



# Investor Slides

July & August 2017

**DIEBOLD**  

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**NIXDORF**

# Use of Non-GAAP Financial Information

Diebold Nixdorf has included non-GAAP financial measures in this presentation to supplement the Company's condensed consolidated financial statements presented on a GAAP basis. Definitions of these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included elsewhere in this presentation.

The Company's management uses non-GAAP and unaudited pro forma service, systems, software and total gross margins, non-GAAP operating expense, non-GAAP operating profit, non-GAAP tax rate, non-GAAP net earnings, and non-GAAP diluted earnings per share, and excludes gains, losses or other charges that are considered by Diebold Nixdorf's management to be outside of the Company's core business segment operating results. EBITDA and adjusted EBITDA are key measures used to evaluate our operational performance. In addition for revenue and adjusted EBITDA, we have provided pro forma comparisons for 2016 to facilitate comparisons with future periods. Net debt and free cash flow are liquidity measures that provide useful information to management about the amount of cash available for investment in Diebold Nixdorf's businesses, funding strategic acquisitions, repurchasing stock and other purposes.

These non-GAAP and pro forma financial measures may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of Diebold Nixdorf's results as reported under GAAP. Items such as impairment of goodwill and intangible assets, though not directly affecting the Company's cash position, represent the loss in value of goodwill and intangible assets over time. The impairment expense associated with this loss in value is not included in non-GAAP operating profit, non-GAAP net earnings, non-GAAP diluted earnings per share and therefore does not reflect the full economic effect of the loss in value of those goodwill and intangible assets. In addition, items such as restructuring charges and non-routine expenses that are excluded from non-GAAP gross profit, non-GAAP operating expense, non-GAAP operating profit, non-GAAP net earnings, and non-GAAP diluted earnings per share can have a material impact on cash flows and earnings per share. In addition, free cash flow does not represent the total increase or decrease in the cash balance for the period. The non-GAAP financial information that we provide also may differ from the non-GAAP information provided by other companies.

We compensate for the limitations on our use of these non-GAAP financial measures by relying primarily on our GAAP financial statements and using non-GAAP financial measures only supplementally. We also provide robust and detailed reconciliations of each non-GAAP financial measure to the most directly comparable GAAP measure, and we encourage investors to review carefully those reconciliations.

We believe that providing these non-GAAP financial measures in addition to the related GAAP measures provides investors with greater transparency to the information used by the Company's management in its financial and operational decision-making and allows investors to see the Company's results "through the eyes" of management. We further believe that providing this information better enables investors to understand the Company's operating performance and to evaluate the efficacy of the methodology and information used by management to evaluate and measure such performance.

# Forward-looking Statements

In this presentation, statements that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. These forward-looking statements relate to, among other things, the company’s future operating performance, the company’s share of new and existing markets, the company’s short- and long-term revenue and earnings growth rates, and the company’s implementation of cost-reduction initiatives and measures to improve pricing, including the optimization of the company’s manufacturing capacity.

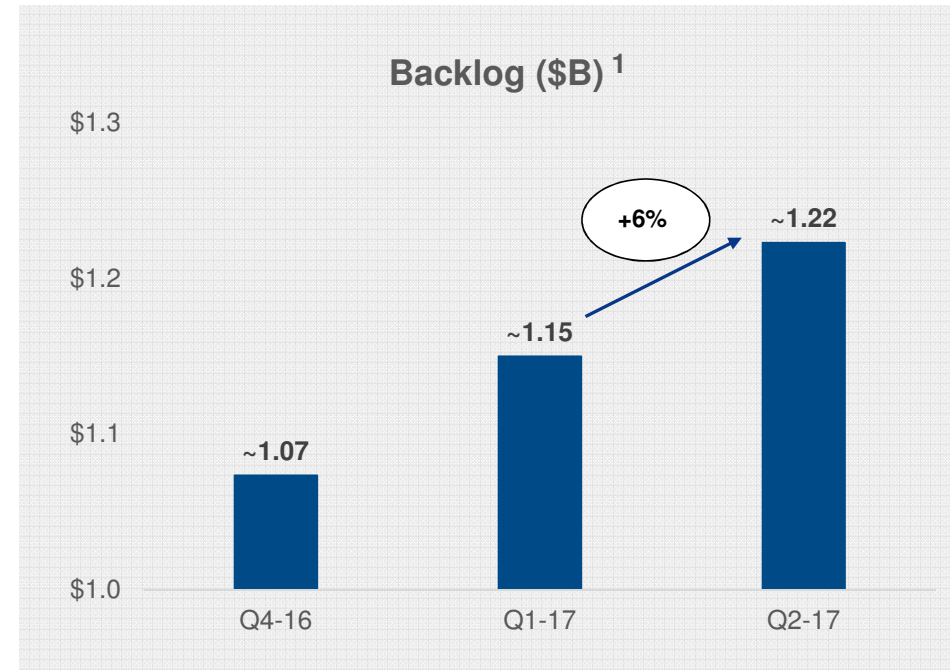
The use of the words “will,” “believes,” “anticipates,” “expects,” “intends” and similar expressions is intended to identify forward-looking statements that have been made and may in the future be made by or on behalf of the company. Although the company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, the economy, its knowledge of its business, and on key performance indicators that impact the company, these forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements. The company is not obligated to update forward-looking statements, whether as a result of new information, future events or otherwise.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Some of the risks, uncertainties & other factors that could cause actual results to differ materially from those expressed in or implied by the forward-looking statements include, but are not limited to:

- The finalization of the company’s financial statements for the three and six months ended June 30, 2017;
- the ultimate impact of the domination and profit and loss transfer agreement with Diebold Nixdorf AG; and the outcome of the appraisal proceedings initiated in connection with the implementation of the DPTLA;
- the ultimate outcome of the company’s pricing, operating and tax strategies applied to Diebold Nixdorf AG and the ultimate ability to realize synergies;
- the company’s ability to successfully launch and operate its joint ventures in China with the Inspur Group and Aisino Corp.;
- the impact of market and economic conditions on the financial services industry;
- 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 its DN2020 program;
- and other factors included in the company’s filings with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2016 and in other documents that the company files with the SEC

# Sequential growth in Q2-17 orders and backlog

- Delivered 4% sequential order growth
- Book-to-bill was >1X
- Strength in Americas
- Key wins included:
  - ✓ \$75 million contract for a global refresh of >6,000 ATMs and a complete software suite in the Americas
  - ✓ \$20 million contract from a leading financial institution in Mexico to upgrade ATM network
  - ✓ Six large contracts for ~6,000 recycling units globally
  - ✓ New agreements for managed services, monitoring and ATM-as-a-service contracts
  - ✓ \$11 million systems contract with a leading retailer in Spain to upgrade its installed base of terminals and peripherals
- 6% sequential backlog growth to ~\$1.2 billion



Note 1) Backlog is defined as contractual orders for systems and software licenses expected to become revenue during the next 12 months.

## Revised 2017 outlook<sup>1</sup>

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### **Revised revenue to \$4.7 - \$4.8 billion**

- Pace of orders to date fell short of expectations
- Prolonged installation schedules are causing delays in backlog conversion
- Earlier than expected run-offs in multivendor service contracts

### **Revised adjusted EBITDA to \$360 - \$380 million**

- Impacted by lower revenue
- Higher costs in Services business due to complex timing issues
  - Lower-than-expected utilization of service technicians
  - Strategic investments to maintain competitive advantage
  - Higher industry wage inflation and attrition

Note 1) Revised outlook for 2017 was announced on July 5, 2017.

# 2017 action plans to solidify top-line and adjust cost structure



## Sales Transformation and Sales Excellence

- Upskilling team with emphasis on services and software
- New service contracts on installed base of ~5,000 ATMs
- Concentrated effort to sell cloud-based mobile platform, toolkits and apps

## Product Excellence

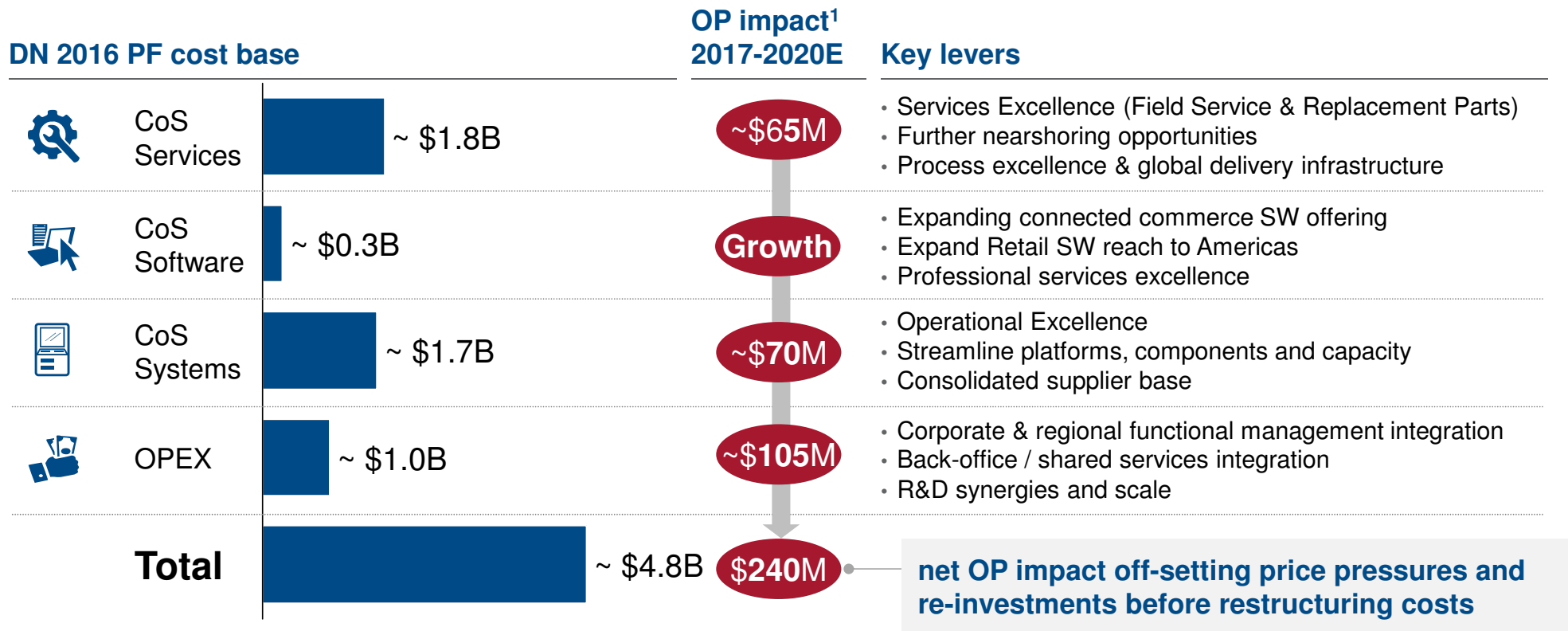
- Holistic quality initiative across all lines of business
- Renegotiated ~70% of direct spend
- Streamlined the Systems portfolio by <50% since combination

## Integration Progress

- Closing Hungary plant and Netherlands logistics center by year-end
- Closed ~200 redundant stocking centers; another 100 expected by year-end
- Field service integration nearly complete in ~70% of countries
- Headcount reductions of 600 YTD; ~300 more by year-end

## Continuing to Review our Portfolio of Businesses

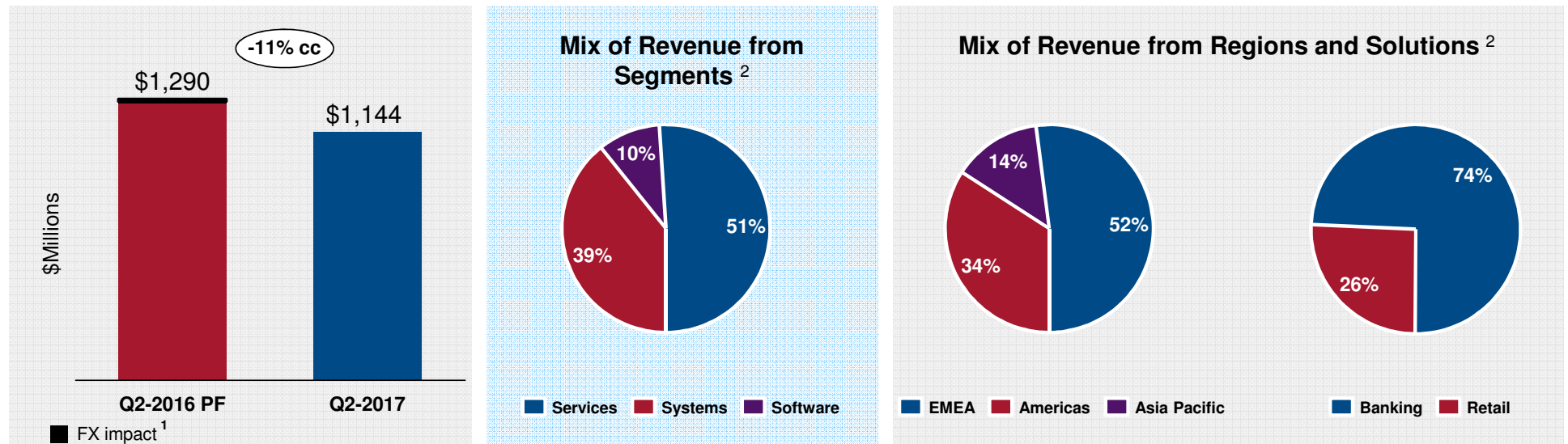
# Targeting \$240M OP impact by 2020 - broken down by cost type



Notes: 1) Gross savings significantly higher to compensate for price decrease and re-investments into growth

# Q2 Revenue YoY Variance and Mix

- Non-GAAP revenue decreased 11% in cc
- Decrease in banking Systems volume and Services
- Growth in retail Services and Software



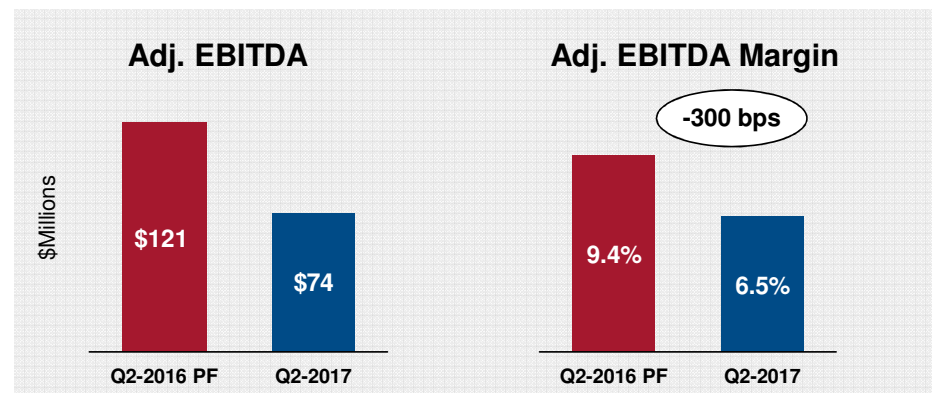
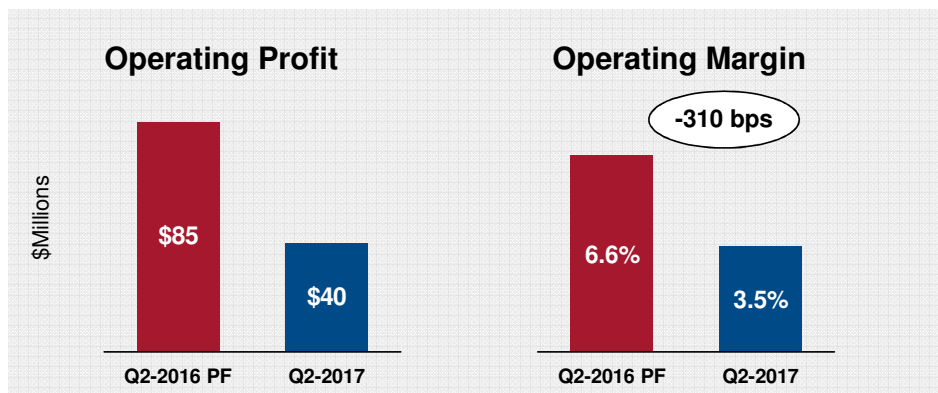
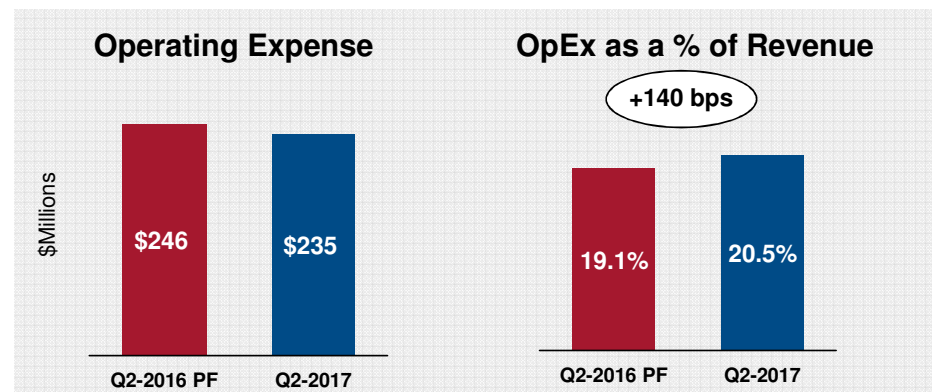
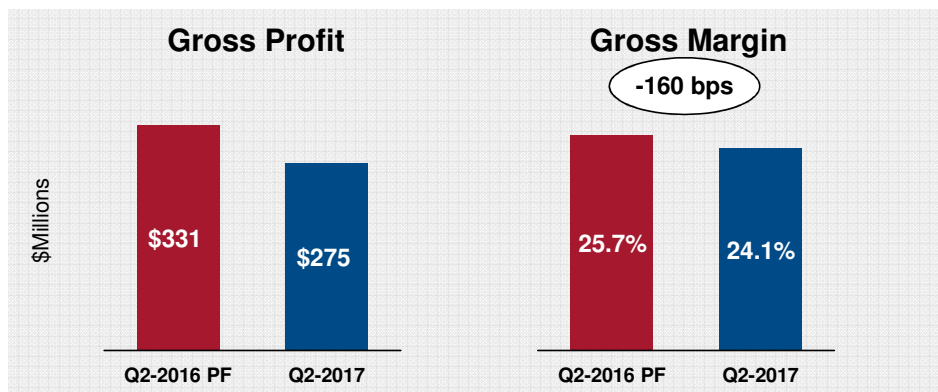
Note 1) Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.

Note 2) GAAP revenue for the three months ended June 30, 2017



# P&L Highlights for Q2-17

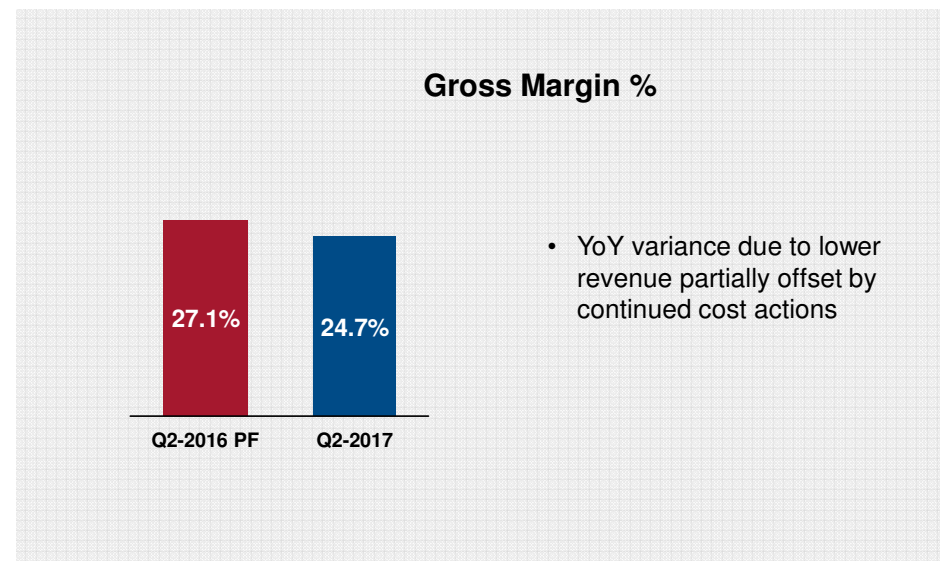
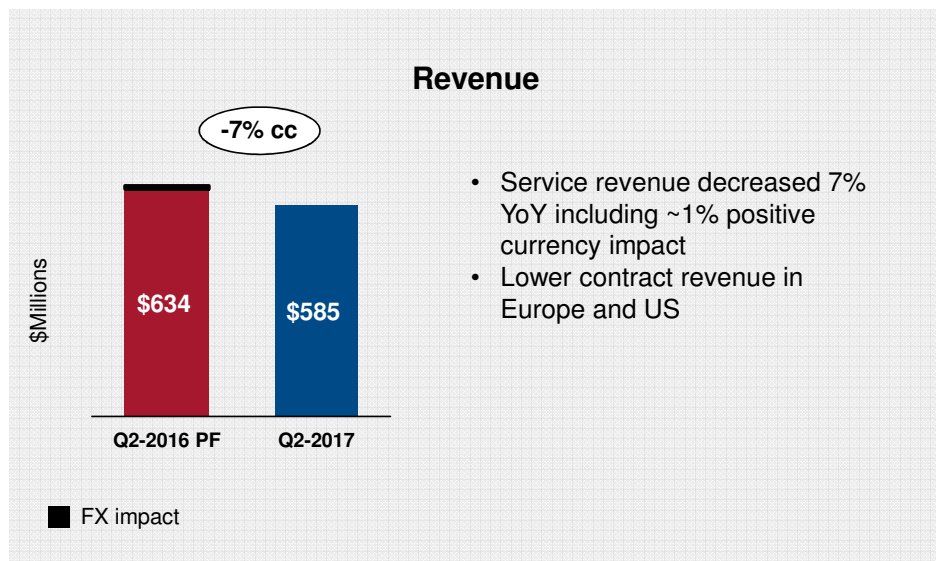
## non-GAAP



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# Services Highlights

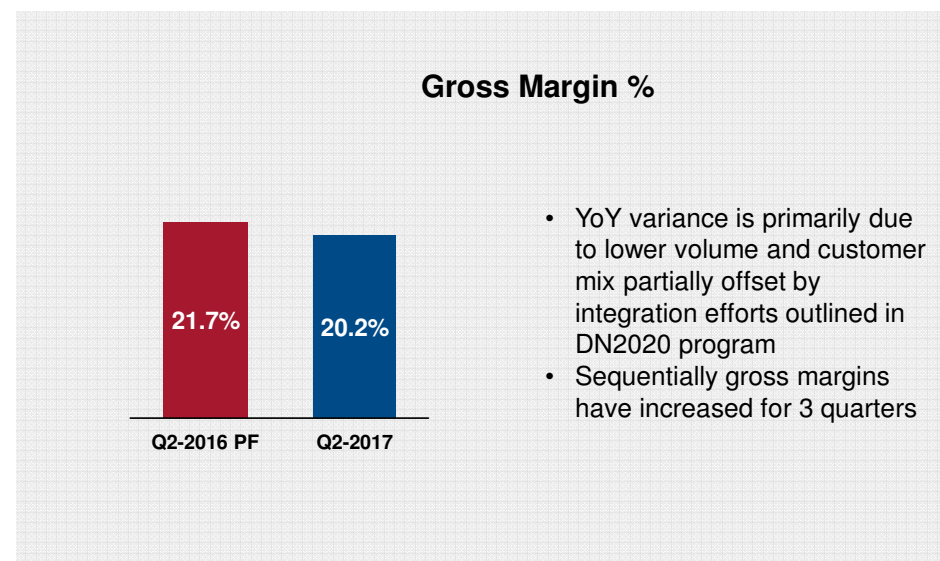
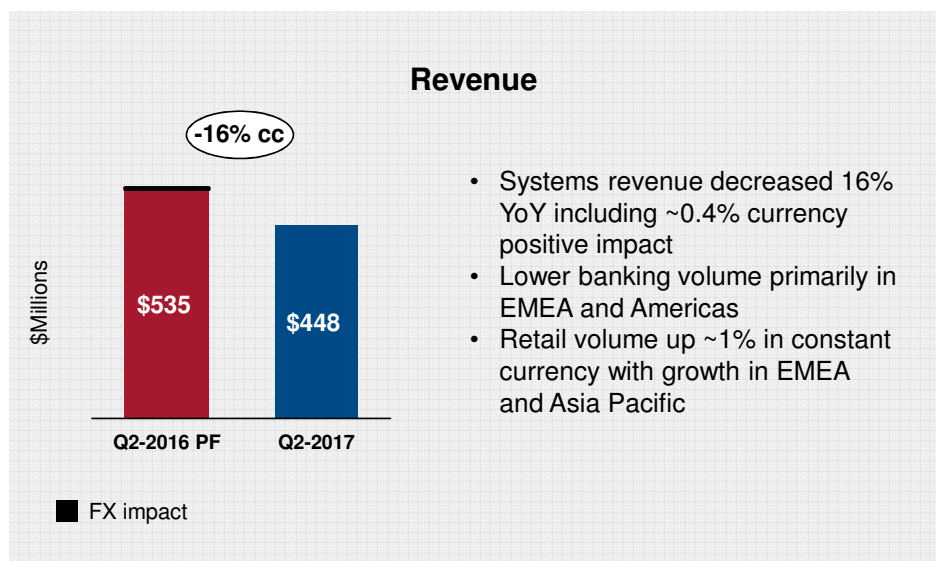
## non-GAAP



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# Systems Highlights

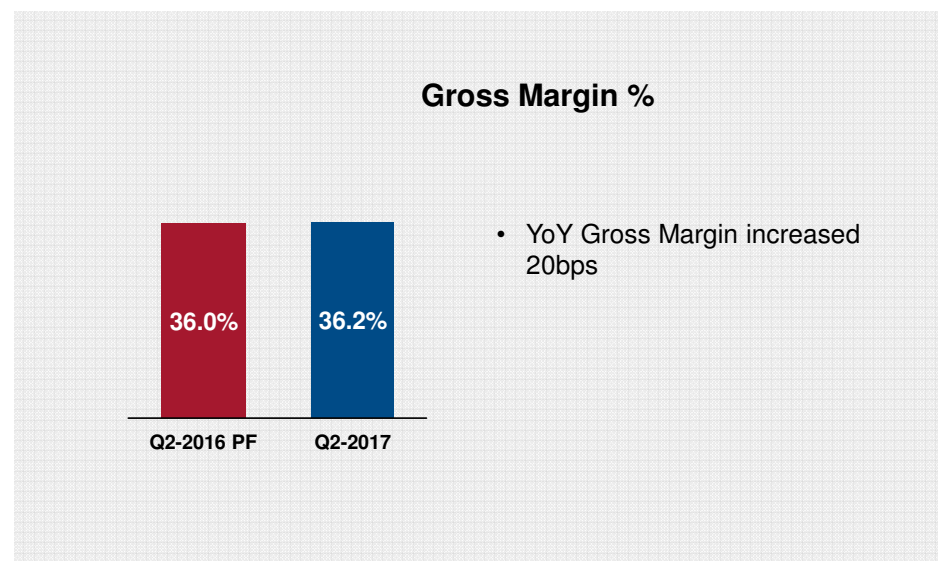
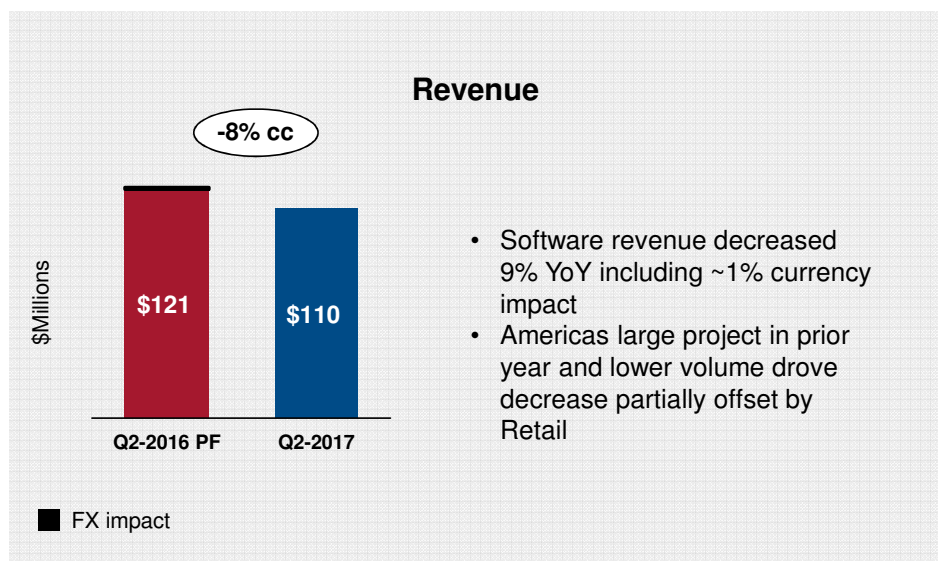
## non-GAAP



Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.

# Software Highlights

## non-GAAP



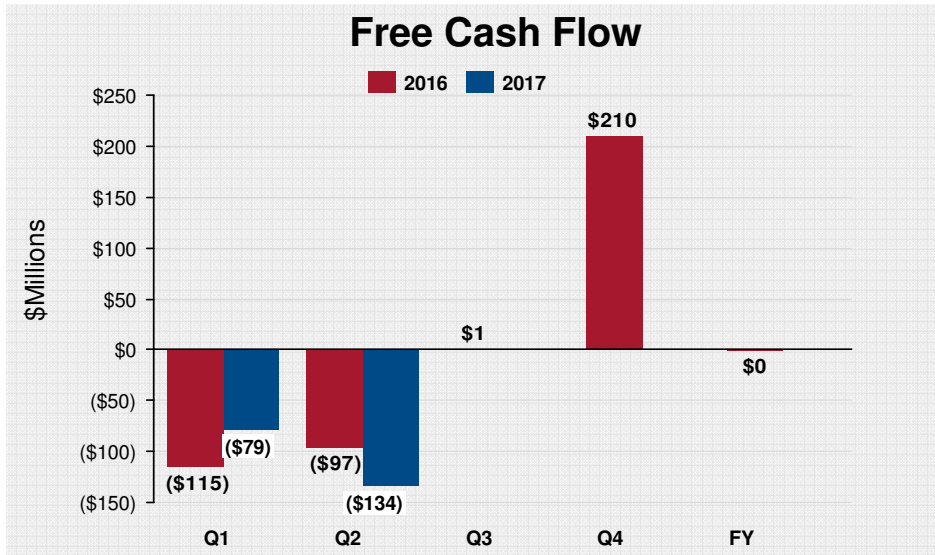
Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.

## EPS Reconciliation

	Q2 2016	Q2 2017	Q2 2016 YTD	Q2 2017 YTD
<b>Total diluted EPS from the income (loss) attributable to DN, net of tax (GAAP measure)</b>	<b>(\$0.33)</b>	<b>(\$0.41)</b>	<b>(\$0.02)</b>	<b>(\$1.19)</b>
<b>Restructuring</b>	<b>\$0.08</b>	<b>\$0.19</b>	<b>\$0.08</b>	<b>\$0.36</b>
Non-routine (income)/expense:				
Impairment	-	-	-	0.04
Legal / Acquisition and divestiture expense	0.64	0.02	0.91	0.26
Acquisition integration	0.01	0.29	0.01	0.46
Acquisition related hedging (income)/expense	0.36	-	(0.20)	-
Wincor Nixdorf purchase accounting adjustments	-	0.56	-	1.11
Other	-	(0.09)	0.02	(0.06)
<b>Total non-routine (income)/expense</b>	<b>\$1.01</b>	<b>\$0.78</b>	<b>\$0.74</b>	<b>\$1.81</b>
Tax impact (inclusive of allocation of discrete tax items)	(0.33)	(\$0.48)	(0.39)	(\$0.82)
<b>Total adjusted EPS (non-GAAP measure)</b>	<b>\$0.43</b>	<b>\$0.08</b>	<b>\$0.41</b>	<b>\$0.16</b>
Non-GAAP Tax Rate	17.6%	-2.7%	25.6%	18.4%
EPS (non-GAAP) - discontinued operations	\$0.00	\$0.00	(\$0.02)	\$0.00
EPS (non-GAAP) - including discontinued operations	\$0.43	\$0.08	\$0.39	\$0.16

Note: The restructuring and non-routine items EPS impact as shown are based on gross amounts without adjustment for taxes associated with these items. The cumulative tax EPS impact for restructuring and non-routine items is represented in the tax impact line.

# Free Cash Flow and Capital Structure



- Free cash use of \$134M during Q2-17
- \$37M YoY increased use of cash
  - Legacy Nixdorf stock options ~\$20M
  - Higher interest expense from acquisition borrowings

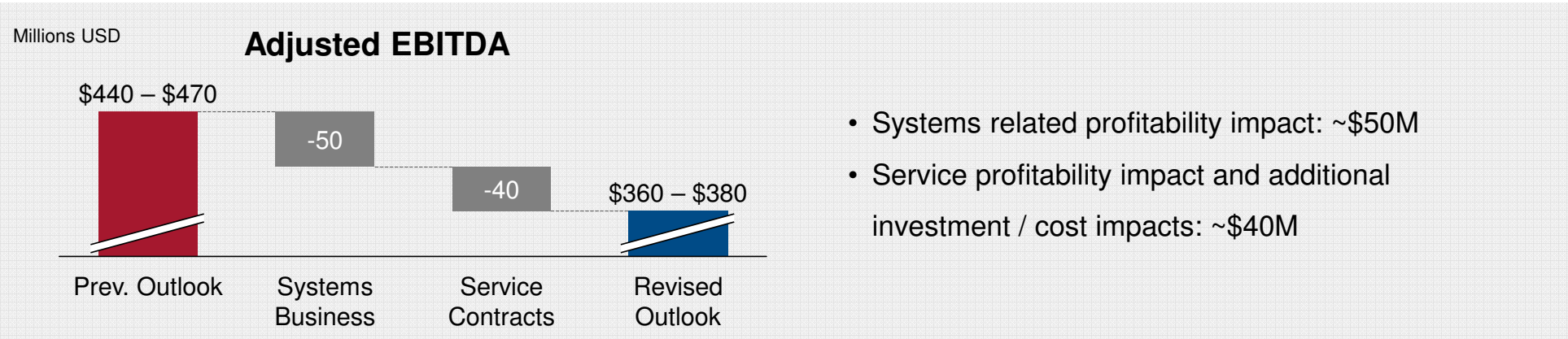
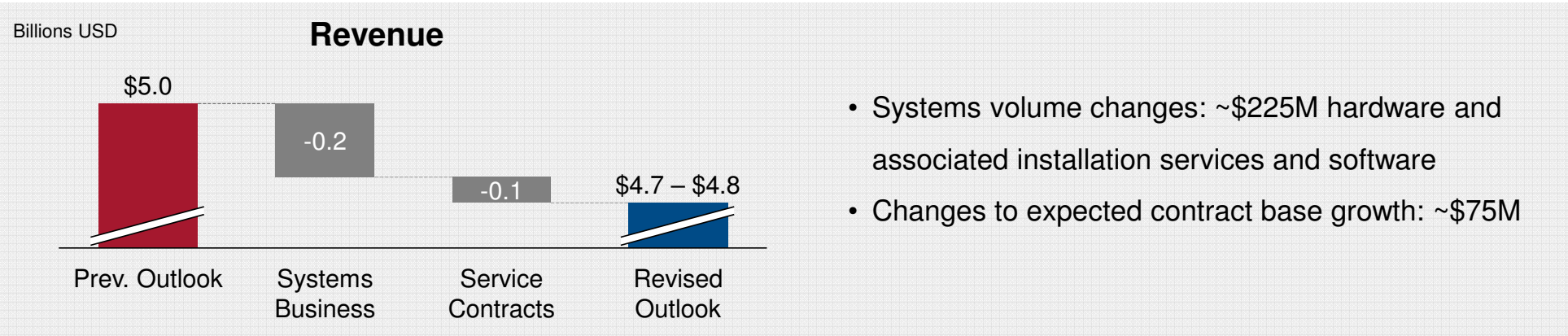
## Capital Structure

\$ Millions	Dec 31, 2016	Jun 30, 2017
Cash, cash equivalents & other investments (GAAP Measure)	\$717	\$528
Debt Instruments	(\$1,798)	(\$1,900)
Net Debt (non-GAAP measure)	(\$1,081)	(\$1,372)

- Term B loan repricing effective date of May 9th
- Expected to reduce interest expense ~\$5M per quarter with full benefit in Q3-17

Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.

# Change to 2017 Outlook



## 2017 Outlook

	<b>Current Guidance</b>
<b>Total revenue</b>	<b>~\$4.7B - \$4.8B</b>
<b>Net Income (Loss) attributable to DN</b>	<b>\$(125)M - \$(110)M</b>
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$360M - \$380M</b>
<b>EPS (GAAP)</b>	<b>\$(1.65) - \$(1.45)</b>
Restructuring	~\$0.85
Non-routine (income)/expense:	
Integration expense	~\$0.70
Legal, Acquisition, and Divestiture expense	~\$0.30
Impairment & Other Non-routine	~\$0.05
Wincor Nixdorf purchase price accounting	~\$1.90
Total non-routine (income)/expense	~\$2.95
Tax impact of restructuring and non-routine	~\$(1.20)
<b>EPS (non-GAAP)</b>	<b>\$0.95 - \$1.15</b>
<b>Non-GAAP effective tax rate <sup>1</sup></b>	<b>~30%</b>

Note: The company expects a non-GAAP effective tax rate of approximately 30% for the full year. With respect to the company's non-GAAP tax rate outlook for 2017, the company is not providing the most directly comparable GAAP financial measure and, with respect to the company's non-GAAP tax rate and adjusted EBITDA outlook for 2017, the company is not providing corresponding reconciliations 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 exclude the future impact of restructuring actions, net non-routine items, acquisition, divestiture and integration related expenses and purchase accounting fair value adjustments. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, our future period tax rate calculated and presented in accordance with GAAP. Please see "Use of Non-GAAP Financial Measures" for additional information regarding our use of non-GAAP financial measures.





# Supplemental Schedules

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**NIXDORF**

## Adjusted EBITDA Reconciliation GAAP to non-GAAP (\$Millions)

\$Millions			YTD	
	Q2-16PF	Q2 2017	Q2 2016 PF	Q2 2017
<b>Net income (loss)</b>	<b>\$10</b>	<b>(\$24)</b>	<b>\$209</b>	<b>(\$76)</b>
Income tax (benefit) expense	(3)	(36)	8	(59)
Interest income	(6)	(5)	(11)	(12)
Interest expense	24	32	36	63
Depreciation & amortization	32	58	62	117
<b>EBITDA</b>	<b>\$58</b>	<b>\$25</b>	<b>\$304</b>	<b>\$33</b>
Income from discontinued operations, net of tax	(0)	0	(148)	0
Share-based compensation	5	8	10	15
Foreign exchange loss, net	(1)	5	2	8
Miscellaneous, net	27	(2)	(19)	(3)
Restructuring expenses	8	14	11	27
Non-routine expenses, net	25	23	41	69
<b>Adjusted EBITDA</b>	<b>\$121</b>	<b>\$74</b>	<b>\$201</b>	<b>\$149</b>
Adjusted EBITDA % GAAP revenue	9.4%	6.5%	8.2%	6.7%

Note: The company presents Wincor Nixdorf pro forma Net Income from Continuing Operations for the period April 1<sup>st</sup> – June 30<sup>th</sup> 2016 and January 1<sup>st</sup> – June 30<sup>th</sup> of 2016 as reported under IFRS and converted into USD based on our monthly rates. Diebold Nixdorf pro forma reflects the non-GAAP financials of Diebold Nixdorf combined with the pre-acquisition IFRS revenue of Wincor Nixdorf. The company presents Wincor Nixdorf pro forma Adjusted EBITDA for the periods April 1<sup>st</sup> – June 30<sup>th</sup> 2016 and January 1<sup>st</sup> – June 30<sup>th</sup> of 2016 to facilitate future comparisons. Diebold Nixdorf pro forma reflects the Adjusted EBITDA of Diebold Nixdorf combined with the pre-acquisition Adjusted EBITDA of Wincor Nixdorf.

# Q2 2017 Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

	2017 (GAAP)	% of Net Sales	Restructuring	Legal / Deal Costs	Acq. Integration	PPA Def Rev / Amortization	Other non-routine inc/exp	2017 (non-GAAP)	% of Net Sales
Services	580.2	51.2%	-	-	-	5.1	-	585.4	51.2%
Software	107.7	9.5%	-	-	-	2.8	-	110.5	9.7%
Systems	446.0	39.3%	-	-	-	2.4	-	448.3	39.2%
<b>Total Revenue</b>	<b>1,133.9</b>	<b>100.0%</b>	-	-	-	<b>10.3</b>	-	<b>1,144.2</b>	<b>100.0%</b>
Services	126.1	21.7%	12.7	-	0.8	5.1	-	144.7	24.7%
Software	25.4	23.6%	(0.0)	-	-	14.6	-	40.0	36.2%
Systems	86.3	19.3%	0.9	(0.0)	0.3	2.8	0.2	90.5	20.2%
<b>Total Gross Profit</b>	<b>237.8</b>	<b>21.0%</b>	<b>13.6</b>	<b>(0.0)</b>	<b>1.1</b>	<b>22.6</b>	<b>0.2</b>	<b>275.3</b>	<b>24.1%</b>
Operating Expenses									
Selling, G & A	236.8		(2.5)	1.4	(21.0)	(20.2)	(0.0)	194.6	
R, D & E	38.8		1.6	0.2	-	-	-	40.6	
(Gain)/Loss on Assets	(7.7)		-	-	-	-	7.4	(0.3)	
Impairment of Assets	0.0		-	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>268.0</b>	<b>23.6%</b>	<b>(0.8)</b>	<b>1.5</b>	<b>(21.0)</b>	<b>(20.2)</b>	<b>7.4</b>	<b>234.8</b>	<b>20.5%</b>
<b>Total Operating Profit (loss)</b>	<b>(30.1)</b>	<b>-2.7%</b>	<b>14.4</b>	<b>(1.6)</b>	<b>22.1</b>	<b>42.8</b>	<b>(7.2)</b>	<b>40.4</b>	<b>3.5%</b>
Other income/(expense)	(29.8)		-	2.7	-	-	-	(27.0)	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(59.9)</b>	<b>-5.3%</b>	<b>14.4</b>	<b>1.2</b>	<b>22.1</b>	<b>42.8</b>	<b>(7.2)</b>	<b>13.4</b>	<b>1.2%</b>
Tax Rate	60.7%		0.2	0.6	0.4	0.3	-	1.5%	
Income Tax (expense) benefit	36.3		(2.8)	(0.7)	(7.8)	(12.8)	(12.4)	(0.2)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(23.6)</b>	<b>-2.1%</b>	<b>11.6</b>	<b>0.5</b>	<b>14.3</b>	<b>30.0</b>	<b>(19.7)</b>	<b>13.2</b>	<b>1.2%</b>
Income (loss) from Disc Ops, net of tax	-		-	-	-	-	-	-	
<b>Net Income (loss)</b>	<b>(23.6)</b>	<b>-2.1%</b>	<b>11.6</b>	<b>0.5</b>	<b>14.3</b>	<b>30.0</b>	<b>(19.7)</b>	<b>13.2</b>	<b>1.2%</b>
Noncontrol Interest, net of tax	(7.0)		-	-	-	-	-	(7.0)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>(30.6)</b>	<b>-2.7%</b>	<b>11.6</b>	<b>0.5</b>	<b>14.3</b>	<b>30.0</b>	<b>(19.7)</b>	<b>6.2</b>	<b>0.5%</b>
Tax Rate	54.6%							-2.7%	

# Q2 2016 Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

	2016 (GAAP)	% of Net Sales	Restructuring	Legal / Deal Costs	Acq. Integration	Gain on sale of NA Electr. Sec.	Acq. related hedging	Other non-routine inc/exp	Tax exp. on foreign cash	2016 (Non-GAAP)	% of Net Sales
Services	329.6	56.8%	-	-	-	-	-	-	-	329.6	56.8%
Software	30.6	5.3%	-	-	-	-	-	-	-	30.6	5.3%
Systems	219.8	37.9%	-	-	-	-	-	-	-	219.8	37.9%
<b>Total Revenue</b>	<b>580.0</b>	<b>100.0%</b>	-	-	-	-	-	-	-	<b>580.0</b>	<b>100.0%</b>
Services	110.0	33.4%	1.4	-	-	-	-	-	-	111.4	33.8%
Software	13.3	43.5%	0.1	-	-	-	-	-	-	13.4	43.7%
Systems	31.8	14.5%	-	-	-	-	-	0.3	-	32.1	14.6%
<b>Total Gross Profit</b>	<b>155.1</b>	<b>26.7%</b>	<b>1.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>156.9</b>	<b>27.1%</b>
Operating Expenses											
Selling, G & A	127.3		(3.7)	(17.3)	(0.5)	-	-	-	-	105.7	
R, D & E	17.6		(0.1)	-	-	-	-	-	-	17.5	
(Gain)/Loss on Assets	(0.1)		0.2	-	-	-	-	-	-	0.1	
Impairment of Assets	-		-	-	-	-	-	-	-	-	
<b>Total Operating Expense</b>	<b>144.8</b>	<b>25.0%</b>	<b>(3.6)</b>	<b>(17.3)</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123.3</b>	<b>21.3%</b>
<b>Total Operating Profit (loss)</b>	<b>10.3</b>	<b>1.8%</b>	<b>5.0</b>	<b>17.3</b>	<b>0.5</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>-</b>	<b>33.6</b>	<b>5.8%</b>
Other income/(expense)	(46.0)		-	24.6	-	-	23.7	-	-	2.2	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(35.7)</b>	<b>-6.2%</b>	<b>5.0</b>	<b>41.9</b>	<b>0.5</b>	<b>-</b>	<b>23.7</b>	<b>0.3</b>	<b>-</b>	<b>35.8</b>	<b>6.2%</b>
Tax Rate	41.8%		33.1%	38.1%	38.1%	0.0%	0.0%	0.0%	0.0%	18.0%	
Income Tax (expense) benefit	14.9		(1.7)	(16.0)	(0.2)	-	-	(3.5)	-	(6.4)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(20.8)</b>	<b>-3.6%</b>	<b>3.4</b>	<b>25.9</b>	<b>0.3</b>	<b>-</b>	<b>23.7</b>	<b>(3.2)</b>	<b>-</b>	<b>29.4</b>	<b>5.1%</b>
Income (loss) from Disc Ops, net of tax	0.5		-	-	-	(0.5)	-	-	-	(0.0)	
<b>Net Income (loss)</b>	<b>(20.3)</b>	<b>-3.5%</b>	<b>3.4</b>	<b>25.9</b>	<b>0.3</b>	<b>(0.5)</b>	<b>23.7</b>	<b>(3.2)</b>	<b>-</b>	<b>29.3</b>	<b>5.1%</b>
Noncontrol Interest, net of tax	(0.8)		-	-	-	-	-	-	-	(0.7)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>(21.1)</b>	<b>-3.6%</b>	<b>3.4</b>	<b>25.9</b>	<b>0.3</b>	<b>(0.5)</b>	<b>23.7</b>	<b>(3.2)</b>	<b>-</b>	<b>28.6</b>	<b>4.9%</b>
Tax Rate	41.4%									17.7%	

# Q2 2016 Pro Forma Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

Qtr 2 16 Pro-Forma Restated	Legacy Diebold (GAAP)	Legacy Nixdorf (IFRS)	2016 Pro Forma (GAAP)	% of Net Sales	Restructuring	Legal / Deal Costs	Acq. Integration	Gain on sale of NA Electr. Sec.	Acq. related hedging (inc)/exp	Tax - Discrete items	Other non-routine inc/exp	2016 Pro Forma (Non-GAAP)	% of Net Sales
Services	331.7	301.9	633.6	49.1%	-	-	-	-	-	-	-	633.6	49.1%
Software	30.6	90.4	121.0	9.4%	-	-	-	-	-	-	-	121.0	9.4%
Systems	217.7	317.3	535.0	41.5%	-	-	-	-	-	-	-	535.0	41.5%
<b>Total Revenue</b>	<b>580.0</b>	<b>709.6</b>	<b>1,289.6</b>	<b>100.0%</b>	-	-	-	-	-	-	-	<b>1,289.6</b>	<b>100.0%</b>
Services	110.2	59.9	170.1	26.8%	1.4	-	-	-	-	-	-	171.5	27.1%
Software	13.3	29.4	42.7	35.3%	0.9	-	-	-	-	-	-	43.6	36.0%
Systems	29.0	85.2	114.2	21.3%	0.2	1.1	-	-	-	-	0.3	115.8	21.7%
<b>Total Gross Profit</b>	<b>152.5</b>	<b>174.5</b>	<b>327.0</b>	<b>25.4%</b>	<b>2.5</b>	<b>1.1</b>	-	-	-	-	<b>0.3</b>	<b>330.9</b>	<b>25.7%</b>
<b>Operating Expenses</b>													
Selling, G & A	124.6	106.4	231.0		(5.4)	(22.8)	(0.5)	-	-	-	0.0	202.2	
R, D & E	17.6	26.7	44.4		(0.1)	(0.6)	-	-	-	-	-	43.7	
(Gain)/Loss on Assets	(0.1)	0.3	0.2		0.2	-	-	-	-	-	-	0.3	
Impairment of Assets	-	-	-		-	-	-	-	-	-	-	-	
<b>Total Operating Expense</b>	<b>142.1</b>	<b>133.4</b>	<b>275.6</b>	<b>21.4%</b>	<b>(5.3)</b>	<b>(23.4)</b>	<b>(0.5)</b>	-	-	-	<b>0.0</b>	<b>246.3</b>	<b>19.1%</b>
<b>Total Operating Profit (loss)</b>	<b>10.4</b>	<b>41.1</b>	<b>51.4</b>	<b>4.0%</b>	<b>7.8</b>	<b>24.5</b>	<b>0.5</b>	-	-	-	<b>0.3</b>	<b>84.6</b>	<b>6.6%</b>
Other income/(expense)	(46.2)	1.9	(44.3)		-	24.6	-	-	23.7	-	-	3.9	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(35.8)</b>	<b>43.0</b>	<b>7.1</b>	<b>0.6%</b>	<b>7.8</b>	<b>49.1</b>	<b>0.5</b>	-	<b>23.7</b>	-	<b>0.3</b>	<b>88.5</b>	<b>6.9%</b>
Tax Rate	41.8%	28.2%	-40.3%		32.0%	36.9%	38.1%	0.0%	0.0%	0.0%	0.0%	24.3%	
Income Tax (expense) benefit	15.0	(12.1)	2.9		(2.5)	(18.1)	(0.2)	-	-	(3.5)	(0.0)	(21.5)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(20.8)</b>	<b>30.8</b>	<b>10.0</b>	<b>0.8%</b>	<b>5.3</b>	<b>30.9</b>	<b>0.3</b>	-	<b>23.7</b>	<b>(3.5)</b>	<b>0.3</b>	<b>67.0</b>	<b>5.2%</b>
Income (loss) from Disc Ops, net of tax	(0.0)	-	(0.0)		-	-	-	-	-	-	-	(0.0)	
Income (loss) on Sale of Disc Ops, net of tax	0.5	-	0.5		-	-	-	(0.5)	-	-	-	-	
Income (loss) from Disc Ops, net of tax	0.4	-	0.4		-	-	-	(0.5)	-	-	-	(0.0)	
<b>Net Income (loss)</b>	<b>(20.4)</b>	<b>30.8</b>	<b>10.4</b>	<b>0.8%</b>	<b>5.3</b>	<b>30.9</b>	<b>0.3</b>	<b>(0.5)</b>	<b>23.7</b>	<b>(3.5)</b>	<b>0.3</b>	<b>67.0</b>	<b>5.2%</b>
Noncontrol Interest, net of tax	(0.7)	-	(0.7)		-	-	-	-	-	-	-	(0.7)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>(21.2)</b>	<b>30.8</b>	<b>9.7</b>	<b>0.7%</b>	<b>5.3</b>	<b>30.9</b>	<b>0.3</b>	<b>(0.5)</b>	<b>23.7</b>	<b>(3.5)</b>	<b>0.3</b>	<b>66.2</b>	<b>5.1%</b>
Tax Rate			-51.4%									24.3%	

Note: In the Legacy Diebold (GAAP) \$2.7M has been reclassified due to our new reporting segments from SG&A to the LOB Cost of Sales and \$2.1M of revenue has been reclassified between Services and Systems. Additionally, the results reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.

# Q2 YTD 2017 Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

	2017 (GAAP)	% of Net Sales	Restructuring	Impairment	Legal / Deal Costs	Acq. Integration	PPA Def Rev / Amortization	Other non-routine inc/exp	2017 (non-GAAP)	% of Net Sales
Services	1,153.4	51.6%	-	-	-	-	10.3	0.0	1,163.7	51.6%
Software	218.1	9.8%	-	-	-	-	2.8	-	220.9	9.8%
Systems	865.2	38.7%	-	-	-	-	7.6	0.0	872.8	38.7%
<b>Total Revenue</b>	<b>2,236.7</b>	<b>100.0%</b>	-	-	-	-	<b>20.7</b>	<b>0.0</b>	<b>2,257.4</b>	<b>100.0%</b>
Services	264.0	22.9%	15.9	-	-	1.0	10.3	0.0	291.3	25.0%
Software	65.6	30.1%	(0.3)	-	-	-	14.6	-	79.9	36.2%
Systems	150.6	17.4%	1.6	-	0.6	0.7	20.8	0.4	174.8	20.0%
<b>Total Gross Profit</b>	<b>480.2</b>	<b>21.5%</b>	<b>17.2</b>	-	<b>0.6</b>	<b>1.7</b>	<b>45.8</b>	<b>0.4</b>	<b>546.0</b>	<b>24.2%</b>
Operating Expenses										
Selling, G & A	483.8		(10.9)	-	(16.4)	(33.2)	(39.2)	0.0	384.0	
R, D & E	80.2		0.7	-	(0.3)	-	-	0.0	80.6	
(Gain)/Loss on Assets	(8.1)		-	-	-	-	-	7.4	(0.8)	
Impairment of Assets	3.1		-	(3.1)	-	-	-	-	(0.0)	
<b>Total Operating Expense</b>	<b>559.0</b>	<b>25.0%</b>	<b>(10.2)</b>	<b>(3.1)</b>	<b>(16.8)</b>	<b>(33.2)</b>	<b>(39.2)</b>	<b>7.4</b>	<b>463.9</b>	<b>20.5%</b>
<b>Total Operating Profit (loss)</b>	<b>(78.7)</b>	<b>-3.5%</b>	<b>27.3</b>	<b>3.1</b>	<b>17.4</b>	<b>35.0</b>	<b>85.0</b>	<b>(7.0)</b>	<b>82.1</b>	<b>3.6%</b>
Other income/(expense)	(56.0)		-	-	2.7	-	-	-	(53.3)	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(134.7)</b>	<b>-6.0%</b>	<b>27.3</b>	<b>3.1</b>	<b>20.1</b>	<b>35.0</b>	<b>85.0</b>	<b>(7.0)</b>	<b>28.9</b>	<b>1.3%</b>
Tax Rate	43.7%		0.2	0.4	0.3	0.4	0.3	-	11.6%	
Income Tax (expense) benefit	58.9		(6.3)	(1.2)	(6.6)	(12.3)	(25.5)	(10.3)	(3.3)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(75.8)</b>	<b>-3.4%</b>	<b>21.0</b>	<b>2.0</b>	<b>13.5</b>	<b>22.6</b>	<b>59.5</b>	<b>(17.3)</b>	<b>25.5</b>	<b>1.1%</b>
Income (loss) from Disc Ops, net of tax	-		-	-	-	-	-	-	-	
<b>Net Income (loss)</b>	<b>(75.8)</b>	<b>-3.4%</b>	<b>21.0</b>	<b>2.0</b>	<b>13.5</b>	<b>22.6</b>	<b>59.5</b>	<b>(17.3)</b>	<b>25.5</b>	<b>1.1%</b>
Noncontrol Interest, net of tax	(13.6)		-	-	-	-	-	-	(13.6)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>(89.4)</b>	<b>-4.0%</b>	<b>21.0</b>	<b>2.0</b>	<b>13.5</b>	<b>22.6</b>	<b>59.5</b>	<b>(17.3)</b>	<b>11.9</b>	<b>0.5%</b>
Tax Rate	40.0%								18.4%	

# Q2 YTD 2016 Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

	2016 (GAAP)	% of Net Sales	Restructuring	Legal / Deal Costs	Acq. Integration	Gain on sale of NA Electr. Sec.	Acq. related hedging	Other non-routine inc/exp	Tax exp. on foreign cash	2016 (Non-GAAP)	% of Net Sales
Services	646.5	59.3%	-	-	-	-	-	-	-	646.5	59.3%
Software	53.0	4.9%	-	-	-	-	-	-	-	53.0	4.9%
Systems	390.1	35.8%	-	-	-	-	-	-	-	390.1	35.8%
<b>Total Revenue</b>	<b>1,089.6</b>	<b>100.0%</b>	-	-	-	-	-	-	-	<b>1,089.6</b>	<b>100.0%</b>
Services	213.7	33.1%	1.4	-	-	-	-	-	-	215.1	33.3%
Software	18.0	34.0%	0.3	-	-	-	-	-	-	18.4	34.7%
Systems	62.2	15.9%	-	-	-	-	-	0.6	-	62.8	16.1%
<b>Total Gross Profit</b>	<b>293.9</b>	<b>27.0%</b>	<b>1.7</b>	-	-	-	-	<b>0.6</b>	-	<b>296.2</b>	<b>27.2%</b>
Operating Expenses											
Selling, G & A	252.9		(3.6)	(31.2)	(0.5)	-	-	0.0	-	217.5	
R, D & E	36.1		(0.1)	-	-	-	-	-	-	36.0	
(Gain)/Loss on Assets	0.3		-	-	-	-	-	-	-	0.3	
Impairment of Assets	0.0		-	-	-	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>289.3</b>	<b>26.5%</b>	<b>(3.7)</b>	<b>(31.2)</b>	<b>(0.5)</b>	-	-	<b>0.0</b>	-	<b>253.9</b>	<b>23.3%</b>
<b>Total Operating Profit (loss)</b>	<b>4.6</b>	<b>0.4%</b>	<b>5.4</b>	<b>31.2</b>	<b>0.5</b>	-	-	<b>0.6</b>	-	<b>42.3</b>	<b>3.9%</b>
Other income/(expense)	(20.4)		-	28.4	-	-	(12.9)	-	-	(4.9)	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(15.8)</b>	<b>-1.5%</b>	<b>5.4</b>	<b>59.6</b>	<b>0.5</b>	-	<b>(12.9)</b>	<b>0.6</b>	-	<b>37.4</b>	<b>3.4%</b>
Tax Rate	99.5%		33.2%	37.8%	38.1%	0.0%	0.0%	0.0%	0.0%	25.7%	
Income Tax (expense) benefit	15.7		(1.8)	(22.5)	(0.2)	-	-	(0.8)	-	(9.6)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(0.1)</b>	<b>0.0%</b>	<b>3.6</b>	<b>37.1</b>	<b>0.3</b>	-	<b>(12.9)</b>	<b>(0.2)</b>	-	<b>27.8</b>	<b>2.6%</b>
Income (loss) from Disc Ops, net of tax	148.3		-	-	-	(149.5)	-	-	-	(1.3)	
<b>Net Income (loss)</b>	<b>148.2</b>	<b>13.6%</b>	<b>3.6</b>	<b>37.1</b>	<b>0.3</b>	<b>(149.5)</b>	<b>(12.9)</b>	<b>(0.2)</b>	-	<b>26.5</b>	<b>2.4%</b>
Noncontrol Interest, net of tax	(1.1)		-	-	-	-	-	-	-	(1.1)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>147.1</b>	<b>13.5%</b>	<b>3.6</b>	<b>37.1</b>	<b>0.3</b>	<b>(149.5)</b>	<b>(12.9)</b>	<b>(0.2)</b>	-	<b>25.4</b>	<b>2.3%</b>
Tax Rate	93.4%									25.7%	

# Q2 YTD 2016 Pro Forma Profit & Loss Statement

## Reconciliation GAAP to non-GAAP (\$Millions)

Jun 16 YTD Pro-Forma Restated	Legacy Diebold	Legacy Nixdorf	2016 Pro Forma (GAAP)	% of Net		Legal / Deal Costs	Acq. Integration	Gain on sale of NA Electr. Sec.	Acq. / divest fees	Acq. related hedging (inc)/exp	Tax - Discrete items	Other non-routine inc/exp	2016 Pro Forma (Non-GAAP)	% of Net Sales
	(GAAP)	(IFRS)		Sales	Restructuring									
Services	650.4	586.3	1,236.7	50.6%	-	-	-	-	-	-	-	-	1,236.7	50.6%
Software	53.0	173.2	226.1	9.3%	-	-	-	-	-	-	-	-	226.1	9.3%
Systems	386.2	595.0	981.2	40.1%	-	-	-	-	-	-	-	-	981.2	40.1%
<b>Total Revenue</b>	<b>1,089.6</b>	<b>1,354.4</b>	<b>2,444.0</b>	<b>100.0%</b>	-	-	-	-	-	-	-	-	<b>2,444.0</b>	<b>100.0%</b>
Services	213.7	117.7	331.5	26.8%	1.9	-	-	-	-	-	-	-	333.4	27.0%
Software	18.0	59.8	77.8	34.4%	2.0	-	-	-	-	-	-	-	79.8	35.3%
Systems	56.9	163.3	220.2	22.4%	0.5	-	-	-	-	-	-	0.6	222.4	22.7%
<b>Total Gross Profit</b>	<b>288.6</b>	<b>340.9</b>	<b>629.5</b>	<b>25.8%</b>	<b>4.3</b>	-	-	-	-	-	-	<b>0.6</b>	<b>635.5</b>	<b>26.0%</b>
<b>Operating Expenses</b>														
Selling, G & A	247.5	215.6	463.1		(7.0)	(36.6)	(0.5)	-	-	-	-	(1.7)	417.2	
R, D & E	36.2	53.3	89.5		(0.1)	(0.6)	-	-	-	-	-	-	88.8	
(Gain)/Loss on Assets	0.3	0.3	0.6		-	-	-	-	-	-	-	-	0.6	
Impairment of Assets	0.0	-	0.0		-	-	-	-	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>284.0</b>	<b>269.2</b>	<b>553.2</b>	<b>22.6%</b>	<b>(7.1)</b>	<b>(37.2)</b>	<b>(0.5)</b>	-	-	-	-	<b>(1.7)</b>	<b>506.6</b>	<b>20.7%</b>
<b>Total Operating Profit (loss)</b>	<b>4.6</b>	<b>71.6</b>	<b>76.3</b>	<b>3.1%</b>	<b>11.4</b>	<b>37.2</b>	<b>0.5</b>	-	-	-	-	<b>2.3</b>	<b>128.9</b>	<b>5.3%</b>
Other income/(expense)	(20.5)	13.3	(7.2)		-	28.4	-	-	-	(12.9)	-	-	8.4	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(15.8)</b>	<b>84.9</b>	<b>69.1</b>	<b>2.8%</b>	<b>11.4</b>	<b>65.7</b>	<b>0.5</b>	-	-	<b>(12.9)</b>	-	<b>2.3</b>	<b>137.3</b>	<b>5.6%</b>
Tax Rate	99.5%	28.0%	11.6%		31.5%	38.4%	38.1%	0.0%	0.0%	0.0%	0.0%	0.0%	27.6%	
Income Tax (expense) benefit	15.8	(23.8)	(8.0)		(3.6)	(25.2)	(0.2)	-	-	-	(0.8)	(0.0)	(37.9)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(0.1)</b>	<b>61.1</b>	<b>61.0</b>	<b>2.5%</b>	<b>7.8</b>	<b>40.5</b>	<b>0.3</b>	-	-	<b>(12.9)</b>	<b>(0.8)</b>	<b>2.3</b>	<b>99.4</b>	<b>4.1%</b>
Income (loss) from Disc Ops, net of tax	148.2	-	148.2		-	(16.0)	(16.0)	(16.0)	(16.0)	(16.0)	(16.0)	(16.0)	(1.3)	
<b>Net Income (loss)</b>	<b>148.1</b>	<b>61.1</b>	<b>209.3</b>	<b>8.6%</b>	<b>7.8</b>	<b>24.5</b>	<b>(15.6)</b>	<b>(16.0)</b>	<b>(16.0)</b>	<b>(28.9)</b>	<b>(16.8)</b>	<b>(13.6)</b>	<b>98.1</b>	<b>4.0%</b>
Noncontrol Interest, net of tax	(1.1)	-	(1.1)		-	-	-	-	-	-	-	-	(1.1)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>147.1</b>	<b>61.1</b>	<b>208.2</b>	<b>8.5%</b>	<b>7.8</b>	<b>24.5</b>	<b>(15.6)</b>	<b>(16.0)</b>	<b>(16.0)</b>	<b>(28.9)</b>	<b>(16.8)</b>	<b>(13.6)</b>	<b>97.0</b>	<b>4.0%</b>
Tax Rate			11.3%										27.6%	

Note: In the Legacy Diebold (GAAP) \$2.7M has been reclassified due to our new reporting segments from SG&A to the LOB Cost of Sales and \$3.9M of revenue has been reclassified between Services and Systems. Additionally, the results reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS) and converted at average monthly exchange rates for the relevant time periods.





## Free Cash Flow Reconciliation from Continuing Operations (\$Millions)

	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17
Net cash provided by (used in) operating activities - continuing	(\$110)	(\$90)	\$13	\$226	(\$66)	(\$119)
Capital expenditures - continuing	(\$5)	(\$7)	(\$13)	(\$16)	(\$12)	(\$14)
Free cash flow (use) (non-GAAP measure)	(\$115)	(\$97)	\$1	\$210	(\$79)	(\$134)

	2015	2016	2017 Outlook
Net cash provided by (used in) operating activities - continuing	\$32	\$39	~\$90
Capital expenditures - continuing	(\$52)	(\$39)	(\$90)
Free cash flow (use) (non-GAAP measure)	(\$21)	\$0	~\$0

## 2016 Diebold Nixdorf Pro Forma Revenue & Adjusted EBITDA (\$Millions)

	Revenue	Non GAAP GM	Non GAAP OP	Adjusted EBITDA
Reported Total DN	\$3,333	\$845M	\$159M	\$266
Pro-forma Wincor Nixdorf <sup>1</sup>	\$1,652	\$418M	\$92M	\$133
<b>Pro-Forma Total DN (Non-GAAP)</b>	<b>\$4,985</b>	<b>\$1,239M</b>	<b>\$251M</b>	<b>\$399</b>
% of Revenue		25%	5%	8%

Note 1:

- The company presents Wincor Nixdorf pro forma revenue for the period January 1st - August 14th 2016 as reported under IFRS and converted into USD based on our monthly rates. Diebold Nixdorf pro forma reflects the non-GAAP revenue of Diebold Nixdorf combined with the pre-acquisition IFRS revenue of Wincor Nixdorf.
- The company presents Wincor Nixdorf pro forma Adjusted EBITDA for the periods January 1st - August 14th 2016 to facilitate future comparisons. Diebold Nixdorf pro forma reflects the Adjusted EBITDA of Diebold Nixdorf combined with the pre-acquisition Adjusted EBITDA of Wincor Nixdorf.



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