

# Supplemental Financial Data and GAAP to Non-GAAP Reconciliations

First Quarter 2018

Fidelity National Information Services, Inc.  
Earnings Release Supplemental Financial Information  
May 1, 2018

Exhibit A	Condensed Consolidated Statements of Earnings - Unaudited for the three months ended March 31, 2018 and 2017
Exhibit B	Condensed Consolidated Balance Sheets - Unaudited as of March 31, 2018 and December 31, 2017
Exhibit C	Condensed Consolidated Statements of Cash Flows - Unaudited for the three months ended March 31, 2018 and 2017
Exhibit D	Supplemental Non-GAAP Financial Information - Unaudited for the three months ended March 31, 2018 and 2017
Exhibit E	Supplemental GAAP to Non-GAAP Reconciliations - Unaudited for the three months ended March 31, 2018 and 2017
Exhibit F	Supplemental GAAP to Non-GAAP Reconciliations on Guidance - Unaudited for the year ended December 31, 2018

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

**Exhibit A**

	Three months ended	
	March 31,	
	2018	2017
Revenues	\$ 2,066	\$ 2,148
Cost of revenues	1,414	1,491
Gross profit	<u>652</u>	<u>657</u>
Selling, general and administrative expenses	358	411
Operating income	<u>294</u>	<u>246</u>
Other income (expense):		
Interest expense, net	(72)	(93)
Other income (expense), net	3	56
Total other income (expense), net	<u>(69)</u>	<u>(37)</u>
Earnings before income taxes and equity method investment earnings	225	209
Provision (benefit) for income taxes	34	74
Equity method investment earnings	(1)	—
Net earnings	<u>190</u>	<u>135</u>
Net earnings attributable to noncontrolling interest	(8)	(6)
Net earnings attributable to FIS common stockholders	<u>\$ 182</u>	<u>\$ 129</u>
Net earnings per share-basic attributable to FIS common stockholders	<u>\$ 0.55</u>	<u>\$ 0.39</u>
Weighted average shares outstanding-basic	<u>330</u>	<u>328</u>
Net earnings per share-diluted attributable to FIS common stockholders	<u>\$ 0.54</u>	<u>\$ 0.39</u>
Weighted average shares outstanding-diluted	<u>334</u>	<u>333</u>

Amounts in table may not sum due to rounding.

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

**Exhibit B**

	<u>March 31,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 725	\$ 665
Settlement deposits	590	677
Trade receivables, net	1,562	1,624
Contract assets	107	108
Settlement receivables	346	291
Other receivables	96	70
Prepaid expenses and other current assets	309	253
Total current assets	<u>3,735</u>	<u>3,688</u>
Property and equipment, net	581	610
Goodwill	13,747	13,730
Intangible assets, net	3,707	3,885
Computer software, net	1,739	1,728
Deferred contract costs, net	392	354
Other noncurrent assets	504	531
Total assets	<u>\$ 24,405</u>	<u>\$ 24,526</u>
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,018	\$ 1,241
Settlement payables	920	949
Deferred revenues	842	776
Current portion of long-term debt	1,036	1,045
Total current liabilities	<u>3,816</u>	<u>4,011</u>
Long-term debt, excluding current portion	8,040	7,718
Deferred income taxes	1,443	1,468
Deferred revenues	105	106
Other long-term liabilities	390	403
Total liabilities	<u>13,794</u>	<u>13,706</u>
Equity:		
FIS stockholders' equity:		
Preferred stock \$0.01 par value	—	—
Common stock \$0.01 par value	4	4
Additional paid in capital	10,585	10,534
Retained earnings	4,186	4,109
Accumulated other comprehensive earnings (loss)	(318)	(332)
Treasury stock, at cost	(3,962)	(3,604)
Total FIS stockholders' equity	<u>10,495</u>	<u>10,711</u>
Noncontrolling interest	116	109
Total equity	<u>10,611</u>	<u>10,820</u>
Total liabilities and equity	<u>\$ 24,405</u>	<u>\$ 24,526</u>

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

**Exhibit C**

	Three months ended March 31,	
	2018	2017
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 190	\$ 135
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	352	332
Amortization of debt issue costs	5	12
Gain on sale of businesses	(7)	(85)
Stock-based compensation	20	26
Deferred income taxes	(14)	(152)
Net changes in assets and liabilities, net of effects from acquisitions and foreign currency:		
Trade receivables	44	11
Contract assets	2	57
Settlement activity	2	(36)
Prepaid expenses and other assets	(43)	(50)
Deferred contract costs	(65)	(36)
Deferred revenue	69	96
Accounts payable, accrued liabilities and other liabilities	(201)	144
Net cash provided by operating activities	354	454
<b>Cash flows from investing activities:</b>		
Additions to property and equipment	(54)	(44)
Additions to computer software	(118)	(111)
Proceeds from sale of businesses	49	827
Other investing activities, net	(4)	(1)
Net cash provided by (used in) investing activities	(127)	671
<b>Cash flows from financing activities:</b>		
Borrowings	1,971	1,381
Repayment of borrowings and capital lease obligations	(1,711)	(2,443)
Proceeds from exercise of stock options	98	64
Treasury stock activity	(424)	(17)
Dividends paid	(106)	(95)
Other financing activities, net	(1)	(4)
Net cash used in financing activities	(173)	(1,114)
Effect of foreign currency exchange rate changes on cash	6	11
Net (decrease) increase in cash and cash equivalents	60	22
Cash and cash equivalents, at beginning of period	665	683
Cash and cash equivalents, at end of period	\$ 725	\$ 705

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

**Exhibit D**

	Three months ended March 31, 2018			
	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 1,061	\$ 927	\$ 78	\$ 2,066
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	2	2
Adjusted revenue	\$ 1,061	\$ 927	\$ 80	\$ 2,068

	Three months ended March 31, 2017			
	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 1,037	\$ 1,003	\$ 108	\$ 2,148
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	3	3
Adjusted revenue	1,037	1,003	111	2,151

(1) See note (3) to Exhibit E.

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

**Exhibit D (continued)**

	Three months ended March 31,						
	2018			2017			
	Adjusted Revenue (1)	FX	Constant Currency Revenue	Adjusted Revenue (1)	In Year Adjustments (2)	Adjusted Base	Organic Growth
Integrated Financial Solutions	\$ 1,061	\$ (1)	\$ 1,060	\$ 1,037	\$ (10)	\$ 1,027	3.2 %
Global Financial Solutions	927	(20)	907	1,003	(143)	860	5.4 %
Corporate and Other	80	(1)	79	111	(18)	93	(14.1)%
<b>Total</b>	<u>\$ 2,068</u>	<u>\$ (22)</u>	<u>\$ 2,046</u>	<u>\$ 2,151</u>	<u>\$ (171)</u>	<u>\$ 1,980</u>	<u>3.3 %</u>

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

- (1) See Note (3) to Exhibit E.
- (2) In year adjustments primarily include removing revenue from the PS&E and Capco consulting business and risk and compliance consulting business divestitures, as well as removing revenue from other businesses divested by FIS.

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

**Exhibit D (continued)**

	Three months ended March 31,	
	2018	2017
Net cash provided by operating activities	\$ 354	\$ 454
Non-GAAP adjustments:		
Acquisition, integration and severance payments (1)	27	17
Tax payments on divestitures (2)	19	—
Bond premium (3)	—	11
Settlement activity	(2)	36
Adjusted cash flows from operations	398	518
Capital expenditures	(172)	(155)
Free cash flow	\$ 226	\$ 363

Free cash flow reflects adjusted cash flow from operations 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.

- (1) Adjusted cash flow from operations and free cash flow for the three months ended March 31, 2018 and 2017 excludes cash payments for certain acquisition, integration and severance expenses, net of related tax impact. The related tax impact totaled \$7 million and \$9 million for the three months ended March 31, 2018 and 2017, respectively.
- (2) Adjusted cash flow from operations excludes tax payments made in 2018 related to the sale of Capco consulting business and risk and compliance consulting business recognized during 2017.
- (3) Adjusted cash flow from operations and free cash flow for the three months ended March 31, 2017 is adjusted for the \$11 million one time bond premium payment, net of related tax impact of \$7 million, on the redemption of our senior notes due March 2022.



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

**Exhibit E**

	Three months ended	
	March 31,	
	2018	2017
Net earnings attributable to FIS	\$ 182	\$ 129
Provision (benefit) for income taxes	34	74
Interest expense, net	72	93
Other, net	6	(50)
Operating income, as reported	294	246
FIS depreciation and amortization, excluding purchase accounting amortization	169	152
FIS non-GAAP adjustments:		
Purchase accounting amortization (1)	183	180
Acquisition, integration and severance (2)	57	80
Acquisition deferred revenue adjustment (3)	2	3
Adjusted EBITDA	\$ 705	\$ 661

- (1) See note (1) to Exhibit E.
- (2) See note (2) to Exhibit E.
- (3) See note (3) to Exhibit E.

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

**Exhibit E (continued)**

	Three months ended	
	March 31,	
	2018	2017
Earnings before income taxes and equity method investment earnings	\$ 225	\$ 209
Provision (benefit) for income taxes	34	74
Equity method investment earnings	(1)	—
Net earnings attributable to noncontrolling interest	(8)	(6)
Net earnings attributable to FIS	182	129
FIS non-GAAP adjustments:		
Purchase accounting amortization (1)	183	180
Acquisition, integration and severance (2)	57	80
Acquisition deferred revenue adjustment (3)	2	3
Loss (gain) on businesses and investments (4)	(3)	(85)
Debt financing activities (5)	—	25
Provision for income taxes on non-GAAP adjustments	(58)	(58)
Total non-GAAP adjustments	181	145
Adjusted net earnings (loss), net of tax	\$ 363	\$ 274
Net earnings per share - diluted attributable to FIS common stockholders	\$ 0.54	\$ 0.39
FIS non-GAAP adjustments:		
Purchase accounting amortization (1)	0.55	0.54
Acquisition, integration and severance (2)	0.17	0.24
Acquisition deferred revenue adjustment (3)	0.01	0.01
Loss (gain) on businesses and investments(4)	(0.01)	(0.26)
Debt financing activities (5)	—	0.08
Provision for income taxes on non-GAAP adjustments	(0.17)	(0.17)
Adjusted net earnings (loss) per share - diluted attributable to FIS common stockholders	\$ 1.09	\$ 0.82
Weighted average shares outstanding-diluted	334	333

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

- (1) See note (1) to Exhibit E.
- (2) See note (2) to Exhibit E.
- (3) See note (3) to Exhibit E.
- (4) See note (4) to Exhibit E.
- (5) See note (5) to Exhibit E.

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

**Notes to Unaudited - Supplemental GAAP to Non-GAAP Reconciliation for the three months ended March 31, 2018 and 2017.**

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 non-compete agreements.
- (2) This item represents certain costs and other transactions which management deems non-operational primarily related to integration and severance activity from the SunGard acquisition.
- (3) This item represents the impact of the purchase accounting adjustment to reduce SunGard's deferred revenues to estimated fair value, determined as fulfillment cost plus a normal profit margin. The deferred revenue adjustment represents revenue that would have been recognized in the normal course of business by SunGard under GAAP if the acquisition had not occurred, but was not recognized due to GAAP purchase accounting requirements.
- (4) This item represents the pre-tax gain on businesses and investments during the first quarter of 2018 and the pre-tax gain on the sale of the Public Sector and Education ("PS&E") businesses and other divestitures during the first quarter of 2017.
- (5) This item represents the write-off of certain previously capitalized debt issuance costs and the payment of an \$18 million bond premium associated with the early redemption of our senior notes due March 2022 during March 2017.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS ON GUIDANCE — UNAUDITED**  
(In millions)

**Exhibit F**

	Year ended December 31, 2018	
	Low	High
	Consolidated GAAP revenue increase/(decrease)	(2.5)%
Estimated adjustments (1)	5.0 %	5.0 %
Consolidated organic revenue increase/(decrease)	2.5 %	3.5 %
	Year ended December 31, 2018	
	Low	High
IFS GAAP revenue increase/(decrease)	1.5 %	2.5 %
Estimated adjustments (1)	0.5 %	0.5 %
IFS organic revenue increase/(decrease)	2.0 %	3.0 %
	Year ended December 31, 2018	
	Low	High
GFS GAAP revenue increase/(decrease)	(5.0)%	(4.0)%
Estimated adjustments (1)	9.0 %	9.0 %
GFS organic revenue increase/(decrease)	4.0 %	5.0 %

- (1) Estimated adjustments for the full-year 2017 needed to create a comparable base year for organic revenue increase/decrease include the addition of deferred revenue adjustments, and the subtraction of pre-divestiture revenue, in the applicable periods, associated with the divestitures of PS&E, Capco consulting business and risk and compliance consulting business, and Kingstar. Estimated adjustments for the full-year 2018 include the addition of deferred revenue adjustments and either the addition or subtraction of revenue associated with foreign currency translation. The effect of the foregoing estimated adjustments for 2018 are shown on a combined basis.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS ON GUIDANCE — UNAUDITED**  
**(In millions)**

**Exhibit F (continued)**

	Year ended	
	December 31, 2018	
	Low	High
Net earnings per share - diluted attributable to FIS common stockholders	\$ 3.04	\$ 3.39
Estimated adjustments (1)	2.10	1.95
Adjusted net earnings (loss) per share - diluted attributable to FIS common stockholders	<u>\$ 5.14</u>	<u>\$ 5.34</u>

- (1) Estimated adjustments for the full year 2018 include purchase accounting amortization, acquisition, integration and severance, acquisition deferred revenue adjustments, and other costs, net of tax impact.

**FIDELITY NATIONAL INFORMATION SERVICES, INC.**  
**SUPPLEMENTAL GAAP TO NON-GAAP RECONCILIATIONS ON GUIDANCE — UNAUDITED**  
**(In millions)**

**Exhibit F (continued)**

	Year ended	
	December 31, 2018	
	Low	High
Net earnings margin attributable to FIS	11.5%	13.0%
Estimated adjustments (1)	24.5%	24.0%
Adjusted EBITDA margin	36.0%	37.0%

- (1) Estimated adjustments for the full year 2018 include purchase accounting amortization, acquisition, integration and severance, acquisition deferred revenue adjustments, and other costs.