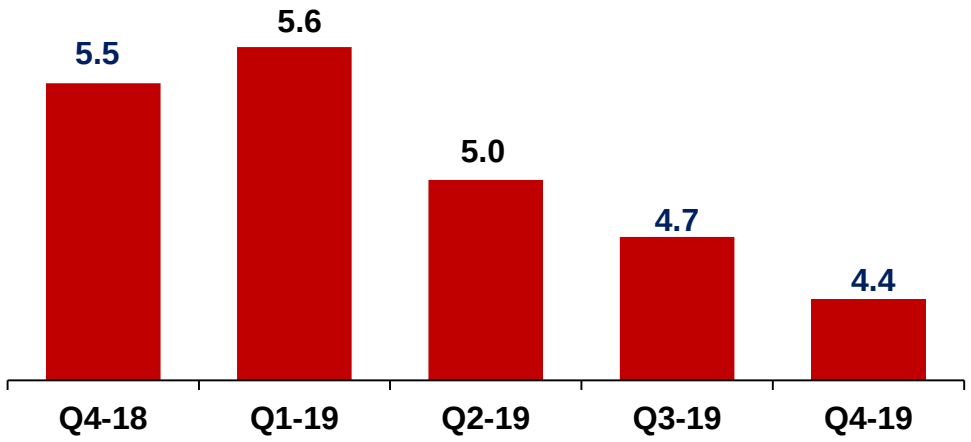
Net Working Capital as a percent of TTM Revenue[2,3]



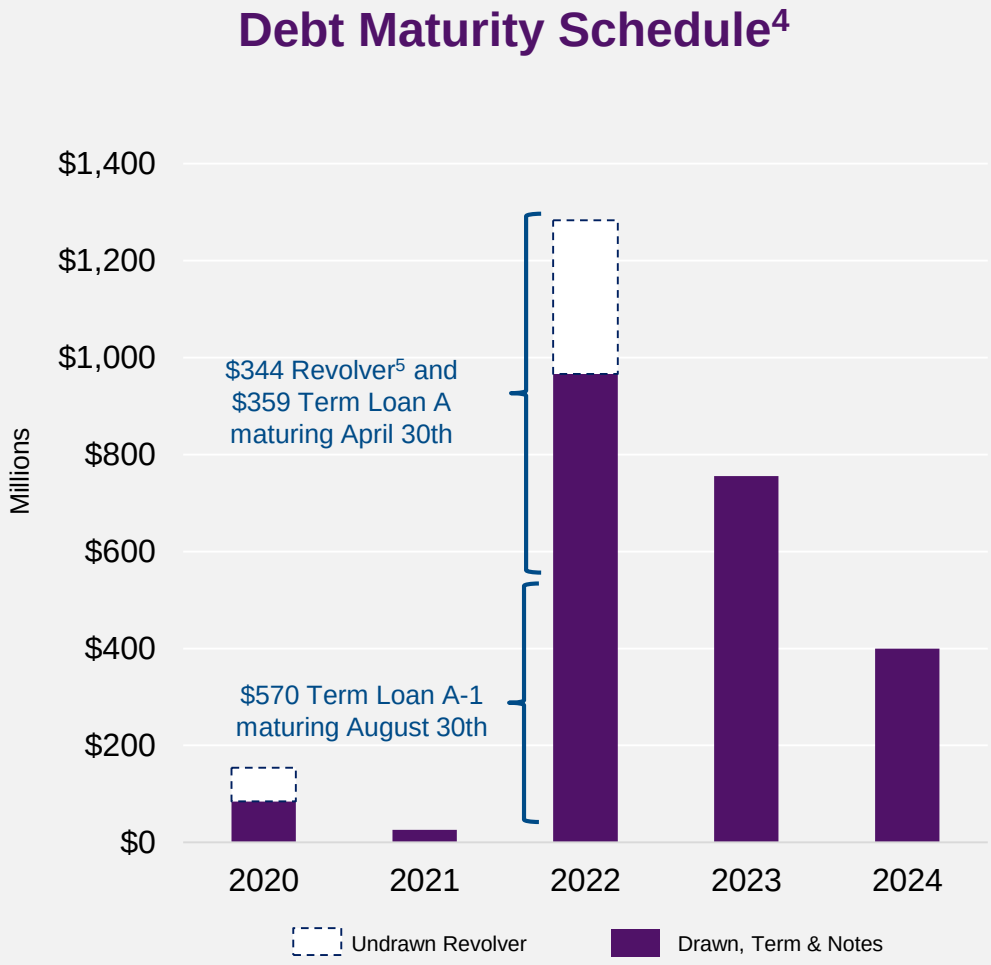
1) Free cash flow (FCF) is a non-GAAP financial measure defined as net cash provided by (used in) operations less capital expenditures. Unlevered free cash flow is a non-GAAP financial measure defined as net cash provided by (used in) operations less capital expenditures and adding back cash interest expense
2) Net working capital equals the sum of the balance sheet balances for trade receivables and inventories less accounts payable
3) Trailing 12-month (TTM) calculated GAAP revenue

Differences may occur due to rounding

Improving Leverage and Sufficient Liquidity



- **Sufficient liquidity[1] of ~$770M**
- **Net debt[2] of $1,753M**
- **Significant improvements to leverage ratio[3]**

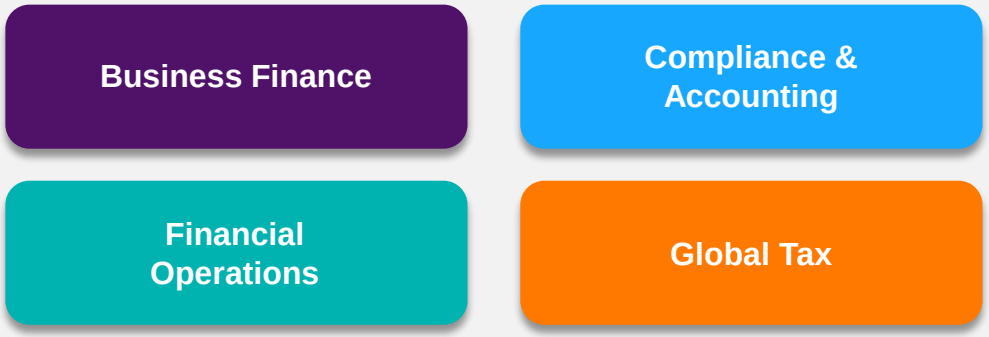


1) $388M of cash, cash equivalents, restricted cash, short-term investments, cash included in assets held for sale (GAAP measures) plus ~$385M of available borrowings
2) Net Debt is a non-GAAP financial measure defined as notes payable plus long-term debt less cash, cash equivalents, restricted cash, short-term investments, cash included in assets held for sale (GAAP measures)
3) Leverage ratio is defined as net debt to trailing 12-month calculated adjusted EBITDA
4) Includes ~$50 million pay down of secured debt expected to occur around March 1, 2020 per the credit agreement
5) Revolving credit facility was undrawn as of December 31, 2019

Finance Transformation and Divestiture Update

Finance Transformation

- **Changing workflows, enforcing global standard processes and automation**
- **Centralizing and regionalizing core finance functions**



- **Solid execution momentum in Q4-19 carrying into 2020**
- **Targeting $30M of savings in 2020 and $20M in 2021**

Divestiture Update

Facilitating operating efficiencies by consolidating joint venture operations with Inspur in China

- Maintained material economic interest while facilitating repatriation of ~$25M of cash
- Generated ~$50M of services revenue in 2019 and a modest profit
- Going forward, pro rata profit (loss) will be recorded as “Equity in earnings of unconsolidated subsidiaries” on P&L

Definitive agreement to sell interest in German IT outsourcing business

- Transaction is expected to close by end of Q1-20, subject to customary closing conditions.
- ~$10M cash for 68% interest and relief from future capital and pension obligations
- Generated ~$60M of services revenue & slight profit
- Maintaining good relations with financial customers

Expectations for 2020

	2020E	Key Expectations
Total Revenue	$4.2 - $4.3B	Flat to slightly lower in constant currency[2] after accounting for ~$110M revenue impact from near-term divestitures and related actions
Adjusted EBITDA[1]	~$430 - $470M ~10% margin	Meaningful YoY improvement[2] driven by + Approximately $130M of DN Now savings – primarily from SG&A initiatives + DN Now gross savings conversion rate of ~40% includes growth investments of ~$25M – Offsets include inflation, non-recurring items and ~$10M impact from near-term divestitures and related actions
Free cash flow[1]	$100 - $130M	+ adjusted EBITDA mid-point $450M + Net working capital $30M – Net interest payments $170M – Restructuring cash outflows $80M – Capital expenditures $70M – Cash Taxes and other $45M

1) Non-GAAP metrics
2) Key expectations represent approximate YoY changes versus 2019 actuals

Diebold Nixdorf



Supplemental Schedules

YoY Revenue Variance for FX, Divestitures and Related Actions

Reconciliation GAAP to non-GAAP ($Millions)

$Millions	Q4-18	Q4-19	Variance F/(U)	Variance %	2018	2019	Variance F/(U)	Variance %
Eurasia Banking Revenue GAAP	**493**	**432**	**(61)**	**-12.5%**	**1,800**	**1,650**	**(150)**	**-8.4%**
FX Impact	(8)	-	8	n/a	(79)	-	79	n/a
Divestitures and Related Actions	(12)	-	12	n/a	(42)	(12)	30	n/a
Eurasia Banking Adjusted Revenue (Non-GAAP)	**474**	**432**	**(42)**	**-8.8%**	**1,678**	**1,638**	**(41)**	**-2.4%**
Americas Banking RevenueGAAP	**429**	**418**	**(11)**	**-2.6%**	**1,516**	**1,604**	**88**	**5.8%**
FX Impact	(3)	-	3	n/a	(12)	-	12	n/a
Divestitures and Related Actions	(2)	-	2	n/a	(5)	(0)	5	n/a
Americas Banking Adjusted Revenue (Non-GAAP)	**424**	**418**	**(7)**	**-1.5%**	**1,498**	**1,604**	**106**	**7.0%**
Retail Revenue GAAP	**368**	**302**	**(66)**	**-17.8%**	**1,263**	**1,155**	**(108)**	**-8.5%**
FX Impact	(8)	-	8	n/a	(59)	-	59	n/a
Divestitures and Related Actions	(4)	-	4	n/a	(18)	-	18	n/a
Retail Adjusted Revenue (Non-GAAP)	**355**	**302**	**(53)**	**-15.0%**	**1,185**	**1,155**	**(30)**	**-2.5%**
Total DN GAAP	**1,290**	**1,152**	**(138)**	**-10.7%**	**4,579**	**4,409**	**(170)**	**-3.7%**
Fx Impact	(18)	-	18	n/a	(151)	-	151	n/a
Divestitures and Related Actions	(18)	-	18	n/a	(66)	(12)	54	n/a
Total DN Adjusted Revenue (CC)	**1,253**	**1,152**	**(102)**	**-8.1%**	**4,362**	**4,397**	**35**	**0.8%**
Services Revenue (GAAP)	**607**	**568**	**(38)**	**-6.3%**	**2,376**	**2,231**	**(146)**	**-6.1%**
FX Impact	(8)	-	8	n/a	(72)	-	72	n/a
Divestitures and Related Actions	(7)	-	7	n/a	(26)	(1)	25	n/a
Services Adj. Revenue (Non-GAAP)	**592**	**568**	**(24)**	**-4.0%**	**2,278**	**2,230**	**(49)**	**-2.1%**
Products Revenue (GAAP)	**541**	**449**	**(92)**	**-17.0%**	**1,697**	**1,710**	**12**	**0.7%**
FX Impact	(8)	-	8	n/a	(58)	-	58	n/a
Divestitures and Related Actions	(0)	-	0	n/a	(0)	-	0	n/a
Products Adj. Revenue (Non-GAAP)	**533**	**449**	**(84)**	**-15.7%**	**1,639**	**1,710**	**70**	**4.3%**
Software Revenue (GAAP)	**142**	**134**	**(8)**	**-5.4%**	**505**	**469**	**(36)**	**-7.2%**
FX Impact	(2)	-	2	n/a	(21)	-	21	n/a
Divestitures and Related Actions	(11)	-	11	n/a	(40)	(11)	29	n/a
Software Adj. Revenue (Non-GAAP)	**129**	**134**	**6**	**4.5%**	**444**	**457**	**13**	**3.0%**
Total DN GAAP	**1,290**	**1,152**	**(138)**	**-10.7%**	**4,579**	**4,409**	**(170)**	**-3.7%**
FX Impact	(18)	-	18	n/a	(151)	-	151	n/a
Divestitures and Related Actions	(18)	-	18	n/a	(66)	(12)	54	n/a
Total DN Adjusted Revenue (CC)	**1,253**	**1,152**	**(102)**	**-8.1%**	**4,362**	**4,397**	**35**	**0.8%**

Note: Differences may occur due to rounding.

Q4 2018 Profit & Loss Statement

Reconciliation GAAP to non-GAAP ($Millions)

	2018 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Legal / deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory gain / charge	Other non-routine inc/exp	2018 (non-GAAP)	% of Net Sales
Services	606.5	47.0%	-	-	-	-	-	-	-	606.5	47.0%
Products	541.1	42.0%	-	-	-	-	-	-	-	541.1	42.0%
Software	142.2	11.0%	-	-	-	-	-	-	-	142.2	11.0%
Total Revenue	**1,289.8**	**100.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,289.8**	**100.0%**
Services	113.0	18.6%	10.4	-	-	0.4	-	25.2	2.0	151.1	24.9%
Products	54.9	10.1%	6.4	-	-	0.1	1.6	44.3	(4.7)	102.6	19.0%
Software	42.0	29.5%	1.1	-	-	0.0	1.8	1.0	0.6	46.5	32.7%
Total Gross Profit	209.9	16.3%	18.0	-	-	0.6	3.4	70.5	(2.1)	300.2	23.3%
Operating Expenses											
Selling, G & A	223.8		(12.2)	(1.3)	-	(6.6)	(21.3)	-	(2.5)	179.9	
R , D & E	38.4		(2.1)	-	-	-	-	-	-	36.3	
(Gain)/Loss on Assets	0.0		-	-	0.9	-	-	-	-	1.0	
Impairment of Assets	(0.0)		-	-	-	-	-	-	(0.0)	(0.0)	
Total Operating Expense	262.3	**20.3%**	(14.3)	(1.3)	0.9	(6.6)	(21.3)	-	(2.5)	217.2	**16.8%**
Total Operating Profit (loss)	(52.4)	-4.1%	32.3	1.3	(0.9)	7.2	24.7	70.5	0.4	83.0	6.4%

 Note: Differences may occur due to rounding.

Q4 2019 Profit & Loss Statement
Reconciliation GAAP to non-GAAP ($Millions)

	2019 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Impairment	Legal / deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory gain / charge	Other non-routine inc/exp	2019 (non-GAAP)	% of Net Sales
Services	568.2	49.3%	-	-	-	-	-	-	-	-	568.2	49.3%
Products	449.0	39.0%	-	-	-	-	-	-	-	-	449.0	39.0%
Software	134.4	11.7%	-	-	-	-	-	-	-	-	134.4	11.7%
Total Revenue	**1,151.6**	**100.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,151.6**	**100.0%**
Services	142.2	25.0%	1.1	-	-	-	-	-	16.1	0.9	160.3	28.2%
Products	87.6	19.5%	1.5	-	-	-	-	1.5	6.8	1.6	99.0	22.0%
Software	40.7	30.2%	0.8	-	-	-	-	1.7	-	0.7	43.8	32.6%
Total Gross Profit	270.4	23.5%	3.4	-	-	-	-	3.2	22.9	3.2	303.1	26.3%
Operating Expenses												
Selling, G & A	234.6		(44.8)	-	(4.3)	-	(0.0)	(18.3)	-	2.2	169.4	
R , D & E	37.3		(2.9)	-	-	-	-	-	-	(1.8)	32.6	
(Gain)/Loss on Assets	1.0		-	-	-	(0.3)	-	-	-	-	0.7	
Impairment of Assets	30.2		-	(30.1)	-	-	-	-	-	-	0.0	
Total Operating Expense	303.0	**26.3%**	(47.7)	(30.1)	(4.3)	(0.3)	(0.0)	(18.3)	-	0.4	202.7	**17.6%**
Total Operating Profit (loss)	(32.6)	-2.8%	51.1	30.1	4.3	0.3	0.0	21.5	22.9	2.8	100.4	8.7%

 Note: Differences may occur due to rounding.

Full Year 2018 Profit & Loss Statement

Reconciliation GAAP to non-GAAP ($Millions)

	2018 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Impairment	Legal / deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory gain / charge	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	502.5	21.1%	15.1	-	-	-	3.3	-	27.2	2.6	550.7	23.2%
Products	251.8	14.8%	9.5	-	-	-	0.5	11.4	45.6	(8.4)	310.3	18.3%
Software	144.5	28.6%	3.9	-	-	-	0.0	12.9	1.7	0.6	163.6	32.4%
Total Gross Profit	898.8	19.6%	28.5	-	-	-	3.8	24.3	74.5	(5.2)	1,024.7	22.4%
Operating Expenses												
Selling, G & A	893.6		(47.7)	-	(4.0)	-	(43.4)	(89.1)	-	(2.7)	706.8	
R , D & E	157.4		(3.0)	-	-	-	-	-	-	-	154.4	
(Gain)/Loss on Assets	(6.7)		-	-	(1.0)	9.0	-	-	-	-	1.2	
Impairment of Assets	180.2		-	(180.2)	-	-	-	-	-	-	(0.0)	
Total Operating Expense	1,224.4	**26.7%**	(50.7)	(180.2)	(5.0)	9.0	(43.4)	(89.1)	-	(2.7)	862.3	**18.8%**
Total Operating Profit (loss)	(325.6)	-7.1%	79.2	180.2	5.0	(9.0)	47.2	113.4	74.5	(2.6)	162.3	3.5%

 Note: Differences may occur due to rounding.

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

	2019 (GAAP)	% of Net Sales	Restructuring and DN Now transformation expenses	Impairment	Legal / deal expense	Divestitures and fixed asset sale	Acq. integration	Wincor Nixdorf purchase accounting adjustments	Inventory gain / charge	Other non-routine inc/exp	2019 (Non-GAAP)	% of Net Sales
Services	2,230.5	50.6%	-	-	-	-	-	-	-	-	2,230.5	50.6%
Products	1,709.6	38.8%	-	-	-	-	-	-	-	-	1,709.6	38.8%
Software	468.6	10.6%	-	-	-	-	-	-	-	-	468.6	10.6%
Total Revenue	**4,408.7**	**100.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,408.7**	**100.0%**
Services	567.1	25.4%	4.2	-	-	-	-	-	15.7	3.4	590.5	26.5%
Products	356.4	20.8%	1.8	-	-	-	-	6.3	(2.9)	1.9	363.4	21.3%
Software	143.7	30.7%	3.6	-	-	-	-	7.1	-	0.7	155.1	33.1%
Total Gross Profit	1,067.1	24.2%	9.6	-	-	-	-	13.3	12.8	6.1	1,109.0	25.2%
Operating Expenses												
Selling, G & A	908.9		(102.0)	-	(20.6)	-	(1.4)	(80.0)	-	(7.5)	697.5	
R , D & E	147.1		(3.0)	-	-	-	-	-	-	(1.8)	142.3	
(Gain)/Loss on Assets	7.6		(0.1)	-	-	(6.2)	-	-	-	-	1.2	
Impairment of Assets	30.2		-	(30.1)	-	-	-	-	-	-	0	
Total Operating Expense	1,093.7	**24.8%**	(105.2)	(30.1)	(20.6)	(6.2)	(1.4)	(80.0)	-	(9.2)	841.0	**19.1%**
Total Operating Profit (loss)	(26.6)	-0.6%	114.8	30.1	20.6	6.2	1.4	93.3	12.8	15.3	267.9	6.1%

 Note: Differences may occur due to rounding.

Gross Profit and Operating Profit – Segment View

Reconciliation GAAP to non-GAAP ($Millions)

Total Gross Profit and Gross Margin

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	2018	Q1-19	Q2-19	Q3-19	Q4-19	2019
Total Revenue (GAAP)	$1,064	$1,106	$1,119	$1,290	$4,579	$1,028	$1,150	$1,079	$1,152	$4,409
Total Gross Profit (GAAP)	$240	$220	$229	$210	$899	$246	$279	$271	$270	$1,067
Restructuring and DN Now Transformation Expenses	3	(1)	9	18	29	2	3	2	3	10
Non-Routine Expenses	7	10	9	72	97	(0)	1	2	29	32
Total Gross Profit (non-GAAP)	$250	$229	$246	$300	$1,025	$247	$283	$276	$303	$1,109
non-GAAP Gross Profit % GAAP Revenue	23.4%	20.7%	22.0%	23.3%	22.4%	24.1%	24.6%	25.5%	26.3%	25.2%

Services Gross Profit and Gross Margin

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	2018	Q1-19	Q2-19	Q3-19	Q4-19	2019
Services Revenue (GAAP)	$592	$594	$584	$607	$2,376	$544	$566	$552	$568	$2,231
Services Gross Profit (GAAP)	$134	$123	$132	$113	$503	$133	$144	$147	$142	$567
Restructuring and DN Now Transformation Expenses	2	(0)	4	10	15	1	1	1	1	4
Non-Routine Expenses	2	2	1	28	33	(0)	2	(0)	17	19
Services Gross Profit (non-GAAP)	$138	$125	$137	$151	$551	$135	$147	$148	$160	$590
non-GAAP Gross Profit % GAAP Revenue	23.3%	21.1%	23.4%	25.0%	23.2%	24.7%	26.0%	26.9%	28.2%	26.5%

Operating Profit – Segment View

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	2018	Q1-19	Q2-19	Q3-19	Q4-19	2019
Eurasia Banking	20	18	44	68	150	34	39	42	55	169
Americas Banking	5	(3)	2	14	17	18	33	29	40	120
Retail	10	6	18	13	47	8	16	13	21	58
Total Operational Segments	$35	$20	$64	$95	$214	$60	$87	$84	$116	$347
Corporate	(17)	(15)	(8)	(12)	(52)	(33)	(13)	(17)	(16)	(79)
Restructuring and DN Now Transformation Expenses	(4)	(2)	(41)	(32)	(79)	(15)	(28)	(20)	(51)	(115)
Non-Routine Expenses	(37)	(117)	(151)	(103)	(409)	(36)	(38)	(23)	(82)	(180)
Total Diebold Nixdorf (GAAP)	($24)	($114)	($135)	($52)	($326)	($24)	$7	$23	($33)	($27)

Note: Differences may occur due to rounding.

SG&A Expense

Reconciliation GAAP to non-GAAP ($Millions)

$Millions	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
Revenue (GAAP)	$1,103	$1,134	$1,123	$1,250	$1,064	$1,106	$1,119	$1,290	$1,028	$1,150	$1,079	$1,152
Total SG&A (GAAP)	$247	$237	$209	$241	$230	$222	$218	$224	$230	$224	$220	$235
Restructuring and DN Now Transformation Expenses	8	2	3	8	1	3	31	12.19	14	26	18	45
Non-Routine Expenses	49	40	44	43	38	36	33	32	33	26	30	20
Total Restructuring, DN Now Transformation & Non-Routine Expenses	58	42	46	51	40	39	64	44	47	52	47	65
Total SG&A (non-GAAP)	$189	$195	$163	$190	$190	$183	$154	$180	$184	$172	$173	$169
non-GAAP SG&A % GAAP Revenue	17.2%	17.2%	14.5%	15.2%	17.9%	16.5%	13.8%	13.9%	17.9%	14.9%	16.0%	14.7%

Trailing 12-month Reconciliation

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
Revenue (GAAP)	$4,571	$4,542	$4,539	$4,579	$4,543	$4,587	$4,547	$4,409
Total SG&A (GAAP)	$917	$901	$911	$894	$894	$896	$898	$909
Restructuring and DN Now Transformation Expenses	14	15	43	48	60	83	69	102
Non-Routine Expenses	165	161	150	139	134	124	121	109
Total Restructuring, DN Now Transformation & Non-Routine Expenses	179	176	194	187	194	207	190	211
Total SG&A (non-GAAP)	$738	$726	$717	$707	$700	$690	$708	$697
non-GAAP SG&A % GAAP Revenue	16.1%	16.0%	15.8%	15.4%	15.4%	15.0%	15.6%	15.8%

Note: Differences may occur due to rounding

Adjusted EBITDA

Reconciliation GAAP to non-GAAP ($Millions)

$Millions	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
Revenue (GAAP)	**$1,103**	**$1,134**	**$1,123**	**$1,250**	**$1,064**	**$1,106**	**$1,119**	**$1,290**	**$1,028**	**$1,150**	**$1,079**	**$1,152**
Net income (loss)	**($55)**	**($24)**	**($33)**	**($103)**	**($66)**	**($116)**	**($220)**	**($128)**	**($132)**	**($55)**	**($35)**	**($123)**
Income tax (benefit) expense	(23)	(37)	(1)	89	19	(30)	45	3	60	9	5	42
Interest income	(6)	(5)	(4)	(5)	(4)	(2)	(2)	(1)	(3)	(2)	(2)	(2)
Interest expense	31	32	28	27	26	28	45	55	51	50	52	50
Depreciation & amortization[1]	56	55	66	64	62	58	58	57	53	52	49	49
EBITDA	**$3**	**$22**	**$56**	**$73**	**$38**	**($61)**	**($74)**	**($14)**	**$30**	**$54**	**$70**	**$16**
Share-based compensation	7	8	8	11	14	7	7	9	9	5	5	5
Foreign exchange gain (loss), net	3	5	(3)	(1)	1	3	(2)	0	(3)	5	2	1
Miscellaneous, net	(2)	0	1	(0)	0	3	2	(0)	1	0	1	1
Equity in earnings (loss) of unconsolidated subsidiaries, net	0	(2)	0	(7)	(1)	(1)	(3)	18	0	0	(1)	(1)
Restructuring and DN Now Transformation Expenses	13	14	17	5	4	2	41	32	15	28	20	51
Non-routine expenses, net[2]	47	23	41	24	6	88	123	78	12	14	0	58
Adjusted EBITDA	**$72**	**$70**	**$121**	**$105**	**$62**	**$41**	**$93**	**$124**	**$65**	**$107**	**$98**	**$131**
Adjusted EBITDA % GAAP revenue	6.5%	6.2%	10.8%	8.4%	5.8%	3.7%	8.3%	9.6%	6.3%	9.3%	9.1%	11.4%

Trailing 12-month Reconciliation

$Millions	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
Revenue (GAAP)	**$4,571**	**$4,542**	**$4,539**	**$4,579**	**$4,543**	**$4,587**	**$4,547**	**$4,409**
Net income (loss)	**($225)**	**($317)**	**($504)**	**($529)**	**($595)**	**($534)**	**($350)**	**($345)**
Income tax (benefit) expense	71	77	123	37	78	117	77	117
Interest income	(17)	(14)	(12)	(9)	(8)	(8)	(8)	(9)
Interest expense	113	109	126	155	180	201	209	203
Depreciation & amortization[1]	248	251	242	234	226	220	212	204
EBITDA	**$188**	**$106**	**($24)**	**($111)**	**($119)**	**($4)**	**$140**	**$170**
Share-based compensation	41	39	38	37	32	30	29	24
Foreign exchange gain (loss), net	2	1	2	2	(2)	0	4	5
Miscellaneous, net	1	4	4	4	5	3	3	4
Equity in earnings (loss) of unconsolidated subsidiaries, net	(10)	(9)	(12)	13	15	16	18	(1)
Restructuring and DN Now Transformation Expenses	40	28	52	79	91	117	96	115
Non-routine expenses, net[2]	95	159	241	295	301	227	104	85
Adjusted EBITDA	**$358**	**$329**	**$301**	**$320**	**$323**	**$389**	**$394**	**$401**
Adjusted EBITDA % GAAP revenue	7.8%	7.2%	6.6%	7.0%	7.1%	8.5%	8.7%	9.1%

Adjusted EBITDA outlook for 2020 of $430 million - $470 million

With respect to the company's non-GAAP adjusted EBITDA outlook for 2020, 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.

Free Cash Flow and Net Debt Reconciliations
($Millions)

	1Q-17	2Q-17	3Q-17	4Q-17	2017	1Q-18	2Q-18	3Q-18	4Q-18	2018	1Q-19	2Q-19	3Q-19	4Q19	2019	2020 Outlook
Net cash provided by (used in) operating activities - continuing	($66)	($119)	($50)	$272	$37	($142)	($114)	($115)	$268	($104)	($57)	($11)	$75	$128	$136	~$170 - ~190
Capital expenditures - continuing	(12)	(14)	(15)	(28)	(69)	(20)	(10)	(10)	(18)	(59)	(15)	(6)	(10)	(13)	(43)	~(70)
Free cash flow (use) (non-GAAP measure)	**($78)**	**($134)**	**($65)**	**$245**	**($32)**	**($163)**	**($125)**	**($125)**	**$250**	**($163)**	**($72)**	**($16)**	**$65**	**$116**	**$93**	**$100 - $130M**
Add Back: Cash Interest Expense	(20)	(37)	(16)	(34)	(107)	(15)	(34)	(18)	(56)	(123)	(40)	(54)	(37)	(52)	(183)	
Unlevered Free cash flow (use) (non-GAAP measure)	**($58)**	**($97)**	**($49)**	**$278**	**$75**	**($148)**	**($91)**	**($107)**	**$306**	**($40)**	**($32)**	**$38**	**$102**	**$168**	**$275**	

Trailing 12-month Reconciliation

	1Q-18	2Q-18	3Q-18	4Q-18	1Q-19	2Q-19	3Q-19	4Q-19
Net cash provided by (used in) operating activities - continuing	($39)	($34)	($100)	($104)	($19)	$85	$275	$136
Capital expenditures - continuing	(78)	(74)	(68)	(59)	(53)	(48)	(48)	($43)
Free cash flow (use) (non-GAAP measure)	**($117)**	**($108)**	**($168)**	**($163)**	**($72)**	**$37**	**$227**	**$93**
Add Back: GAAP P&L Interest Expense	(101)	(98)	(101)	(123)	(148)	(168)	(186)	(183)
Unlevered Free cash flow (use) (non-GAAP measure)	**($15)**	**($9)**	**($67)**	**($40)**	**$76**	**$205**	**$413**	**$275**

Net Debt Reconciliation

$Millions	12/31/2019	12/31/2018
Cash, cash equivalents, restricted cash and short term investments (GAAP measure)	291	492
Cash included in assets held for sale	97	7
Debt instruments	(2,141)	(2,240)
Net debt (non-GAAP measure)	**($1,753)**	**($1,740)**