

**Diebold Nixdorf, Incorporated**  
**North Canton, Ohio, United States of America**

**Public Disclosure of Inside Information pursuant to Article 17 MAR**

**Diebold Nixdorf Reports 2018 Second Quarter Financial Results and Revises Outlook**

**August 1, 2018 - North Canton, Ohio, United States of America** - Diebold Nixdorf, Incorporated (the "Company") today reported its second quarter 2018 financial results and announced it is adjusting its full-year financial outlook for 2018.

The Company recorded revenues of approximately \$1.1 billion in the second quarter 2018, a decrease of around 2.5% on an as-reported basis. GAAP loss per share at the end of the period was \$(1.82), inclusive of a \$1.18 non-cash goodwill impairment, or \$(0.21) on a non-GAAP basis. GAAP operating loss amounted to \$(131.5) million in the second quarter 2018, or (11.9)% operating margin loss, non-GAAP operating profit was \$5.9 million, or 0.5% operating margin. Net cash used by operating activities was \$114.3 million, a decrease in use of \$5.1 million from the prior-year period; free cash use was \$124.7 million, a decrease in use of \$9.0 million from the prior-year period and cash and cash equivalents at the end of the period stood at \$299.0 million, down from \$451.3 million in the prior-year period.

Based on a backlog position that is nearly the same as last year the Company expects full-year revenue of approximately \$4.5 billion for 2018. Due to higher-than-expected service and delivery costs coupled with its revenue outlook, the Company now expects lower adjusted EBITDA for 2018 in the range of \$280 million to \$320 million. Full-year net loss is now expected to be in the range of \$(365) million to \$(325) million (previous guidance: net loss of \$(95) million to \$(75) million).

While the Company is currently in compliance with its debt covenants, the Company aims to amend the Company's credit agreement with its lenders as a result of its revised financial outlook.

As previously disclosed, during the second quarter the Company began implementing a plan called 'DN Now' which is aimed at delivering greater, more sustainable profitability and includes the implementation of a new, customer-centric operating model with targeted savings of around \$100 million as well as divestitures of non-core businesses amounting to approximately 5 to 10 percent of total revenue, with the expectation of using the proceeds to reduce debt.

**Financial Results of Operations and Segments**

Due to the implementation of a new operating model, the Company has changed its reportable operating segments to Eurasia Banking, Americas Banking, and Retail. This change is effective for the period ending June 30, 2018.

Revenue Summary by Reportable Segments – Unaudited

*Three months ended June 30, 2018 compared to June 30, 2017*

(Dollars in millions)

	Three Months Ended		% Change	% Change in CC <sup>(1)</sup>
	June 30,			
	2018	2017		
Segments Eurasia				
Banking				
Services and software	\$ 285.0	\$ 281.4	1.3	(3.6)

Products	152.5	192.1	(20.6)	(23.4)
<b>Total Eurasia Banking</b>	<b>437.5</b>	<b>473.5</b>	<b>(7.6)</b>	<b>(11.6)</b>
<b>Americas Banking</b>				
Services and software	269.0	259.6	3.6	4.7
Products	101.6	110.8	(8.3)	(5.9)
<b>Total Americas Banking</b>	<b>370.6</b>	<b>370.4</b>	<b>0.1</b>	<b>1.6</b>
<b>Retail</b>				
Services and software	162.3	146.9	10.5	4.4
Products	135.2	143.1	(5.5)	(10.6)
<b>Total Retail</b>	<b>297.5</b>	<b>290.0</b>	<b>2.6</b>	<b>(3.0)</b>
<b>Total net sales</b>	<b>\$ 1,105.6</b>	<b>\$ 1,133.9</b>	<b>(2.5)</b>	<b>(5.2)</b>

### Six months ended June 30, 2018 compared to June 30, 2017

(Dollars in millions)

	Six Months Ended		% Change	% Change in CC <sup>(1)</sup>
	June 30,			
	2018	2017		
<b>Segments Eurasia</b>				
<b>Banking</b>				
Services and software	\$ 572.9	\$ 552.0	3.8	(4.3)
Products	299.7	359.5	(16.6)	(22.4)
<b>Total Eurasia Banking</b>	<b>872.6</b>	<b>911.5</b>	<b>(4.3)</b>	<b>(11.4)</b>
<b>Americas Banking</b>				
Services and software	530.0	535.1	(1.0)	(0.5)
Products	174.3	216.9	(19.6)	(18.5)
<b>Total Americas Banking</b>	<b>704.3</b>	<b>752.0</b>	<b>(6.3)</b>	<b>(5.6)</b>
<b>Retail</b>				
Services and software	325.1	284.4	14.3	4.7
Products	267.8	288.8	(7.3)	(15.3)
<b>Total Retail</b>	<b>592.9</b>	<b>573.2</b>	<b>3.4</b>	<b>(5.4)</b>
<b>Total net sales</b>	<b>\$ 2,169.8</b>	<b>\$ 2,236.7</b>	<b>(3.0)</b>	<b>(8.0)</b>

<sup>(1)</sup> - The Company calculates constant currency by translating the prior-year period results at the current year exchange rate.

### Full-year 2018 outlook<sup>(1)</sup>

	Previous guidance	Current guidance
<b>Total Revenue</b>	<b>\$4.5B - \$4.7B</b>	<b>~\$4.5B</b>
<b>Net Income (Loss)</b>	<b>\$(95 million) - \$(75 million)</b>	<b>\$(365 million) - \$(325 million)</b>
<b>Adjusted EBITDA</b>	<b>\$380 million - \$410 million</b>	<b>\$280 million - \$320 million</b>

<sup>(1)</sup> - With respect to the Company's non-GAAP adjusted EBITDA outlook for 2018, it is not providing 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, net non-routine items, acquisition, divestiture and integration-related expenses, purchase accounting fair value adjustments and impairment. 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.

### **Non-GAAP Financial Measures and Other Information**

To supplement its condensed consolidated financial statements presented in accordance with GAAP, the Company considers certain financial measures that are not prepared in accordance with GAAP, including non-GAAP results, adjusted diluted earnings per share, free cash flow/(use), net debt, EBITDA, adjusted EBITDA 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 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. We provide EBITDA and Adjusted EBITDA because the Company 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 the Company's ability to meet its future debt service, capital expenditures, and working capital requirements. The Company is also providing EBITDA and adjusted EBITDA in light of its credit agreement and the issuance of its 8.5% senior notes due 2024.

North Canton, August 1, 2018

Diebold Nixdorf, Incorporated

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### **Forward-Looking Statements**

This ad hoc release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated adjusted revenue growth, adjusted internal revenue growth, adjusted diluted earnings per share, and adjusted earnings per share growth. Statements can generally be identified as forward-looking because they include words such as "believes", "anticipates", "expects", "could", "should" or words of similar meaning. Statements that describe the Company's future plans, objectives or goals are also forward-looking statements. Forward-looking statements are subject to assumptions, risks and uncertainties that may cause actual results to differ materially from those contemplated by such forward-looking statements. The factors that may affect the

Company's results include, among others: the 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 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; 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 impact of the Company's strategic initiatives, including DN Now; the Company's success in divesting, reorganizing or exiting non-core businesses; 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 ad hoc release.