



# FOURTH QUARTER 2020 EARNINGS CALL

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February 9, 2021

## SPEAKERS



### **BUSINESS & STRATEGY UPDATE**

**Gary Norcross**

*Chairman, President and  
Chief Executive Officer*



### **FINANCIAL RESULTS & GUIDANCE**

**Woody Woodall**

*Chief Financial Officer*

# DISCLOSURES

## Forward-looking Statements

Our discussions today, including this presentation and any comments made by management, contain “forward-looking statements” within the meaning of the U.S. federal securities laws. Any statements that refer to future events or circumstances, including our future strategies or results, or that are not historical facts, are forward-looking statements. Actual results could differ materially from those projected in forward-looking statements due to a variety of factors, including the risks and uncertainties set forth in our earnings press release dated February 9, 2021, our annual report on Form 10-K for 2019 and our other filings with the SEC. We undertake no obligation to update or revise any forward-looking statements. Please see the Appendix for additional details on forward-looking statements.

## Non-GAAP Measures

This presentation will reference certain non-GAAP financial information. For a description and reconciliation of non-GAAP measures presented in this document, please see the Appendix attached to this presentation or visit the Investor Relations section of the FIS website at [www.fisglobal.com](http://www.fisglobal.com).

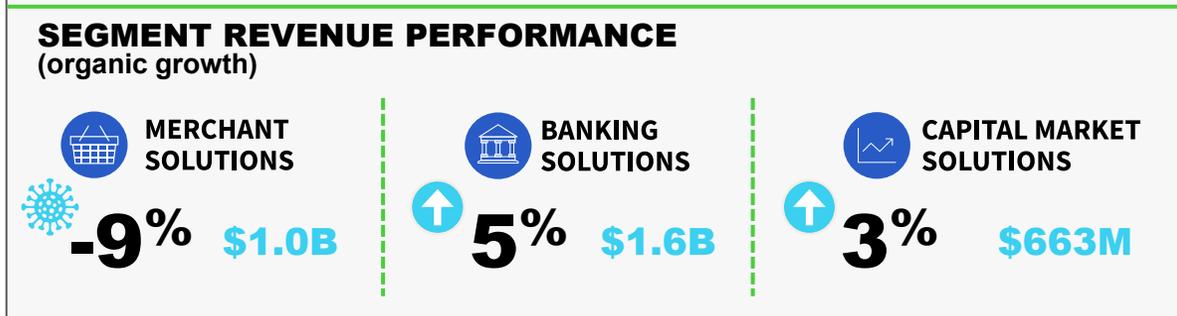
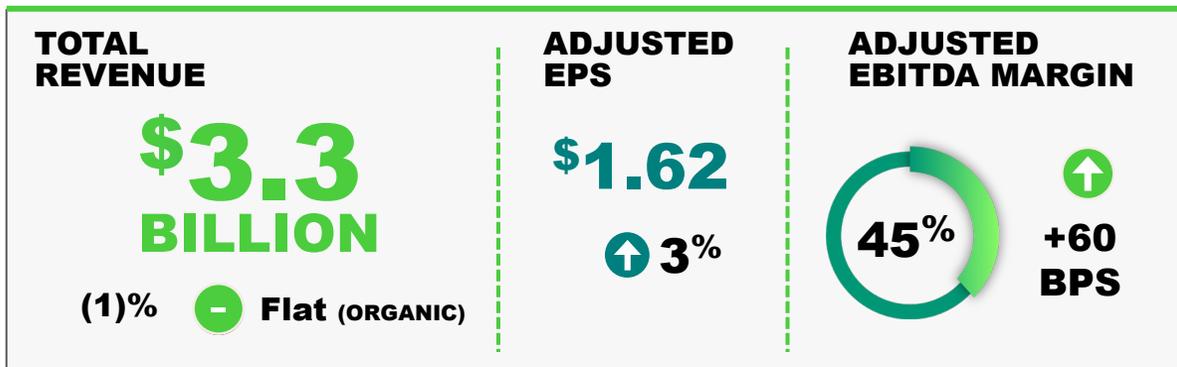


# **BUSINESS & STRATEGY UPDATE**

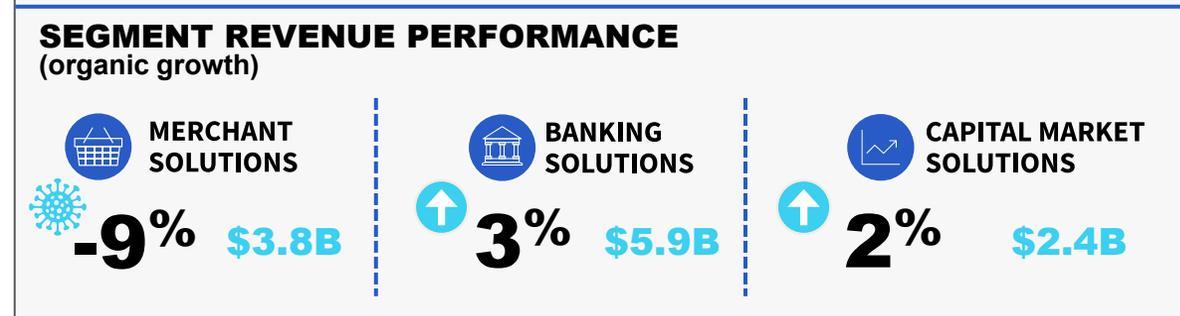
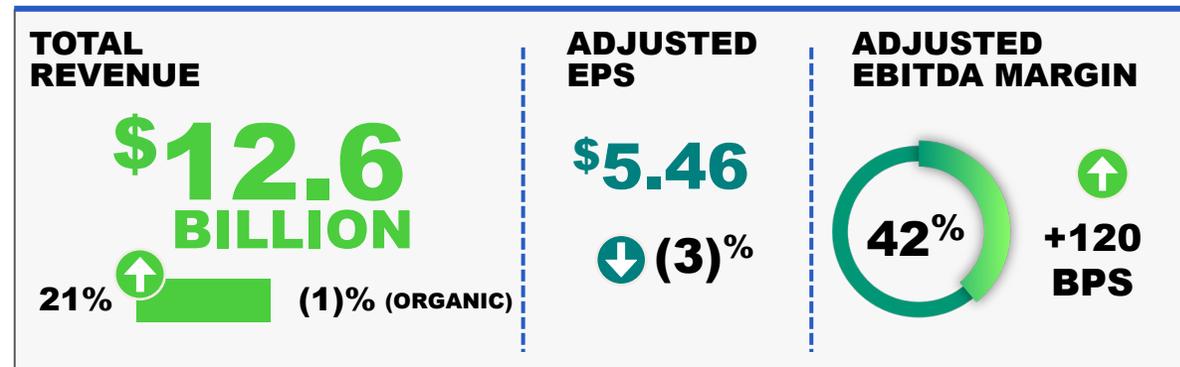
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# EXCEPTIONAL PERFORMANCE IN CHALLENGING ENVIRONMENT

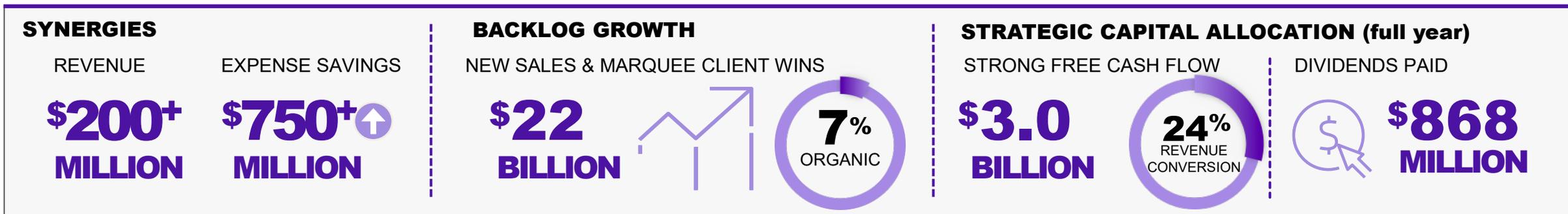
## Q4 RESULTS



## FY RESULTS



## METRICS



# 2020 ACCOMPLISHMENTS PROVIDE CONFIDENCE IN 2021 OUTLOOK

## GROWTH & EXPANSION

### REVENUE SYNERGY

#### Largest eCom Retailer



UnitedHealth Group<sup>SM</sup>



### NEW PRODUCT

#### Investing in:

- Contactless
- Voice-Enabled
- Self-Service
- AI and Automation technologies

#### 60+ Launched in 2020:

- Access Worldpay
- ClearEdge
- Ethos
- Modern Banking Platform
- Real-time Payments Managed Services

## OPERATIONAL EFFICIENCY

### ENTERPRISE TRANSFORMATION

Fast, innovative, secure and simplified technology designed for a world-class client experience while maximizing efficiency



## RESULTS

Successfully combining unique breadth of capabilities to serve our clients in new and innovative ways

- Accelerating revenue synergies and cross-sell opportunities
- Strong Sales Pipeline & Growing Backlog

#### Expanding distribution & global reach

- Premium Payback: Top Retailers & Issuers
- Bank Referral Wins: ~1000 New Branches
- Global Expansion: 6 New Countries

Operational efficiency initiatives driving continued Adj. EBITDA margin expansion

+250-300 BPS Margin Expansion in 2021



## WINNING SHARE ACROSS ALL THREE SEGMENTS

# WINNING SHARE IN BANKING

Strategic technology investment and differentiated competitive position

## 2020 Accomplishments



**Backlog**  
*Banking TCV*



**Sales TCV**  
*Largest Year Ever*



**Cross-sell<sup>2</sup>**  
*Top 100 Clients*

## WHY WE WIN

- Differentiated investments in innovative Cloud-native technology benefitting new and existing clients
- Unique competitive position with Top 100 FIs and opportunity expand presence in Community Bank market
- Backlog, implementation queue and pipeline strength to power continued acceleration in 2021

## 2020 Notable Client Wins

### Modern Banking Platform

- Three recent bank wins now live
- Modern Banking Platform expected to contribute \$100M in revenue in 2021

### Bank of Hawaii

- Chose Digital One enabling modern, best-in-class digital banking capabilities that span mobile self-service channels to banker-assisted channels

### Top 5 Bank

- Chose FIS Bill Pay solution due to our ease of integration and customization experience across digital channels

## Pipeline Strength



<sup>1</sup> 2017-2020 total contract value (TCV) CAGR.

<sup>2</sup> Year-over-year growth of TCV sold to Banking's Top 100 clients.

For a description of non-GAAP measures and a reconciliation of GAAP to non-GAAP measures, see Appendix.

# WINNING SHARE IN MERCHANT

Leading authorization rates, global reach, omnichannel and integrated payments technologies

2020 Payments \$-volume (year-over-year % change)<sup>1</sup>



**Global Networks<sup>2</sup>**  
Total



**FIS**  
Total



**FIS eCom**  
ex. Travel & Airlines

## WHY WE WIN

- Leading global eCom, omnichannel and integrated payments technologies
- Our global reach and world-class scale helping clients to reach new markets
- Best-in-class auth rates and fraud technology continue to drive incremental volume with existing clients

## 2020 Notable Client Wins

**Walmart** 

- The world's 2<sup>nd</sup> largest eCom retailer to begin processing eCom transactions with FIS

### Food Delivery Service

- Utilizing FIS to enable their new omnichannel technology service

 **NortonLifeLock<sup>™</sup>**

- Consolidating prior eCom service provider relationships to partner exclusively with FIS using our innovative Access Worldpay gateway

## Awards and Accolades



<sup>1</sup> All growth rates shown are on a constant currency basis.

<sup>2</sup> Global Networks refers to Visa and Mastercard. Includes total global volume growth for Visa plus Mastercard.

<sup>3</sup> For a description of non-GAAP measures and a reconciliation of GAAP to non-GAAP measures, see Appendix.

# WINNING SHARE IN CAPITAL MARKETS

Leading end-to-end solutions and growing mix of SAAS-based recurring revenue

**FY & 4Q 2020 Accomplishments** (year-over-year % change in TCV)



**Recurring  
New Sales Growth**  
*Full Year 2020*



**Recurring  
New Sales Growth**  
*4Q 2020*



**Average  
Deal Size**  
*Full Year 2020*



**New Logo  
Contribution to Sales**  
*4Q 2020*

## WHY WE WIN

- Industry leading end-to-end solutions set us apart from the competition
- Growing recurring sales in-line with market demand support revenue growth tailwind
- Strong sales and high demand driven by investments in new solutions and platform modernization

## 2020 Notable Client Wins

### Global Investment Bank

- Selected our cleared derivative suite including reconciliations, trade allocation, trade clearing

### Large Insurance Company

- Multi-solution deal centered around payment and cash processing platforms

### Leading Asset Manager

- Expansion of strategic relationship to include tax processing platform

## Awards and Accolades





# FINANCIAL RESULTS

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# CONSOLIDATED FINANCIAL RESULTS

## 4Q 2020 RESULTS

*Accelerated growth in Banking and Capital Markets*

- Flat organic revenue growth as growth in Banking and Capital Markets was offset by COVID impact in Merchant
- Adjusted EBITDA margin expanded 60 basis points (bps) year-over-year and 270 bps sequentially to 45%
- Adjusted EPS of \$1.62

## INTEGRATION MORE THAN 2 YEARS AHEAD OF SCHEDULE

*with growing revenue and cost synergy achievement<sup>1</sup>*

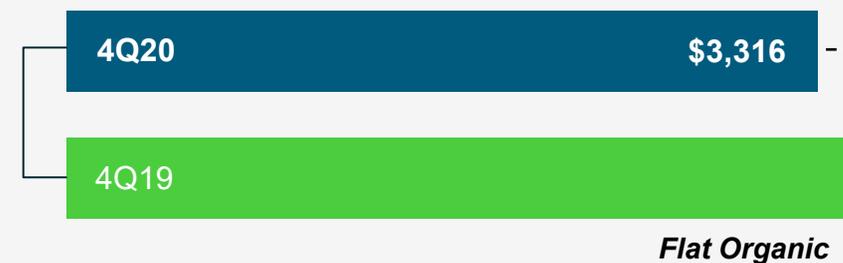
- Revenue synergies increased to \$200+ million, primarily due to Premium Payback, geographic expansion and cross-sell wins
- Cost synergies exceed \$750 million, including \$400 million dollars in operating expense savings
- Anticipate \$400 million in revenue synergies and \$500 million in operating expense savings exiting 2021

## STRONG SALES EXECUTION

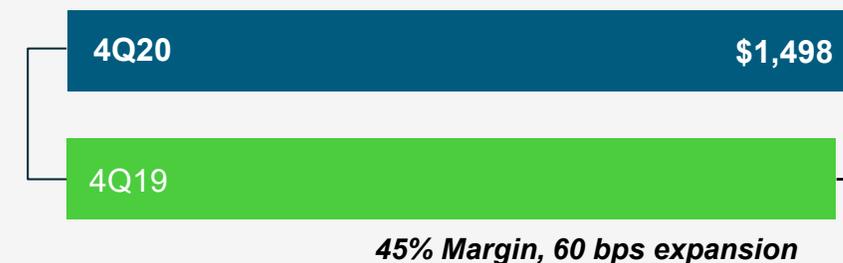
*with growing backlog and robust pipeline*

- Backlog increased 7% organically to \$22 billion on strong client demand

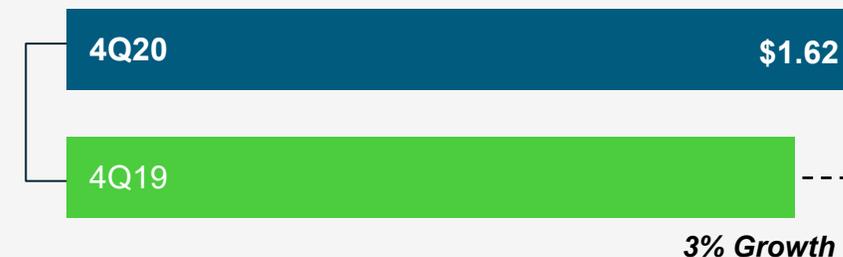
### REVENUE (\$ in millions)



### ADJUSTED EBITDA (\$ in millions)



### ADJUSTED EPS



# SEGMENT RESULTS

## BANKING SOLUTIONS

- Organic revenue growth accelerated to 5% driven by strong execution
- Organic revenue growth includes ~1.5% headwind associated with lower termination fees
- Anticipate mid-to-high single digit organic revenue growth in 2021

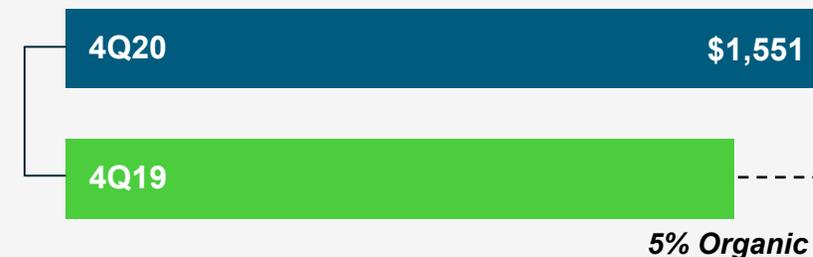
## MERCHANT SOLUTIONS

- Organic revenue decreased (9%) due to impacts associated with the ongoing COVID pandemic
- Organic revenue includes ~2% headwind associated with a step-up in debit routing revenue synergies following the Worldpay acquisition
- Anticipate mid-to-high teens organic revenue growth in 2021

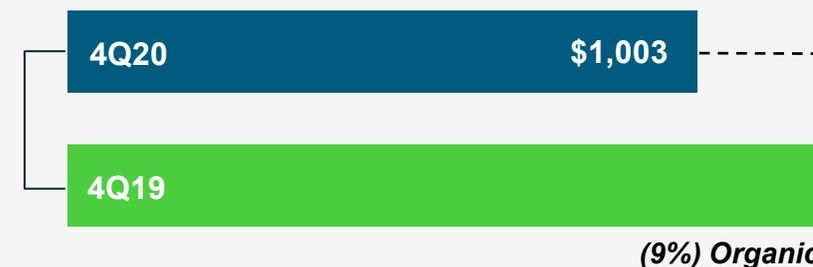
## CAPITAL MARKET SOLUTIONS

- Organic revenue growth accelerated to 3% driven by continued growth in recurring revenue and sales execution
- Organic revenue includes ~1% headwind associated with the timing of license renewals
- Anticipate low-to-mid single digit organic revenue growth in 2021

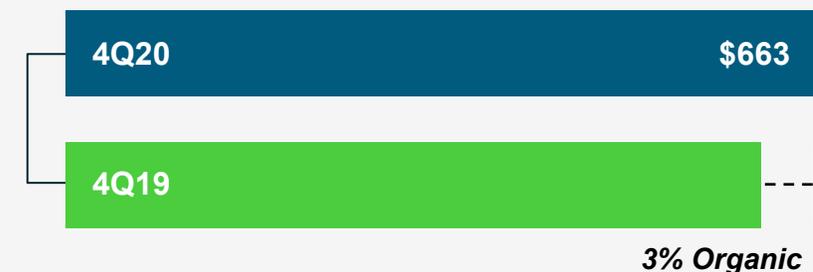
### REVENUE (\$ in millions)



### REVENUE (\$ in millions)

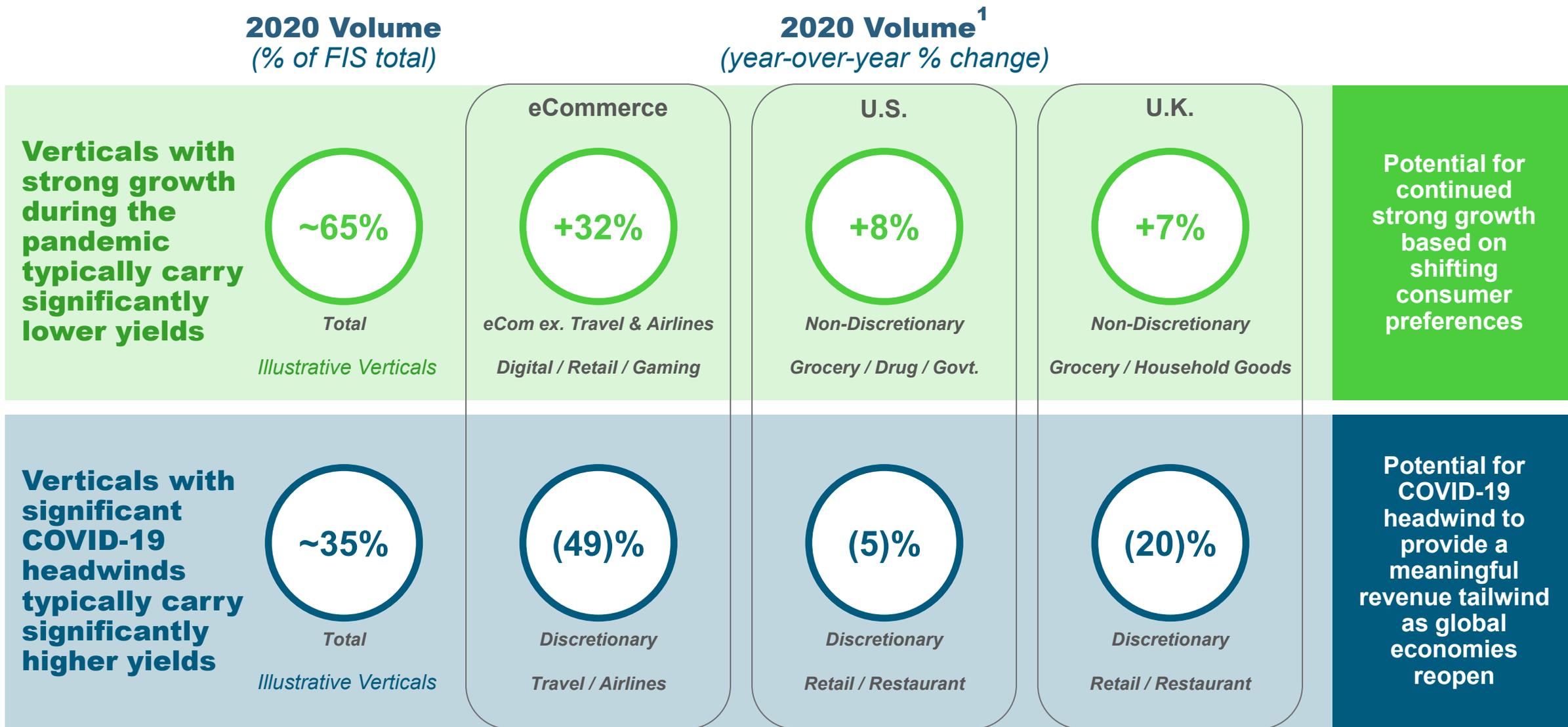


### REVENUE (\$ in millions)



# MERCHANT SOLUTIONS PORTFOLIO MIX

Lower-yield verticals grew while higher-yield verticals declined in 2020, creating a future tailwind as economies reopen



# STRONG BALANCE SHEET, CASH FLOW AND LIQUIDITY

BALANCE SHEET AND CASH FLOW	FY 2020
Free Cash Flow	\$3.0B
Debt Paydown <sup>1</sup>	\$1.6B
Dividends Paid	\$0.9B
Total Debt	\$20.0B

LIQUIDITY POSITION	FY 2020
Cash and Cash Equivalents	\$2.0B
Available Borrowing Capacity <sup>2</sup>	\$2.6B
Total Liquidity	\$4.6B
Weighted Average Interest Rate	1.7%

- Announced authorization to repurchase 100 million shares (*approximately 16% of total shares outstanding or ~\$13 billion dollars at current price*) and increased quarterly dividend by 11%
- Capital expenditures expected to be approximately 9% and Free Cash Flow approximately 25% - 27% of revenue in 2021<sup>3</sup>
- Expecting to exit 2021 with leverage below 3.0x, while continuing to assess M&A opportunities

<sup>1</sup> Debt paydown excludes settlement borrowings and currency translation impact.

<sup>2</sup> \$5.5 billion revolving credit facility less outstanding commercial paper and drawn revolver balances.

<sup>3</sup> Capital expenditures exclude capital spend related to the construction of our new headquarters.

For a description of non-GAAP measures and a reconciliation of GAAP to non-GAAP measures, see Appendix.

# STRATEGIC CAPITAL ALLOCATION TO MAXIMIZE SHAREHOLDER VALUE

Our capital allocation priorities are unchanged

## 1 INVEST FOR GROWTH

### ORGANIC

Aggressively investing in technology and innovation across high-growth markets while harvesting non-strategic assets

### M&A

Targeting high-growth assets across our core markets and adjacencies

## 2 RETURN CAPITAL

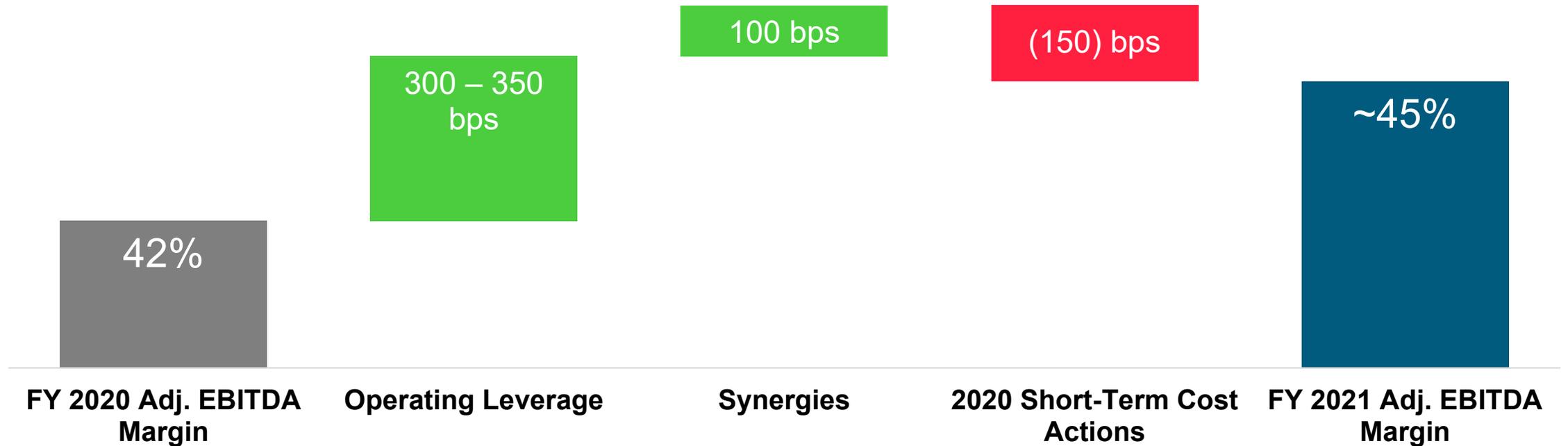
### SHARE REPURCHASE

Initiated 100 million share repurchase program  
*(approximately 16% of shares outstanding or \$13B at current value)*

### DIVIDENDS

Consistent 10-15% dividend growth  
*(reviewed by our Board annually)*

# FY 2021 ADJUSTED EBITDA MARGIN BRIDGE



- **Operating Leverage:** Incremental margins of ~80%, primarily driven by recovery in Merchant, underlying expansion in Banking and Capital Markets and ongoing cost actions, net of incremental investments in growth
- **Expense Synergies:** Expense synergy benefit from ongoing ramp of operating expense savings
- **2020 Short-Term Cost Actions:** Reinstating short-term incentive compensation and temporary cost actions taken at the onset of the ongoing COVID pandemic

# DETAILED 1Q AND FY 2021 GUIDANCE

(\$ millions, except per share data)

METRICS	1Q 2021 GUIDANCE	FY 2021 GUIDANCE
<b>Revenue</b>	<b>\$3,130 - \$3,160</b>	<b>\$13,500 - \$13,700</b>
<i>Organic Revenue Growth</i>	<i>1% - 2%</i>	<i>8% - 9%</i>
<b>Adjusted EBITDA</b>	<b>\$1,250 - \$1,280</b>	<b>\$6,000 - \$6,150</b>
<i>Year-over-year Growth</i>	<i>0% - 3%</i>	<i>14% - 17%</i>
<b>Margin Expansion</b>	<b>(50) – 0 bps</b>	<b>250 – 300 bps</b>
<i>Adjusted EBITDA Margin</i>	<i>40.0% - 40.5%</i>	<i>~45%</i>
<b>Adjusted EPS</b>	<b>\$1.20 - \$1.25</b>	<b>\$6.20 - \$6.40</b>
<i>Year-over-year Growth</i>	<i>(6)% - (2)%</i>	<i>14% - 17%</i>

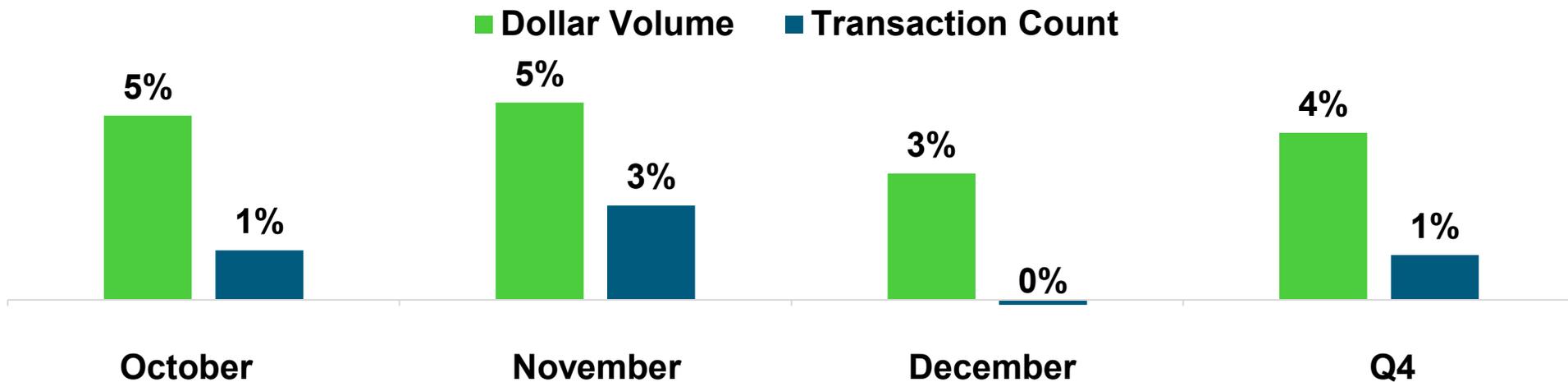


# APPENDIX

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# 4Q 2020 CONSUMER SPENDING TRENDS

## Merchant Monthly Volume and Transaction Trends<sup>1</sup>



- Consumer spending shifting to non-discretionary verticals and to large-enterprise merchants
- Difference between Dollar Volume and Transaction Count growth demonstrates significant expansion in average ticket sizes, primarily associated with consumers shopping less often and spending more during each shopping trip during the ongoing COVID pandemic

✓ U.S. Volume Growth: 5%

✓ Intl. Volume Growth: 3%

✓ Global eCommerce Volume Growth excluding Travel & Airlines: 35%

# 1Q 2021 GUIDANCE – ADDITIONAL ASSUMPTIONS

(\$ millions)

METRICS	1Q 2021 GUIDANCE
Positive F/X Impact to Revenue	~\$25
Corporate and Other Revenue Growth	~(10)%
Depreciation and Amortization <i>(Excluding Purchase Price Amortization)</i>	~\$275
Net Interest Expense	~\$75
Effective Tax Rate	~14.5%
Weighted Average Shares Outstanding	~631M

# FY 2021 GUIDANCE – ADDITIONAL ASSUMPTIONS

(\$ millions)

METRICS	FY 2021 GUIDANCE
Positive F/X Impact to Revenue	~\$75
Corporate and Other Revenue Growth	~(10)%
Depreciation and Amortization <i>(Excluding Purchase Price Amortization)</i>	~\$1,130
Net Interest Expense	~\$290
Effective Tax Rate	~14.5%
Weighted Average Shares Outstanding	~632M

## 2020 ORGANIC BASE

(\$ millions)

Organic Base	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2020
Banking Solutions	\$ 1,444	\$ 1,462	\$ 1,488	\$ 1,551	\$ 5,944
Merchant Solutions	935	812	1,017	1,003	3,767
Capital Market Solutions	597	593	587	663	2,440
<b>Operating Segment Total</b>	<b>\$ 2,976</b>	<b>\$ 2,867</b>	<b>\$ 3,092</b>	<b>\$ 3,217</b>	<b>\$ 12,152</b>

Total Revenue	1Q 2020	2Q 2020	3Q 2020	4Q 2020	FY 2020
Corporate and Other	102	95	105	99	401
<b>Consolidated FIS</b>	<b>\$ 3,078</b>	<b>\$ 2,962</b>	<b>\$ 3,197</b>	<b>\$ 3,316</b>	<b>\$ 12,552</b>

# FORWARD-LOOKING STATEMENTS

This presentation and today's webcast contain "forward-looking statements" within the meaning of the U.S. federal securities laws. Statements that are not historical facts, including statements about anticipated financial outcomes, including any earnings guidance or projections of the Company, projected revenue or expense synergies, business and market conditions, outlook, foreign currency exchange rates, deleveraging plans, expected dividends and share repurchases, the Company's sales pipeline and anticipated profitability and growth, as well as other statements about our expectations, beliefs, intentions, or strategies regarding the future, or other characterizations of future events or circumstances, are forward-looking statements. These statements relate to future events and our future results and involve a number of risks and uncertainties. Forward-looking statements are based on management's beliefs as well as assumptions made by, and information currently available to, management.

Actual results, performance or achievement could differ materially from those contained in these forward-looking statements. The risks and uncertainties to which forward-looking statements are subject include the following, without limitation:

- the outbreak or recurrence of the novel coronavirus ("COVID-19") and measures to reduce its spread, including the impact of governmental or voluntary actions such as business shutdowns and stay-at-home orders;
- the duration, including any recurrence, of the COVID-19 pandemic and its impacts, including the general impact of an economic recession, reductions in consumer and business spending, and instability of the financial markets across the globe;
- the economic and other impacts of COVID-19 on our clients which affect the sales of our solutions and services and the implementation of such solutions;
- the risk of losses in the event of defaults by merchants (or other parties) to which we extend credit in our card settlement operations or in respect of any chargeback liability, either of which could adversely impact liquidity and results of operations;
- changes in general economic, business and political conditions, including those resulting from COVID-19 or other pandemics, intensified international hostilities, acts of terrorism, changes in either or both the United States and international lending, capital and financial markets and currency fluctuations;
- the risk that the Worldpay transaction will not provide the expected benefits or that we will not be able to achieve the revenue synergies anticipated;
- the risk that other acquired businesses will not be integrated successfully or that the integration will be more costly or more time-consuming and complex than anticipated;
- the risk that cost savings and other synergies anticipated to be realized from other acquisitions may not be fully realized or may take longer to realize than expected;
- the risks of doing business internationally;
- the effect of legislative initiatives or proposals, statutory changes, governmental or other applicable regulations and/or changes in industry requirements, including privacy and cybersecurity laws and regulations;
- the risks of reduction in revenue from the elimination of existing and potential customers due to consolidation in, or new laws or regulations affecting, the banking, retail and financial services industries or due to financial failures or other setbacks suffered by firms in those industries;
- changes in the growth rates of the markets for our solutions;
- failures to adapt our solutions to changes in technology or in the marketplace;
- internal or external security breaches of our systems, including those relating to unauthorized access, theft, corruption or loss of personal information and computer viruses and other malware affecting our software or platforms, and the reactions of customers, card associations, government regulators and others to any such events;
- the risk that implementation of software, including software updates, for customers or at customer locations or employee error in monitoring our software and platforms may result in the corruption or loss of data or customer information, interruption of business operations, outages, exposure to liability claims or loss of customers;
- the reaction of current and potential customers to communications from us or regulators regarding information security, risk management, internal audit or other matters;
- the risk that 2020 election results in the U.S. may result in additional regulation and additional regulatory and tax costs;

# FORWARD-LOOKING STATEMENTS

- competitive pressures on pricing related to the decreasing number of community banks in the U.S., the development of new disruptive technologies competing with one or more of our solutions, increasing presence of international competitors in the U.S. market and the entry into the market by global banks and global companies with respect to certain competitive solutions, each of which may have the impact of unbundling individual solutions from a comprehensive suite of solutions we provide to many of our customers;
- the failure to innovate in order to keep up with new emerging technologies, which could impact our solutions and our ability to attract new, or retain existing, customers;
- an operational or natural disaster at one of our major operations centers;
- failure to comply with applicable requirements of payment networks or changes in those requirements;
- fraud by merchants or bad actors; and
- other risks detailed in the “Risk Factors” and other sections of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, in our quarterly reports on Form 10-Q and in our other filings with the Securities and Exchange Commission.

Other unknown or unpredictable factors also could have a material adverse effect on our business, financial condition, results of operations and prospects. Accordingly, readers should not place undue reliance on these forward-looking statements. These forward-looking statements are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Except as required by applicable law or regulation, we do not undertake (and expressly disclaim) any obligation and do not intend to publicly update or review any of these forward-looking statements, whether as a result of new information, future events or otherwise.

# FIS USE OF NON-GAAP FINANCIAL INFORMATION

Generally Accepted Accounting Principles (GAAP) is the term used to refer to the standard framework of guidelines for financial accounting in the United States. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, we have provided certain non-GAAP financial measures.

These non-GAAP measures include constant currency revenue, organic revenue growth, adjusted EBITDA, adjusted EBITDA margin, adjusted net earnings, adjusted EPS, and free cash flow. These non-GAAP measures may be used in this release and/or in the attached supplemental financial information.

We believe these non-GAAP measures help investors better understand the underlying fundamentals of our business. As further described below, the non-GAAP revenue and earnings measures presented eliminate items management believes are not indicative of FIS' operating performance. The constant currency and organic revenue growth measures adjust for the effects of exchange rate fluctuations, while organic revenue growth also adjusts for acquisitions and divestitures and excludes revenue from Corporate and Other, giving investors further insight into our performance. Finally, free cash flow provides further information about the ability of our business to generate cash. For these reasons, management also uses these non-GAAP measures in its assessment and management of FIS' performance.

As described below, our Adjusted EBITDA and Adjusted Net Earnings measures also exclude incremental and direct costs resulting from the COVID-19 pandemic. Management believes that this adjustment may help investors understand the longer-term fundamentals of our underlying business.

Constant currency revenue represents reported operating segment revenue excluding the impact of fluctuations in foreign currency exchange rates in the current period.

Organic revenue growth is constant currency revenue, as defined above, for the current period compared to an adjusted revenue base for the prior period, which is adjusted to add pre-acquisition revenue of acquired businesses for a portion of the prior year matching the portion of the current year for which the business was owned, and subtract pre-divestiture revenue for divested businesses for the portion of the prior year matching the portion of the current year for which the business was not owned, for any acquisitions or divestitures by FIS. When referring to organic revenue growth, revenues from our Corporate and Other segment, which is comprised of revenue from non-strategic businesses, are excluded.

Adjusted EBITDA reflects net earnings before interest, other income (expense), taxes, equity method investment earnings (loss), and depreciation and amortization, and excludes certain costs and other transactions that management deems non-operational in nature, the removal of which improves comparability of operating results across reporting periods. It also excludes incremental and direct costs resulting from the COVID-19 pandemic. This measure is reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. For this reason, adjusted EBITDA, as it relates to our segments, is presented in conformity with Accounting Standards Codification 280, Segment Reporting, and is excluded from the definition of non-GAAP financial measures under the Securities and Exchange Commission's Regulation G and Item 10(e) of Regulation S-K.

Adjusted EBITDA margin reflects adjusted EBITDA, as defined above, divided by revenue.

Adjusted net earnings excludes the impact of certain costs and other transactions which management deems non-operational in nature, the removal of which improves comparability of operating results across reporting periods. It also excludes the impact of acquisition-related purchase accounting amortization and equity method investment earnings (loss), both of which are recurring. It also excludes incremental and direct costs resulting from the COVID-19 pandemic.

Adjusted EPS reflects adjusted net earnings, as defined above, divided by weighted average diluted shares outstanding.

Free cash flow reflects net cash provided by operating activities, adjusted for the net change in settlement assets and obligations and excluding certain transactions that are closely associated with non-operating activities or are otherwise non-operational in nature and not indicative of future operating cash flows, including incremental and direct costs resulting from the COVID-19 pandemic, less capital expenditures. Free cash flow does not represent our residual cash flow available for discretionary expenditures, since we have mandatory debt service requirements and other non-discretionary expenditures that are not deducted from the measure.

Any non-GAAP measures should be considered in context with the GAAP financial presentation and should not be considered in isolation or as a substitute for GAAP measures. Further, FIS' non-GAAP measures may be calculated differently from similarly titled measures of other companies. Reconciliations of these non-GAAP measures to related GAAP measures, including footnotes describing the specific adjustments, are provided in the attached schedules and in the Investor Relations section of the FIS website, [www.fisglobal.com](http://www.fisglobal.com).

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	THREE MONTHS ENDED DECEMBER 31, 2020				
	MERCHANT SOLUTIONS	BANKING SOLUTIONS	CAPITAL MARKET SOLUTIONS	CORPORATE AND OTHER	TOTAL
Revenue	\$1,003	\$1,551	\$663	\$99	\$3,316
FX	(7)	3	(7)	-	(11)
Constant Currency Revenue	\$997	\$1,554	\$656	\$99	\$3,305
	THREE MONTHS ENDED DECEMBER 31, 2019				
	MERCHANT SOLUTIONS	BANKING SOLUTIONS	CAPITAL MARKET SOLUTIONS	CORPORATE AND OTHER	TOTAL
Revenue	\$1,090	\$1,480	\$626	\$145	\$3,341
In Year Adjustments <sup>(1)</sup>	-	-	10	-	10
Adjusted Base	\$1,090	\$1,480	\$636	\$145	\$3,352
Organic Growth <sup>(2)</sup>	(9)%	5%	3%		0%

1 In year adjustments primarily include adding revenue from the Worldpay acquisition and Virtus acquisition.

2 Organic growth excludes the impact of foreign currency exchange rates in the current period, acquisition or divestiture impact from the prior period and Corporate and Other revenue from the current and prior period. Amounts in table may not sum or calculate due to rounding.

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	YEAR ENDED DECEMBER 31, 2020				
	MERCHANT SOLUTIONS	BANKING SOLUTIONS	CAPITAL MARKET SOLUTIONS	CORPORATE AND OTHER	TOTAL
Revenue	\$3,767	\$5,944	\$2,440	\$401	\$12,552
FX	(9)	32	(5)	2	20
Constant Currency Revenue	\$3,758	\$5,976	\$2,435	\$403	\$12,572
	YEAR ENDED DECEMBER 31, 2019				
	MERCHANT SOLUTIONS	BANKING SOLUTIONS	CAPITAL MARKET SOLUTIONS	CORPORATE AND OTHER	TOTAL
Revenue	\$1,942	\$5,592	\$2,318	\$481	\$10,333
In Year Adjustments <sup>(1)</sup>	2,171	200	68	-	2,439
Adjusted Base	\$4,113	\$5,792	\$2,385	\$481	\$12,772
Organic Growth <sup>(2)</sup>	(9)%	3%	2%		(1)%

1 In year adjustments primarily include adding revenue from the Worldpay acquisition and Virtus acquisition.

2 Organic growth excludes the impact of foreign currency exchange rates in the current period, acquisition or divestiture impact from the prior period and Corporate and Other revenue from the current and prior period. Amounts in table may not sum or calculate due to rounding.

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	THREE MONTHS ENDED DECEMBER 31,	
	2020	2019
Net earnings (loss) attributable to FIS common stockholders	\$103	\$(158)
Provision (benefit) for income taxes	2	(19)
Interest expense, net	82	95
Other, net	(20)	205
Operating income, as reported	\$167	\$123
Depreciation and amortization, excluding purchase accounting amortization	258	217
Non-GAAP adjustments:		
Purchase accounting amortization	694	740
Acquisition, integration and other costs	243	410
Asset impairments	136	-
<b>Adjusted EBITDA</b>	<b>\$1,498</b>	<b>\$1,490</b>

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	YEAR ENDED DECEMBER 31,	
	2020	2019
Net earnings (loss) attributable to FIS common stockholders	\$158	\$298
Provision (benefit) for income taxes	96	100
Interest expense, net	334	337
Other, net	(36)	234
Operating income, as reported	\$552	\$969
Depreciation and amortization, excluding purchase accounting amortization	964	809
Non-GAAP adjustments:		
Purchase accounting amortization	2,750	1,635
Acquisition, integration and other costs	858	704
Asset impairments	136	87
<b>Adjusted EBITDA</b>	<b>\$5,260</b>	<b>\$4,204</b>

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	THREE MONTHS ENDED DECEMBER 31,	
	2020	2019
Earnings (loss) before income taxes and equity method investment earnings (loss)	\$102	\$(183)
(Provision) benefit for income taxes	(2)	19
Equity method investment earnings (loss)	2	7
Net (earnings) loss attributable to noncontrolling interest	1	(1)
Net earnings attributable to FIS common stockholders	\$103	\$(158)
Non-GAAP adjustments:		
Purchase accounting amortization	694	740
Acquisition, integration and other costs	201	410
Asset impairments	136	-
Non-operating (income) expense	(17)	211
Equity method investment (earnings) loss	(2)	(7)
(Provision) benefit for income taxes on non-GAAP adjustments	(99)	(219)
Total non-GAAP adjustments	913	1,135
<b>Adjusted net earnings</b>	<b>\$1,016</b>	<b>\$977</b>
Net earnings (loss) per share – diluted attributable to FIS common stockholders	\$0.16	\$(0.26)
Non-GAAP adjustments:		
Purchase accounting amortization	1.11	1.19
Acquisition, integration and other costs	0.32	0.66
Asset impairments	0.22	-
Non-operating (income) expense	(0.03)	0.34
Equity method investment (earnings) loss	-	(0.01)
(Provision) benefit for income taxes on non-GAAP adjustments	(0.16)	(0.35)
<b>Adjusted net earnings</b>	<b>\$1.62</b>	<b>\$1.57</b>
Weighted average shares outstanding-diluted	628	623

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	YEAR ENDED DECEMBER 31,	
	2020	2019
Earnings (loss) before income taxes and equity method investment earnings (loss)	\$266	\$413
(Provision) benefit for income taxes	(96)	(100)
Equity method investment earnings (loss)	(6)	(10)
Net (earnings) loss attributable to noncontrolling interest	(6)	(5)
Net earnings attributable to FIS common stockholders	\$158	\$298
Non-GAAP adjustments:		
Purchase accounting amortization	2,750	1,635
Acquisition, integration and other costs	822	768
Asset impairments	136	87
Loss (gain) on sale of businesses and investments	-	6
Debt financing activities	-	98
Non-operating (income) expense	(48)	47
Equity method investment (earnings) loss	6	10
Tax rate change	103	-
(Provision) benefit for income taxes on non-GAAP adjustments	(504)	(419)
Total non-GAAP adjustments	3,265	2,232
<b>Adjusted net earnings</b>	<b>\$3,423</b>	<b>\$2,530</b>
Net earnings (loss) per share – diluted attributable to FIS common stockholders	\$0.25	\$0.66
Non-GAAP adjustments:		
Purchase accounting amortization	4.39	3.63
Acquisition, integration and other costs	1.31	1.70
Asset impairments	0.22	0.19
Loss (gain) on sale of businesses and investments	-	0.01
Debt financing activities	-	0.22
Non-operating (income) expense	(0.08)	0.10
Equity method investment (earnings) loss	0.01	0.02
Tax rate change	0.16	-
(Provision) benefit for income taxes on non-GAAP adjustments	(0.80)	(0.93)
<b>Adjusted net earnings</b>	<b>\$5.46</b>	<b>\$5.61</b>
Weighted average shares outstanding-diluted	627	451

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	THREE MONTHS ENDED DECEMBER 31, 2020
Net cash provided by operating activities	\$1,417
Non-GAAP adjustments:	
Acquisition, integration and other payments	109
Settlement activity	(268)
Adjusted cash flows from operations	\$1,258
Capital expenditures	(281)
<b>Free cash flow</b>	<b>\$977</b>
	THREE MONTHS ENDED DECEMBER 31, 2019
Net cash provided by operating activities	\$670
Non-GAAP adjustments:	
Acquisition, integration and other payments	96
Settlement activity	330
Adjusted cash flows from operations	\$1,096
Capital expenditures	(284)
<b>Free cash flow</b>	<b>\$812</b>

# RECONCILIATION OF GAAP TO NON-GAAP FINANCIALS

(\$ millions, unaudited)

	YEAR ENDED DECEMBER 31, 2020
Net cash provided by operating activities	\$4,442
Non-GAAP adjustments:	
Acquisition, integration and other payments	545
Settlement activity	(862)
Adjusted cash flows from operations	\$4,125
Capital expenditures	(1,088)
<b>Free cash flow</b>	<b>\$3,037</b>
	YEAR ENDED DECEMBER 31, 2019
Net cash provided by operating activities	\$2,410
Non-GAAP adjustments:	
Acquisition, integration and other payments	356
Tax payments on divestitures	10
Settlement activity	165
Adjusted cash flows from operations	\$2,941
Capital expenditures	(828)
<b>Free cash flow</b>	<b>\$2,113</b>



FIS

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