



# Supplemental Financial Data and GAAP to Non-GAAP Reconciliations

---

First Quarter 2020

Fidelity National Information Services, Inc.  
Earnings Release Supplemental Financial Information  
May 7, 2020

- Exhibit A      Condensed Consolidated Statements of Earnings - Unaudited for the three months ended March 31, 2020 and 2019
- Exhibit B      Condensed Consolidated Balance Sheets - Unaudited as of March 31, 2020 and December 31, 2019
- Exhibit C      Condensed Consolidated Statements of Cash Flows - Unaudited for the three months ended March 31, 2020 and 2019
- Exhibit D      Supplemental Non-GAAP Financial Information - Unaudited for the three months ended March 31, 2020 and 2019
- Exhibit E      Supplemental GAAP to Non-GAAP Reconciliations - Unaudited for the three months ended March 31, 2020 and 2019

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS — UNAUDITED**  
(In millions, except per share amounts)

**Exhibit A**

	Three months ended March 31,	
	2020	2019
Revenue	\$ 3,078	\$ 2,057
Cost of revenue	2,089	1,381
Gross profit	989	676
Selling, general and administrative expenses	881	361
Operating income	108	315
Other income (expense):		
Interest expense, net	(80)	(75)
Other income (expense), net	(39)	(52)
Total other income (expense), net	(119)	(127)
Earnings (loss) before income taxes and equity method investment earnings (loss)	(11)	188
Provision (benefit) for income taxes	(30)	32
Equity method investment earnings (loss)	(1)	(7)
Net earnings	18	149
Net (earnings) loss attributable to noncontrolling interest	(3)	(1)
Net earnings attributable to FIS common stockholders	<u>\$ 15</u>	<u>\$ 148</u>
Net earnings per share-basic attributable to FIS common stockholders	<u>\$ 0.02</u>	<u>\$ 0.46</u>
Weighted average shares outstanding-basic	<u>616</u>	<u>323</u>
Net earnings per share-diluted attributable to FIS common stockholders	<u>\$ 0.02</u>	<u>\$ 0.45</u>
Weighted average shares outstanding-diluted	<u>625</u>	<u>326</u>

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS — UNAUDITED**  
(In millions, except per share amounts)

**Exhibit B**

	March 31, 2020	December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,373	\$ 1,152
Settlement deposits and merchant float	2,337	2,882
Trade receivables, net	3,116	3,242
Contract assets	141	124
Settlement receivables	770	647
Other receivables	275	337
Prepaid expenses and other current assets	334	308
Total current assets	8,346	8,692
Property and equipment, net	870	900
Goodwill	51,823	52,242
Intangible assets, net	15,148	15,798
Software, net	3,239	3,204
Other noncurrent assets	2,299	2,303
Deferred contract costs, net	749	667
Total assets	\$ 82,474	\$ 83,806
<b>Liabilities, Redeemable Noncontrolling Interest and Equity</b>		
Current liabilities:		
Accounts payable, accrued and other liabilities	\$ 2,199	\$ 2,374
Settlement payables	3,434	4,228
Deferred revenue	898	817
Short-term borrowings	743	2,823
Current portion of long-term debt	652	140
Total current liabilities	7,926	10,382
Long-term debt, excluding current portion	18,982	17,229
Deferred income taxes	4,131	4,281
Other noncurrent liabilities	2,031	2,406
Deferred revenue	47	52
Total liabilities	33,117	34,350
Redeemable noncontrolling interest	175	—
Equity:		
FIS stockholders' equity:		
Preferred stock \$0.01 par value	—	—
Common stock \$0.01 par value	6	6
Additional paid in capital	45,548	45,358
Retained earnings	3,952	4,161
Accumulated other comprehensive earnings (loss)	(248)	(33)
Treasury stock, at cost	(91)	(52)
Total FIS stockholders' equity	49,167	49,440
Noncontrolling interest	15	16
Total equity	49,182	49,456
Total liabilities, redeemable noncontrolling interest and equity	\$ 82,474	\$ 83,806

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS — UNAUDITED**  
(In millions)

Exhibit C

	Three months ended March 31,	
	2020	2019
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 18	\$ 149
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	914	368
Amortization of debt issue costs	8	4
Loss (gain) on sale of businesses, investments and other	2	6
Stock-based compensation	56	19
Deferred income taxes	(108)	(10)
Net changes in assets and liabilities, net of effects from acquisitions and foreign currency:		
Trade and other receivables	96	13
Contract assets	(21)	(1)
Settlement activity	(368)	(56)
Prepaid expenses and other assets	61	(117)
Deferred contract costs	(150)	(106)
Deferred revenue	86	110
Accounts payable, accrued liabilities and other liabilities	(211)	(85)
Net cash provided by operating activities	383	294
<b>Cash flows from investing activities:</b>		
Additions to property and equipment	(55)	(37)
Additions to software	(251)	(108)
Acquisitions, net of cash acquired	(402)	—
Net proceeds from sale of businesses and investments	—	43
Other investing activities, net	92	(41)
Net cash provided by (used in) investing activities	(616)	(143)
<b>Cash flows from financing activities:</b>		
Borrowings	10,958	5,952
Repayment of borrowings and other financing obligations	(10,391)	(5,754)
Proceeds from stock issued under stock-based compensation plans	176	62
Treasury stock activity	(46)	(423)
Dividends paid	(216)	(113)
Other financing activities, net	(4)	1
Net cash provided by (used in) financing activities	477	(275)
Effect of foreign currency exchange rate changes on cash	(15)	(3)
Net increase (decrease) in cash and cash equivalents	229	(127)
Cash and cash equivalents, at beginning of period	3,211	703
Cash and cash equivalents, at end of period	\$ 3,440	\$ 576

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL NON-GAAP ORGANIC REVENUE GROWTH — UNAUDITED**  
(In millions)

**Exhibit D**

	Three months ended March 31,						
	2020			2019			
	Revenue	FX	Constant Currency Revenue	Revenue	In Year Adjustments (1)	Adjusted Base	Organic Growth
Merchant Solutions	\$ 935	\$ 4	\$ 939	\$ 50	\$ 887	\$ 937	— %
Banking Solutions	1,462	9	1,471	1,373	83	1,457	1 %
Capital Market Solutions	631	3	633	572	19	591	7 %
Corporate and Other	50	—	50	62	—	62	(18)%
<b>Total</b>	<b>\$ 3,078</b>	<b>\$ 16</b>	<b>\$ 3,094</b>	<b>\$ 2,057</b>	<b>\$ 989</b>	<b>\$ 3,045</b>	<b>2 %</b>

Amounts in tables may not sum or calculate due to rounding.

(1) In year adjustments primarily include adding revenue from the Worldpay and Virtus acquisitions.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL NON-GAAP CASH FLOW MEASURES — UNAUDITED**  
(In millions)

**Exhibit D (continued)**

	Three months ended	
	March 31, 2020	March 31, 2019
Net cash provided by operating activities	\$ 383	\$ 294
Non-GAAP adjustments:		
Acquisition, integration and other payments (1)	91	44
Settlement activity	368	56
Adjusted cash flows from operations	842	394
Capital expenditures (2)	(303)	(145)
Free cash flow	\$ 539	\$ 249

Free cash flow reflects adjusted cash flows from operations less capital expenditures (additions to property and equipment and additions to software, excluding capital spend related to the construction of our new headquarters). Free cash flow does not represent our residual cash flows available for discretionary expenditures, since we have mandatory debt service requirements and other non-discretionary expenditures that are not deducted from the measure.

- (1) Adjusted cash flows from operations and free cash flow for the three months ended March 31, 2020 and 2019 exclude cash payments for certain acquisition, integration and other costs, net of related tax impact. The related tax impact totaled \$15 million and \$10 million for the three months ended March 31, 2020 and 2019, respectively.
- (2) Capital expenditures and free cash flow for the three months ended March 31, 2020 exclude \$3 million in capital spend related to the construction of our new headquarters.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS — UNAUDITED**  
(In millions, except per share amounts)

Exhibit E

	Three months ended March 31,	
	2020	2019
Net earnings attributable to FIS common stockholders	\$ 15	\$ 148
Provision (benefit) for income taxes	(30)	32
Interest expense, net	80	75
Other, net	43	60
Operating income, as reported	108	315
Depreciation and amortization, excluding purchase accounting amortization	230	195
Non-GAAP adjustments:		
Purchase accounting amortization (1)	684	173
Acquisition, integration and other costs (2)	225	46
Adjusted EBITDA	<u>\$ 1,247</u>	<u>\$ 729</u>

See notes to Exhibit E.



**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS — UNAUDITED**  
(In millions, except per share amounts)

Exhibit E (continued)

	Three months ended March 31,	
	2020	2019
Earnings (loss) before income taxes and equity method investment earnings (loss)	\$ (11)	\$ 188
Provision (benefit) for income taxes	(30)	32
Equity method investment earnings (loss)	(1)	(7)
Net (earnings) loss attributable to noncontrolling interest	(3)	(1)
Net earnings attributable to FIS common stockholders	15	148
Non-GAAP adjustments:		
Purchase accounting amortization (1)	684	173
Acquisition, integration and other costs (2)	225	100
Loss (gain) on sale of businesses and investments (3)	—	6
Non-operating (income) expense (4)	39	—
Equity method investment (earnings) loss (5)	1	7
Provision for income taxes on non-GAAP adjustments	(162)	(56)
Total non-GAAP adjustments	787	230
Adjusted net earnings, net of tax	<u>\$ 802</u>	<u>\$ 378</u>
Net earnings per share-diluted attributable to FIS common stockholders	\$ 0.02	\$ 0.45
Non-GAAP adjustments:		
Purchase accounting amortization (1)	1.09	0.53
Acquisition, integration and other costs (2)	0.36	0.31
Loss (gain) on sale of businesses and investments (3)	—	0.02
Non-operating (income) expense (4)	0.06	—
Equity method investment (earnings) loss (5)	—	0.02
Provision for income taxes on non-GAAP adjustments	(0.26)	(0.17)
Adjusted net earnings per share-diluted attributable to FIS common stockholders	<u>\$ 1.28</u>	<u>\$ 1.16</u>
Weighted average shares outstanding-diluted	<u>625</u>	<u>326</u>

Amounts in table may not sum or calculate due to rounding.

See notes to Exhibit E.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS — UNAUDITED**  
**(In millions, except per share amounts)**

Exhibit E (continued)

**Notes to Unaudited - Supplemental GAAP to Non-GAAP Reconciliations for the three months ended March 31, 2020 and 2019.**

The adjustments are as follows:

- (1) This item represents purchase price amortization expense on all intangible assets acquired through various Company acquisitions, including customer relationships, contract value, trademarks and tradenames, and technology assets. The Company has excluded the impact of this amortization expense as such amounts can be significantly impacted by the timing and/or size of acquisitions. Although the Company excludes these amounts from its non-GAAP expenses, the Company believes that it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of assets that relate to past acquisitions will recur in future periods until such assets have been fully amortized. Any future acquisitions may result in the amortization of future assets.
- (2) This item represents acquisition and integration costs primarily related to the acquisition of Worldpay and certain other costs including those associated with data center consolidation activities of \$18 million and \$8 million for the three months ended March 31, 2020 and 2019, respectively.
- (3) This item represents the net pre-tax loss (gain) on sale of businesses and investments during the three months ended March 31, 2019.
- (4) Non-operating income (expense) consists of other income and expense items outside of the Company's operating activities. For the three months ended March 31, 2020 this item primarily represents foreign currency transaction remeasurement losses and a fair value adjustment on convertible Visa Inc. Series B preferred stock and related contingent value right liability from the Worldpay acquisition.
- (5) This item represents our equity method investment earnings or loss and is predominantly due to our equity ownership interest in Cardinal Holdings, LP.