



# Investment Community Conference Call

First Quarter, 2017 Earnings  
May 4, 2017

**DIEBOLD**  

---

**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”. 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 ultimate impact of the review of the business combination with Wincor Nixdorf by the Competition and Markets Authority (CMA) in the United Kingdom, including our ability to successfully divest the legacy Diebold business in the United Kingdom in satisfaction of the requirements of the CMA;
- the implementation and ultimate impact of the domination and profit and loss transfer agreement with Wincor Nixdorf; the ultimate outcome and results of integrating the operations of the company and Wincor Nixdorf;
- the ultimate outcome of the company’s pricing, operating and tax strategies applied to Wincor Nixdorf 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 including its DN2020 program;
- the impact of the company’s strategic initiatives;
- 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

## Q1-17 Highlights

---

- Transition to Diebold Nixdorf is essentially complete
  - Domination Agreement is in place
  - New lines of business fully implemented
- Ramping up our long-term transformation activities
- DN2020 launched in February
- Strong sequential order growth in Q1-17
  - Continued strength in retail
  - Banking orders picking up
- Renewals of significant outsourcing contracts

# Update on Market Demand



## Branch automation, contactless cash & security

- Win at Banco Santander in Mexico for 1,200 advanced ATMs
- ~5,000 recyclers and related software to customers in 10 different countries
- Upgrading US national account with anti-skimming card readers
- Supporting advanced security features with Windows 10 upgrade
- Renewed outsourcing contracts with TD Bank and Hamburger Sparkasse for ~6,000 ATMs
- New 3-year services contract for 8,000 ATMs in Brazil
- Advanced software & professional services for 7,000 ATMs at Ziraat Bank in Turkey



## Store automation and better in-store experiences

- More than 1,000 SCO systems and 4-year service contract at Swiss grocer COOP
- 1,600 POS systems with a large European grocer; ~900 units support store expansion in USA
- New outsourcing contract with Spanish retailer at ~1,000 locations
- SCO systems, software and services win in Brazil
- Renewal to provide a single payment platform at ~14,000 gas stations across the USA

# DN2020 Transformation Program



## Facilities consolidation

- Announced plans to close manufacturing plant in Hungary
- Received all approvals to close distribution center in Netherlands
- Closed 16 office locations
- Reduced service parts stocking locations by ~15%

## Workforce restructuring

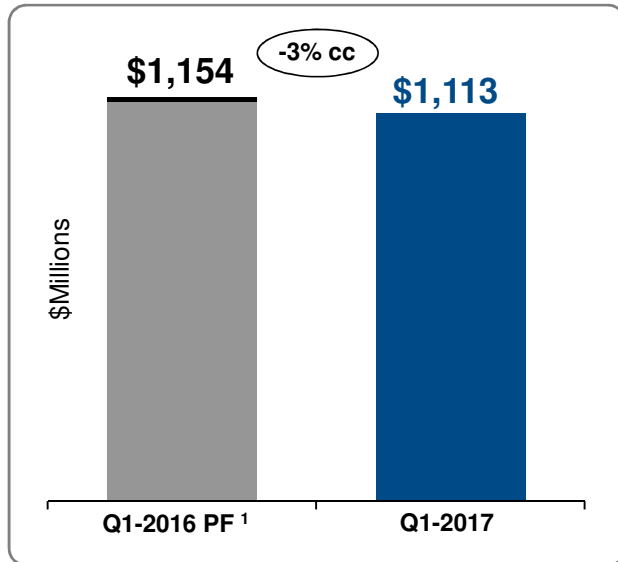
- Eliminating ~500 redundant positions through summer
- Up-skilling leadership team with
  - new Chief Information Officer, Murat Ekinci
  - new Chief Procurement Officer, Gorad Vrbica

## Innovative new product introductions

- New hybrid retail checkout solution, Easy Xpress
- Updated design for kiosk solution
- New, entry-level back office cash management solution
- Sleek & miniaturized ATM concept with multi-touch GUI, Essence

# Revenue YoY Variance and Mix

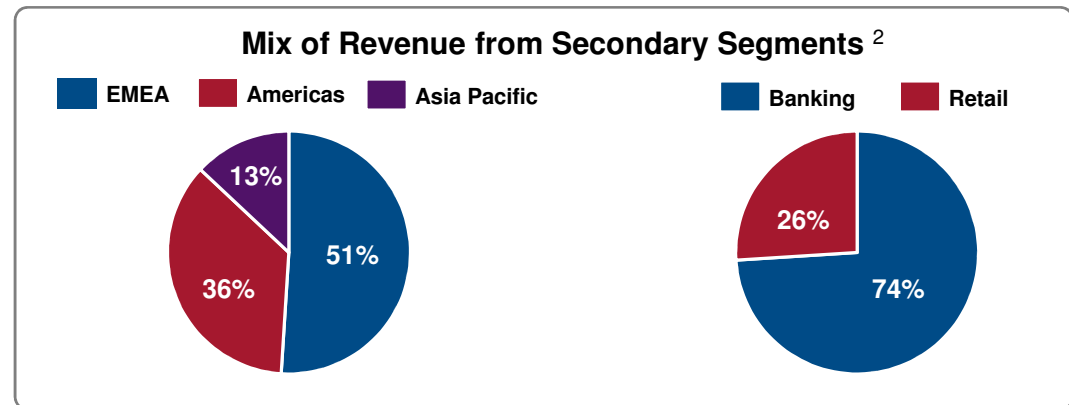
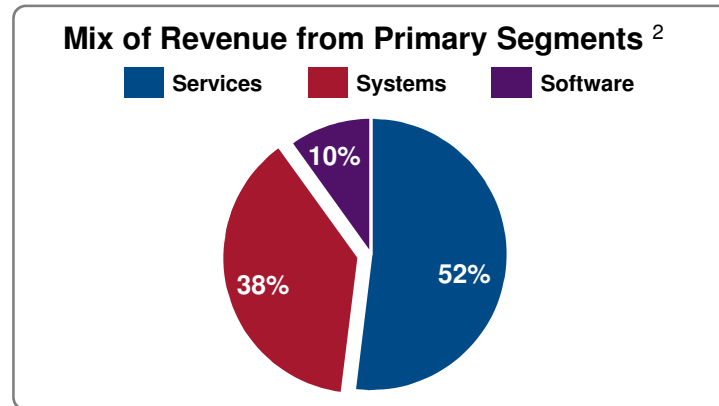
- Non-GAAP revenue decreased 3% in cc
- Decrease in banking Systems volume and Services
- Growth in banking and retail Software



■ FX impact

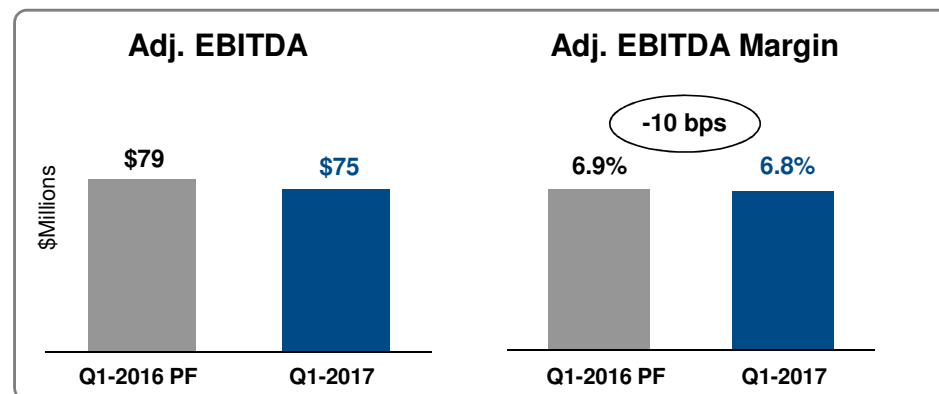
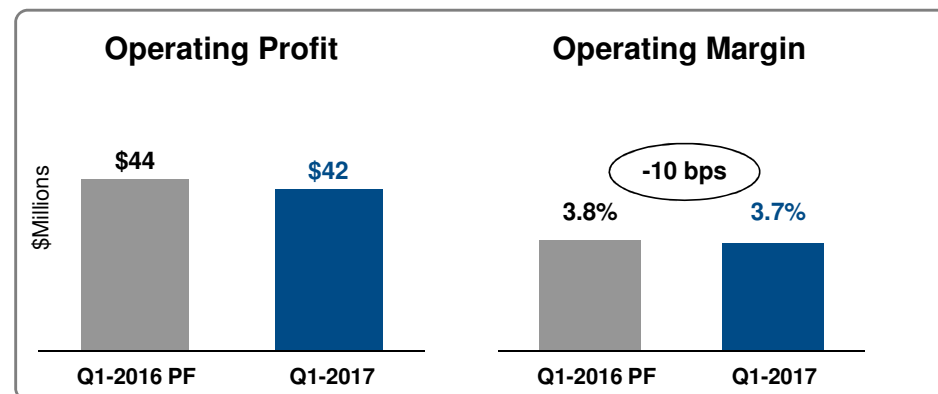
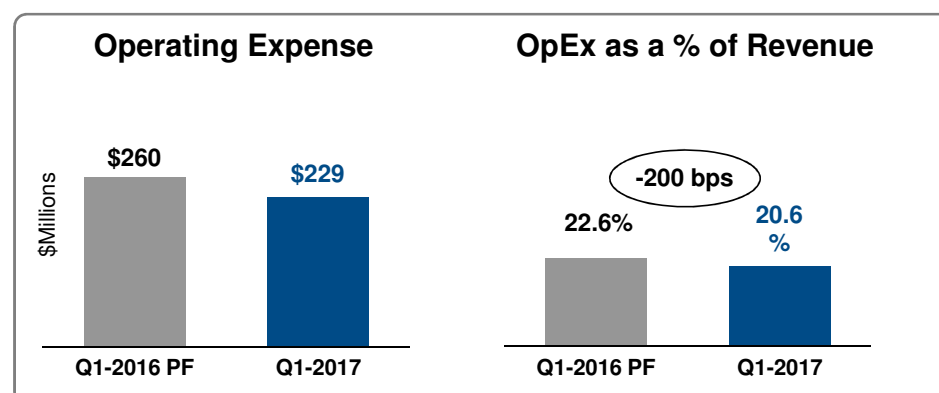
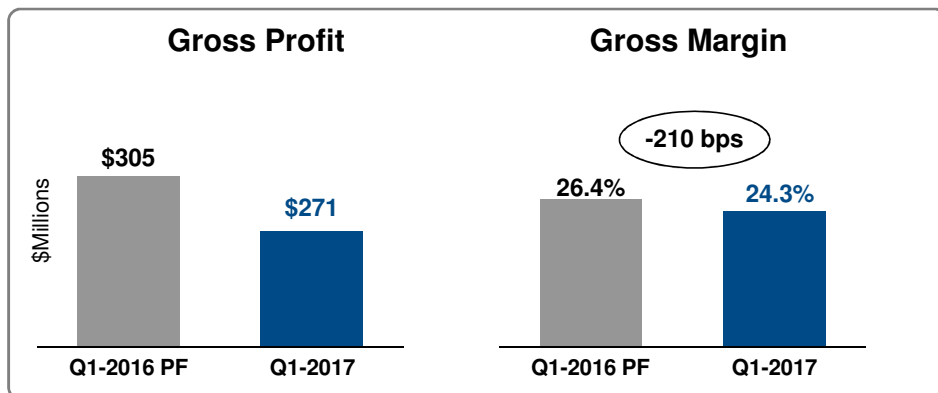
Note 1) Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards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

Note 2) GAAP revenue for the three months ending March 31, 2017



# P&L Highlights for Q1-17

## non-GAAP

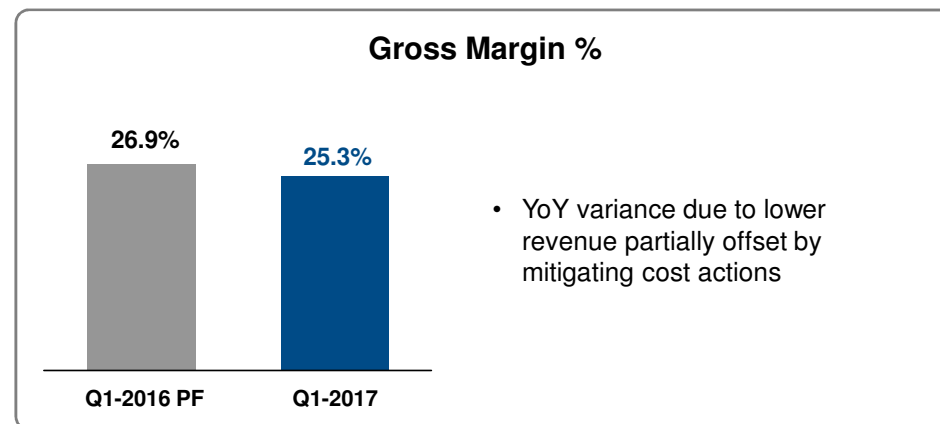
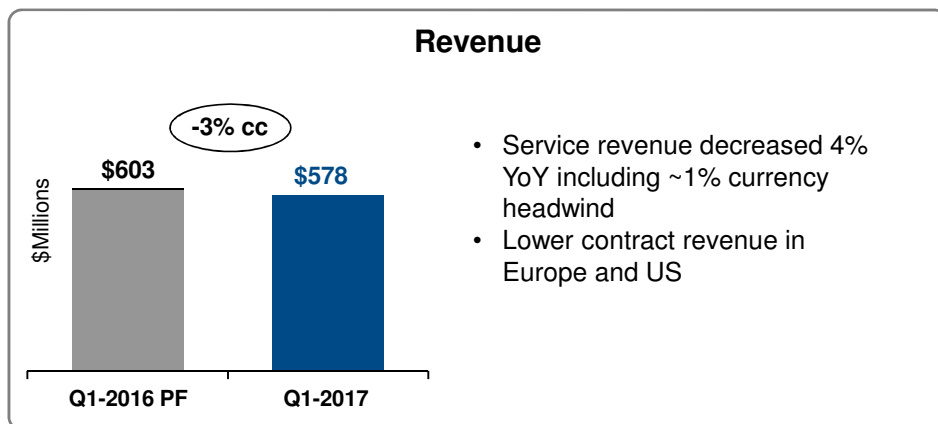


Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS)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



# Services Highlights

## non-GAAP

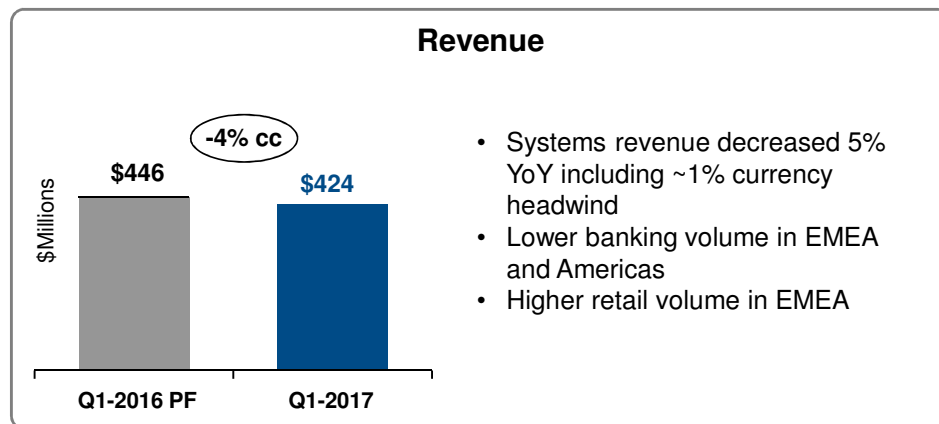


■ FX impact

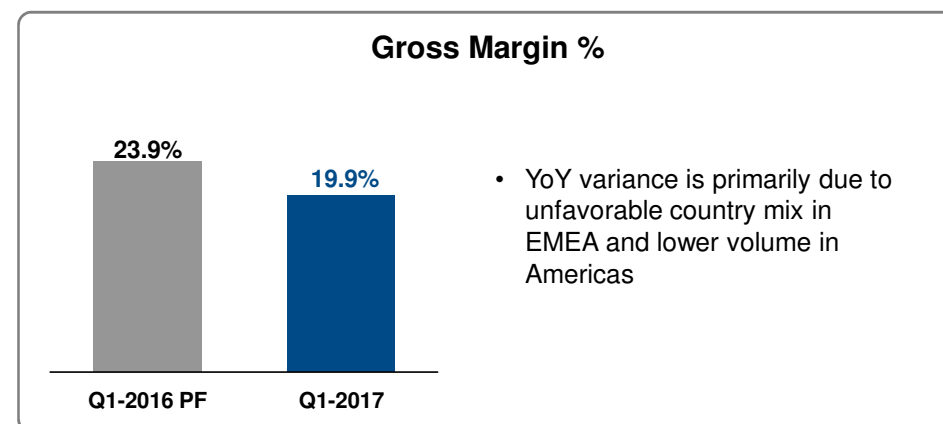
Note: Reflects unaudited pro forma non-GAAP financials for Diebold Nixdorf as if the acquisition had occurred on January 1, 2016. Pro forma calculations combine financial information from legacy Diebold and legacy Nixdorf, prepared in accordance with International Financial Reporting Standards (IFRS)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

# Systems Highlights

## non-GAAP



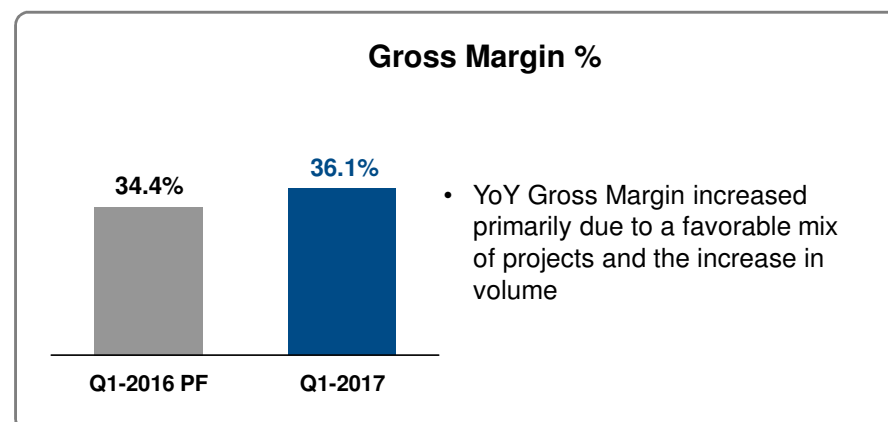
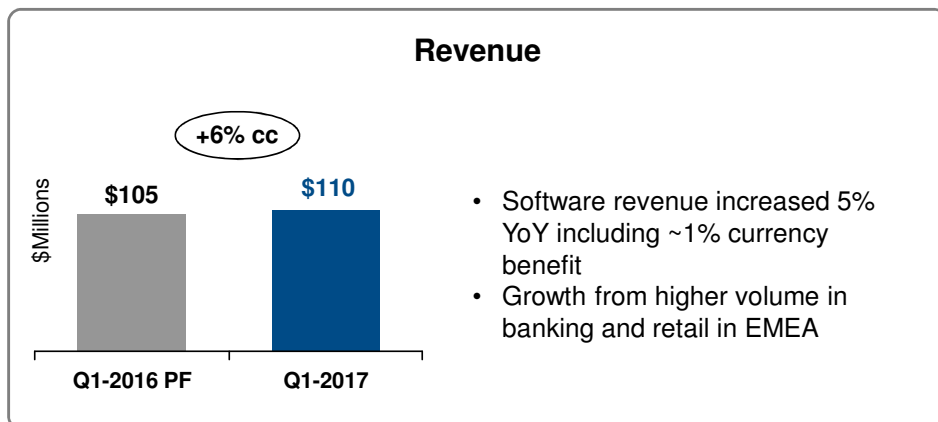
■ FX impact



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



■ FX impact

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.

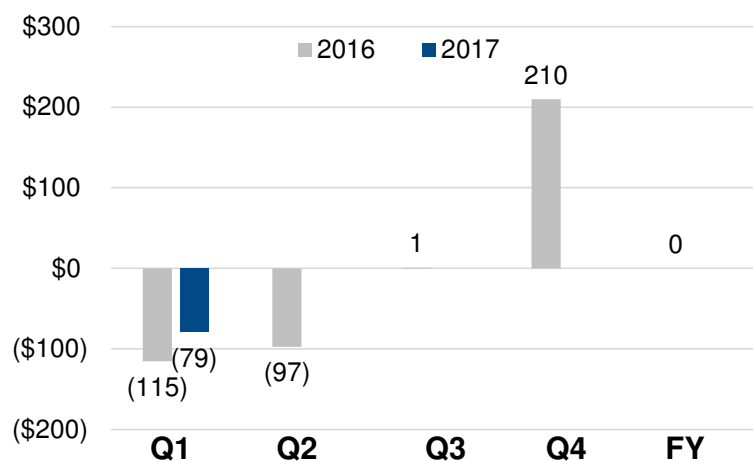
# EPS Reconciliation

	Q1 2016	Q1 2017
<b>Total diluted EPS from the income (loss) attributable to DN, net of tax (GAAP measure)</b>	<b>\$0.31</b>	<b>(\$0.78)</b>
<b>Restructuring</b>	<b>0.00</b>	<b>0.17</b>
Non-routine (income)/expense:		
Impairment	-	0.04
Legal / Acquisition and divestiture expense	0.27	0.25
Acquisition integration	-	0.17
Acquisition related hedging (income)/expense	(0.56)	-
Wincor Nixdorf purchase accounting adjustments	-	0.55
Other	0.01	0.02
<b>Total non-routine (income)/expense</b>	<b>(0.28)</b>	<b>1.03</b>
Tax impact (inclusive of allocation of discrete tax items)	(0.06)	(0.34)
<b>Total adjusted EPS (non-GAAP measure)</b>	<b>(\$0.03)</b>	<b>\$0.08</b>
Non-GAAP Tax Rate	233.6%	33.1%
EPS (non-GAAP) - discontinued operations	(\$0.02)	-
EPS (non-GAAP) - Including discontinued operations	(\$0.05)	\$0.08

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 Flow



- Free cash use of \$79M during Q1-17
- \$36M YoY improvement due to the acquisition
  - ✓ benefit of annual service contract pre-payments
  - ✓ better inventory management

## Capital Structure

\$ Millions	Dec. 31, 2016	Mar. 31, 2017
Cash, cash equivalents & other investments (GAAP Measure)	\$717	\$568
Debt Instruments	(\$1,798)	(\$1,768)
Net Debt (non-GAAP measure)	(\$1,081)	(\$1,200)

- During Q2, the company refinanced term loan B at more favorable rates
- New structure is expected to be effective May 9th
- Actions are expected to reduce interest expense by \$5M per quarter

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.

## 2017 Outlook

	Previous Guidance	Current Guidance
<b>Total revenue</b>	<b>\$5.0B - \$5.1B</b>	<b>~\$5.0B</b>
<b>Net Income (Loss) attributable to DN</b>	<b>\$(55)M - \$(30)M</b>	<b>\$(75)M - \$(50)M</b>
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$440M - \$470M</b>	<b>\$440M - \$470M</b>
<b>EPS (GAAP)</b>	<b>\$(0.70) - \$(0.40)</b>	<b>\$(0.95) - \$(0.65)</b>
Restructuring	~\$0.45	~\$0.45
Non-routine (income)/expense:		
Integration expense	~\$0.65	~\$0.65
Legal, Acquisition, and Divestiture expense	--	~\$0.35
Impairment & Other Non-routine	--	~\$0.05
Wincor Nixdorf purchase price accounting	~\$1.90	~\$1.90
Total non-routine (income)/expense	~\$2.55	~\$2.95
Tax impact of restructuring and non-routine	~\$(0.90)	~\$(1.05)
<b>EPS (non-GAAP)</b>	<b>\$1.40 - \$1.70</b>	<b>\$1.40 - \$1.70</b>
<b>Non-GAAP effective tax rate <sup>1</sup></b>	<b>~30%</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 and adjusted EBITDA outlook for 2017, the company is not providing the most directly comparable GAAP financial measure or corresponding reconciliation because we are unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. 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

**DIEBOLD**  

---

**NIXDORF**

## Adjusted EBITDA Reconciliation

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

\$Millions	Q1 2016 PF	Q1 2017
<b>Net income (loss)</b>	<b>\$201</b>	<b>(\$52)</b>
Income tax (benefit) expense	\$9	(\$23)
Interest income	(\$5)	(\$6)
Interest expense	\$11	\$31
Depreciation & amortization	\$29	\$59
<b>EBITDA</b>	<b>\$246</b>	<b>\$8</b>
Income from discontinued operations, net of tax	(\$148)	\$0
Share-based compensation	\$6	\$7
Foreign exchange loss, net	\$3	\$3
Miscellaneous, net	(\$46)	(\$1)
Restructuring expenses	\$4	\$13
Non-routine expenses, net	\$16	\$46
<b>Adjusted EBITDA</b>	<b>\$79</b>	<b>\$75</b>
Adjusted EBITDA % revenue	6.9%	6.8%

Note: The company presents Wincor Nixdorf pro forma Net Income from Continuing Operations for the period January 1<sup>st</sup> – March 31<sup>st</sup> 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 January 1<sup>st</sup> – March 31<sup>st</sup> 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.



# Q1 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	573.2	52.0%	-	-	-	-	5.2	-	578.4	52.0%
Software	110.4	10.0%	-	-	-	-	-	-	110.4	9.9%
Systems	419.2	38.0%	-	-	-	-	5.2	-	424.4	38.1%
Headquarters	-	0.0%	-	-	-	-	-	-	-	0.0%
<b>Total Revenue</b>	<b>1,102.8</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.4</b>	<b>-</b>	<b>1,113.2</b>	<b>100.0%</b>
Services	138.0	24.1%	5.2	-	-	0.2	5.2	-	146.5	25.3%
Software	40.2	36.4%	(0.3)	-	-	-	-	-	39.9	36.1%
Systems	64.3	15.3%	0.7	-	0.6	0.4	18.0	0.3	84.3	19.9%
Headquarters	-	0.0%	-	-	-	-	-	-	-	0.0%
<b>Total Gross Profit</b>	<b>242.5</b>	<b>22.0%</b>	<b>3.6</b>	<b>-</b>	<b>0.6</b>	<b>0.6</b>	<b>23.2</b>	<b>0.3</b>	<b>270.3</b>	<b>24.3%</b>
<b>Operating Expenses</b>										
Selling, G & A	246.9		(8.4)	-	(17.8)	(12.3)	(19.0)	0.0	189.4	
R, T & F	41.4		(0.9)	-	(0.5)	-	-	(0.0)	40.0	
(Gain)/Loss on Assets	(0.4)		-	-	-	-	-	-	(0.4)	
Impairment of Assets	3.1		-	(3.1)	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>291.1</b>	<b>26.4%</b>	<b>(9.3)</b>	<b>(3.1)</b>	<b>(18.3)</b>	<b>(12.3)</b>	<b>(19.0)</b>	<b>0.0</b>	<b>229.0</b>	<b>20.6%</b>
<b>Total Operating Profit: (loss)</b>	<b>(48.6)</b>	<b>-4.4%</b>	<b>12.9</b>	<b>3.1</b>	<b>18.9</b>	<b>12.8</b>	<b>42.2</b>	<b>0.2</b>	<b>41.7</b>	<b>3.7%</b>
Other income/(expense)	(26.2)		-	-	-	-	-	-	(26.2)	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>(74.8)</b>	<b>-6.8%</b>	<b>12.9</b>	<b>3.1</b>	<b>18.9</b>	<b>12.8</b>	<b>42.2</b>	<b>0.2</b>	<b>15.5</b>	<b>1.4%</b>
Tax Rate	30.2%		27.1%	37.9%	31.2%	35.4%	30.0%	0.0%	20.3%	
Income Tax (expense) benefit	22.6		(3.5)	(1.2)	(5.9)	(4.5)	(12.7)	2.1	(3.1)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>(52.2)</b>	<b>4.7%</b>	<b>9.4</b>	<b>1.9</b>	<b>13.0</b>	<b>8.3</b>	<b>29.5</b>	<b>2.3</b>	<b>12.4</b>	<b>1.1%</b>
<b>Income (loss) from Disc Ops, net of tax</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net Income (loss)</b>	<b>(52.2)</b>	<b>-4.7%</b>	<b>9.4</b>	<b>1.9</b>	<b>13.0</b>	<b>8.3</b>	<b>29.5</b>	<b>2.3</b>	<b>12.4</b>	<b>1.1%</b>
Noncontrol Interest, net of tax	(5.6)		-	-	-	-	-	-	(5.6)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>(58.8)</b>	<b>-5.3%</b>	<b>9.4</b>	<b>1.9</b>	<b>13.0</b>	<b>8.3</b>	<b>29.5</b>	<b>2.3</b>	<b>5.8</b>	<b>0.5%</b>
Tax Rate	28.0%								33.1%	

# Q1 2016 Profit & Loss Statement

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

	2016 (GAAP)	% of Net Sales	Restructuring	Legal / Deal Costs	Gain on sale of NA Electr. Sec.	Acq. related hedging (inc)/exp	Other non-routine inc/exp	2016 (Non-GAAP)	% of Net Sales
Services	318.7	62.5%	-	-	-	-	-	318.7	62.5%
Software	22.4	4.4%	-	-	-	-	-	22.4	4.4%
Systems	168.5	33.1%	-	-	-	-	-	168.5	33.1%
<b>Total Revenue</b>	<b>509.6</b>	<b>100.0%</b>	-	-	-	-	-	<b>509.6</b>	<b>100.0%</b>
Services	105.5	33.1%	(0.0)	-	-	-	-	105.5	33.1%
Software	4.7	21.1%	0.3	-	-	-	-	5.0	22.3%
Systems	28.6	17.0%	-	-	-	-	0.3	28.8	17.1%
<b>Total Gross Profit</b>	<b>138.8</b>	<b>27.2%</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>139.3</b>	<b>27.3%</b>
<b>Operating Expenses</b>									
Selling, G & A	125.5		0.0	(13.8)	-	-	0.0	111.8	
R, D & E	18.5		-	-	-	-	-	18.5	
(Gain)/Loss on Assets	0.4		(0.2)	-	-	-	-	0.2	
Impairment of Assets	0.0		-	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>144.5</b>	<b>28.4%</b>	<b>(0.1)</b>	<b>(13.8)</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>130.5</b>	<b>25.6%</b>
<b>Total Operating Profit (loss)</b>	<b>(5.7)</b>	<b>-1.1%</b>	<b>0.4</b>	<b>13.8</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>8.8</b>	<b>1.7%</b>
Other income/(expense)	25.7		-	3.9	-	(36.6)	-	(7.0)	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>19.9</b>	<b>3.9%</b>	<b>0.4</b>	<b>17.7</b>	<b>-</b>	<b>(36.6)</b>	<b>0.3</b>	<b>1.7</b>	<b>0.3%</b>
Tax Rate	-3.9%		34.4%	37.0%	0.0%	0.0%	0.0%	183.2%	
Income Tax (expense) benefit	0.8		(0.1)	(6.6)	-	-	2.7	(3.2)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>20.7</b>	<b>4.1%</b>	<b>0.3</b>	<b>11.1</b>	<b>-</b>	<b>(36.6)</b>	<b>3.0</b>	<b>(1.5)</b>	<b>-0.3%</b>
Income (loss) from Disc Ops, net of tax	147.8		-	-	(149.1)	-	-	(1.3)	
<b>Net Income (loss)</b>	<b>168.5</b>	<b>33.1%</b>	<b>0.3</b>	<b>11.1</b>	<b>(149.1)</b>	<b>(36.6)</b>	<b>3.0</b>	<b>(2.7)</b>	<b>-0.5%</b>
Noncontrol Interest, net of tax	(0.3)		-	-	-	-	-	(0.3)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>168.2</b>	<b>33.0%</b>	<b>0.3</b>	<b>11.1</b>	<b>(149.1)</b>	<b>(36.6)</b>	<b>3.0</b>	<b>(3.1)</b>	<b>-0.6%</b>
Tax Rate	-4.5%							233.6%	

# Q1 2016 Pro Forma Profit & Loss Statement

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

	Legacy Diebold (GAAP)	Legacy Nixdorf (IFRS)	2016 Pro Forma	% of Net Sales	Restructuring	Legal / Deal Costs	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	316.7	284.3	603.0	52.2%	-	-	-	-	-	-	603.0	52.2%
Software	22.4	82.8	105.1	9.1%	-	-	-	-	-	-	105.1	9.1%
Systems	166.5	277.7	446.2	38.7%	-	-	-	-	-	-	446.2	38.7%
<b>Total Revenue</b>	<b>509.6</b>	<b>644.8</b>	<b>1,154.4</b>	<b>100.0%</b>	-	-	-	-	-	-	<b>1,154.4</b>	<b>100.0%</b>
Services	103.5	57.8	161.4	26.8%	0.5	-	-	-	-	-	161.9	26.9%
Software	4.7	30.4	35.1	3.4%	1.1	-	-	-	-	-	36.2	3.4%
Systems	27.9	78.1	106.0	23.8%	0.3	-	-	-	-	0.3	106.6	23.9%
<b>Total Gross Profit</b>	<b>136.1</b>	<b>166.1</b>	<b>302.5</b>	<b>26.2%</b>	<b>1.9</b>					<b>0.3</b>	<b>304.6</b>	<b>26.4%</b>
<b>Operating Expenses</b>												
Selling, G & A	122.9	109.2	232.1		(1.6)	(13.8)	-	-	-	(1.7)	215.0	
R, D & E	18.5	26.6	45.1		(0.0)	-	-	-	-	-	45.1	
(Gain)/Loss on Assets	0.4	0.0	0.4		(0.2)	-	-	-	-	-	0.3	
Impairment of Assets	0.0	-	0.0		-	-	-	-	-	-	0.0	
<b>Total Operating Expense</b>	<b>141.9</b>	<b>135.8</b>	<b>277.7</b>	<b>24.1%</b>	<b>(1.8)</b>	<b>(13.8)</b>	-	-	-	<b>(1.7)</b>	<b>280.4</b>	<b>22.6%</b>
<b>Total Operating Profit (loss)</b>	<b>(5.7)</b>	<b>30.6</b>	<b>24.3</b>	<b>2.2%</b>	<b>3.6</b>	<b>13.8</b>	-	-	-	<b>2.0</b>	<b>44.3</b>	<b>3.8%</b>
Other Income/(expense)	25.6	11.4	37.1		-	3.9	-	(35.6)	-	-	4.4	
<b>Inc/(Loss) from Cont Ops before Tax</b>	<b>19.9</b>	<b>42.0</b>	<b>62.0</b>	<b>5.4%</b>	<b>3.6</b>	<b>17.7</b>	-	<b>(36.6)</b>	-	<b>2.0</b>	<b>48.7</b>	<b>4.2%</b>
Tax Rate	-3.9%	22.8%	14.2%		30.5%	40.0%	0.0%	0.0%	0.0%	0.0%	28.2%	
Income Tax (expense) benefit	0.8	(9.6)	(8.8)		(1.1)	(7.1)	-	-	2.7	0.5	(13.6)	
<b>Income (loss) from Cont Ops, net of tax</b>	<b>20.7</b>	<b>32.4</b>	<b>53.2</b>	<b>4.6%</b>	<b>2.5</b>	<b>10.6</b>	-	<b>(36.6)</b>	<b>2.7</b>	<b>2.5</b>	<b>35.0</b>	<b>3.0%</b>
<b>Income (loss) from Disc Ops, net of tax</b>	<b>147.3</b>	<b>-</b>	<b>147.3</b>		<b>-</b>	<b>-</b>	<b>(149.1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1.3)</b>	
<b>Net Income (loss)</b>	<b>168.5</b>	<b>32.4</b>	<b>201.0</b>	<b>17.4%</b>	<b>2.5</b>	<b>10.6</b>	<b>(149.1)</b>	<b>(36.6)</b>	<b>2.7</b>	<b>2.5</b>	<b>33.7</b>	<b>2.9%</b>
Noncontrol Interest, net of tax	(0.3)	-	(0.3)		-	-	-	-	-	-	(0.3)	
<b>Net Income (loss) attributable to Diebold Nixdorf, Inc.</b>	<b>168.2</b>	<b>32.4</b>	<b>200.5</b>	<b>17.4%</b>	<b>2.5</b>	<b>10.6</b>	<b>(149.1)</b>	<b>(36.6)</b>	<b>2.7</b>	<b>2.5</b>	<b>33.4</b>	<b>2.9%</b>
<b>Tax Rate</b>			<b>14.1%</b>								<b>28.2%</b>	

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. 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
Net cash provided by (used in) operating activities - continuing	(\$110)	(\$90)	\$13	\$226	(\$66)
Capital expenditures - continuing	(\$5)	(\$7)	(\$13)	(\$16)	(\$12)
<b>Free cash flow (use) (non-GAAP measure)</b>	<b>(\$115)</b>	<b>(\$97)</b>	<b>\$1</b>	<b>\$210</b>	<b>(\$79)</b>

	2015	2016	2017 Outlook
Net cash provided by/(used in) operating activities - continuing (GAAP measure)	\$32	\$39	~\$150
Capital expenditures - continuing	(\$52)	(\$39)	~(100)
<b>Free cash flow/(use) (non-GAAP measure)</b>	<b>(\$21)</b>	<b>\$—</b>	<b>~\$50</b>

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

	<b>Revenue</b>	<b>Adjusted EBITDA</b>
Reported Total for Diebold Nixdorf (non-GAAP)	\$3,333	\$266
Pro forma Wincor Nixdorf <sup>1</sup>	\$1,652	\$133
<b>Pro Forma Total Diebold Nixdorf (non-GAAP)</b>	<b>\$4,985</b>	<b>\$399</b>

Note: 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.



DIEBOLD  

---

NIXDORF