

SUPPLEMENTAL FINANCIAL DATA AND GAAP TO NON-GAAP RECONCILIATIONS

Third Quarter 2017

October 31, 2017

Fidelity National Information Services, Inc.
Earnings Release Supplemental Financial Information
October 31, 2017

- Exhibit A Condensed Consolidated Statements of Earnings - Unaudited for the three and nine months ended September 30, 2017 and 2016

- Exhibit B Condensed Consolidated Balance Sheets - Unaudited as of September 30, 2017 and December 31, 2016

- Exhibit C Condensed Consolidated Statements of Cash Flows - Unaudited for the nine months ended September 30, 2017 and 2016

- Exhibit D Supplemental Non-GAAP Financial Information - Unaudited for the three and nine months ended September 30, 2017 and 2016

- Exhibit E Supplemental GAAP to Non-GAAP Reconciliations - Unaudited for the three and nine months ended September 30, 2017 and 2016

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

Exhibit A

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
Processing and services revenues	\$ 2,198	\$ 2,309	\$ 6,794	\$ 6,795
Cost of revenues	1,483	1,527	4,677	4,680
Gross profit	715	782	2,117	2,115
Selling, general and administrative expenses	327	384	1,110	1,250
Operating income	388	398	1,007	865
Other income (expense):				
Interest expense, net	(84)	(98)	(267)	(284)
Other income (expense), net	(182)	(6)	(123)	(8)
Total other income (expense), net	(266)	(104)	(390)	(292)
Earnings from continuing operations before income taxes and equity method investment earnings	122	294	617	573
Provision for income taxes	51	103	262	200
Equity method investment earnings	—	—	—	—
Earnings from continuing operations, net of tax	71	191	355	373
Earnings (loss) from discontinued operations, net of tax	—	—	—	1
Net earnings	71	191	355	374
Net earnings attributable to noncontrolling interest	(10)	(6)	(24)	(13)
Net earnings attributable to FIS common stockholders	\$ 61	\$ 185	\$ 331	\$ 361
Net earnings per share-basic from continuing operations attributable to FIS common stockholders	\$ 0.18	\$ 0.57	\$ 1.00	\$ 1.11
Net earnings (loss) per share-basic from discontinued operations attributable to FIS common stockholders	—	—	—	—
Net earnings per share-basic attributable to FIS common stockholders	\$ 0.18	\$ 0.57	\$ 1.00	\$ 1.11
Weighted average shares outstanding-basic	331	326	330	325
Net earnings per share-diluted from continuing operations attributable to FIS common stockholders	\$ 0.18	\$ 0.56	\$ 0.99	\$ 1.09
Net earnings (loss) per share-diluted from discontinued operations attributable to FIS common stockholders	—	—	—	—
Net earnings per share-diluted attributable to FIS common stockholders	\$ 0.18	\$ 0.56	\$ 0.99	\$ 1.10
Weighted average shares outstanding-diluted	336	330	335	329
Amounts attributable to FIS common stockholders:				
Net earnings from continuing operations	\$ 61	\$ 185	\$ 331	\$ 360
Net earnings (loss) from discontinued operations	—	—	—	1
Net earnings attributable to FIS common stockholders	\$ 61	\$ 185	\$ 331	\$ 361

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

	September 30, 2017	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 720	\$ 683
Settlement deposits	479	520
Trade receivables, net	1,598	1,639
Settlement receivables	199	175
Other receivables	72	65
Prepaid expenses and other current assets	256	236
Deferred income taxes	—	101
Assets held for sale	—	863
Total current assets	3,324	4,282
Property and equipment, net	576	626
Goodwill	13,699	14,178
Intangible assets, net	4,089	4,664
Computer software, net	1,706	1,608
Deferred contract costs, net	350	310
Other noncurrent assets	550	363
Total assets	\$ 24,294	\$ 26,031
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,064	\$ 1,146
Settlement payables	671	714
Deferred revenues	627	680
Current portion of long-term debt	296	332
Liabilities held for sale	—	279
Total current liabilities	2,658	3,151
Long-term debt, excluding current portion	8,813	10,146
Deferred income taxes	2,305	2,484
Deferred revenues	22	19
Other long-term liabilities	407	386
Total liabilities	14,205	16,186
Equity:		
FIS stockholders' equity:		
Preferred stock \$0.01 par value	—	—
Common stock \$0.01 par value	4	4
Additional paid in capital	10,495	10,380
Retained earnings	3,341	3,299
Accumulated other comprehensive earnings (loss)	(340)	(331)
Treasury stock, at cost	(3,515)	(3,611)
Total FIS stockholders' equity	9,985	9,741
Noncontrolling interest	104	104
Total equity	10,089	9,845
Total liabilities and equity	\$ 24,294	\$ 26,031

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

Exhibit C

	Nine months ended September 30,	
	2017	2016
Cash flows from operating activities:		
Net earnings	\$ 355	\$ 374
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,033	876
Amortization of debt issue costs	15	14
Gain on sale of businesses	(55)	—
Loss on extinguishment of debt	192	—
Stock-based compensation	86	101
Deferred income taxes	(197)	(125)
Excess income tax benefit from exercise of stock options	—	(26)
Net changes in assets and liabilities, net of effects from acquisitions and foreign currency:		
Trade receivables	(105)	126
Settlement activity	(27)	(4)
Prepaid expenses and other assets	(20)	(32)
Deferred contract costs	(121)	(94)
Deferred revenue	(70)	121
Accounts payable, accrued liabilities and other liabilities	(7)	11
Net cash provided by operating activities	1,079	1,342
Cash flows from investing activities:		
Additions to property and equipment	(98)	(110)
Additions to computer software	(350)	(336)
Proceeds from sale of businesses	1,307	—
Other investing activities, net	(3)	(4)
Net cash provided by (used in) investing activities	856	(450)
Cash flows from financing activities:		
Borrowings	7,900	5,763
Repayment of borrowings and capital lease obligations	(9,594)	(6,429)
Debt issuance costs	(13)	(20)
Excess income tax benefit from exercise of stock options	—	26
Proceeds from exercise of stock options	168	88
Treasury stock activity	(46)	(27)
Dividends paid	(289)	(255)
Distribution to Brazilian venture partner	(23)	(20)
Other financing activities, net	(36)	(17)
Net cash used in financing activities	(1,933)	(891)
Effect of foreign currency exchange rate changes on cash	35	18
Net increase in cash and cash equivalents	37	19
Cash and cash equivalents, at beginning of period	683	682
Cash and cash equivalents, at end of period	\$ 720	\$ 701

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

Exhibit D

Three months ended September 30, 2017

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Processing and services revenue	\$ 1,120	\$ 997	\$ 81	\$ 2,198
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	2	2
Adjusted revenue	<u>\$ 1,120</u>	<u>\$ 997</u>	<u>\$ 83</u>	<u>\$ 2,200</u>

Nine months ended September 30, 2017

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Processing and services revenue	\$ 3,430	\$ 3,092	\$ 272	\$ 6,794
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	6	6
Adjusted revenue	<u>\$ 3,430</u>	<u>\$ 3,092</u>	<u>\$ 278</u>	<u>\$ 6,800</u>

Three months ended September 30, 2016

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Processing and services revenue	\$ 1,114	\$ 1,068	\$ 127	\$ 2,309
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	37	37
Adjusted revenue	<u>1,114</u>	<u>1,068</u>	<u>164</u>	<u>2,346</u>

Nine months ended September 30, 2016

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Processing and services revenue	\$ 3,379	\$ 3,106	\$ 310	\$ 6,795
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	177	177
Adjusted revenue	<u>3,379</u>	<u>3,106</u>	<u>487</u>	<u>6,972</u>

(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 September 30,						
	2017			2016			
	Adjusted	Constant		Adjusted	In Year	Adjusted	Organic
	Revenue (1)	FX	Currency Revenue	Revenue (1)	Adjustments (2)	Base	Growth (3)
Integrated Financial Solutions	\$ 1,120	\$ —	\$ 1,120	\$ 1,114	\$ (9)	\$ 1,105	1.3 %
Global Financial Solutions	997	(10)	987	1,068	(105)	963	2.5 %
Corporate and Other	83	—	83	164	(60)	104	(20.6)%
Total	\$ 2,200	\$ (10)	\$ 2,190	\$ 2,346	\$ (174)	\$ 2,172	0.8 %

	Nine months ended September 30,						
	2017			2016			
	Adjusted	Constant		Adjusted	In Year	Adjusted	Organic
	Revenue (1)	FX	Currency Revenue	Revenue (1)	Adjustments (2)	Base	Growth (3)
Integrated Financial Solutions	\$ 3,430	\$ 2	\$ 3,432	\$ 3,379	\$ (9)	\$ 3,370	1.8 %
Global Financial Solutions	3,092	(2)	3,090	3,106	(110)	2,996	3.2 %
Corporate and Other	278	1	279	487	(160)	327	(14.8)%
Total	\$ 6,800	\$ 1	\$ 6,801	\$ 6,972	\$ (279)	\$ 6,693	1.6 %

(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.

(3) Organic growth percentages are calculated utilizing more precise amounts than the rounding to millions included in the tables above.

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

Exhibit D (continued)

	Three months ended September 30, 2017	Nine months ended September 30, 2017
Net cash provided by operating activities	\$ 534	\$ 1,079
Non-GAAP adjustments:		
Acquisition, integration and severance payments (2)	11	74
Tax payments on divestitures (3)	—	312
Settlement activity	8	27
Adjusted cash flows from operations	<u>553</u>	<u>1,492</u>
Capital expenditures	(151)	(448)
Free cash flow	<u>\$ 402</u>	<u>\$ 1,044</u>

	Three months ended September 30, 2016	Nine months ended September 30, 2016
Net cash provided by operating activities	\$ 522	\$ 1,342
Non-GAAP adjustments:		
Capco acquisition related payments (1)	—	20
Acquisition, integration and severance payments (2)	51	135
Settlement activity	6	4
Adjusted cash flows from operations	<u>579</u>	<u>1,501</u>
Capital expenditures	(153)	(446)
Free cash flow	<u>\$ 426</u>	<u>\$ 1,055</u>

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 nine months ended September 30, 2016 excludes payments for contingent purchase price and the New Hires and Promotions Incentive Plan associated with the 2010 acquisition of Capco. In accordance with the accounting guidance, contingent purchase price payments are included in financing activities on the Condensed Consolidated Statements of Cash Flows only to the extent they represent the original liability established at the acquisition date. Payments related to subsequent adjustments to the contingent purchase price are included in the net cash provided by operating activities.
- (2) Adjusted cash flow from operations and free cash flow for the three and nine months ended September 30, 2017 and 2016 excludes cash payments for certain acquisition, integration and severance expenses, net of related tax impact. The related tax impact totaled \$9 million and \$27 million for the three months and \$54 million and \$70 million for the nine months ended September 30, 2017 and 2016, respectively.
- (3) Adjusted cash flow from operations excludes the second quarter tax payment related to the gain on the sale of PS&E and other divestitures, which were recognized during the first and second quarters of 2017.

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

Exhibit E

	Three months ended		Nine months ended	
	September 30,		September 30,	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net earnings from continuing operations attributable to FIS	\$ 61	\$ 185	\$ 331	\$ 360
Provision for income taxes	51	103	262	200
Interest expense, net	84	98	267	284
Other, net	<u>192</u>	<u>12</u>	<u>147</u>	<u>21</u>
Operating income, as reported	388	398	1,007	865
FIS depreciation and amortization from continuing operations, excluding purchase accounting amortization	163	148	482	431
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	185	144	551	445
Acquisition, integration and severance (2)	22	39	141	181
Acquisition deferred revenue adjustment (3)	<u>2</u>	<u>37</u>	<u>6</u>	<u>177</u>
Adjusted EBITDA	<u>\$ 760</u>	<u>\$ 766</u>	<u>\$ 2,187</u>	<u>\$ 2,099</u>

(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		Nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
Earnings from continuing operations before income taxes and equity method investment earnings	\$ 122	\$ 294	\$ 617	\$ 573
Provision for income taxes	51	103	262	200
Net earnings attributable to noncontrolling interest	(10)	(6)	(24)	(13)
Net earnings from continuing operations attributable to FIS	<u>61</u>	<u>185</u>	<u>331</u>	<u>360</u>
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	185	144	551	445
Acquisition, integration and severance (2)	22	39	141	181
Acquisition deferred revenue adjustment (3)	2	37	6	177
Loss (gain) on sale of businesses (4)	33	—	(55)	—
Debt financing activities (5)	167	4	196	4
Provision for income taxes on non-GAAP adjustments	(73)	(78)	(145)	(282)
Total non-GAAP adjustments	<u>336</u>	<u>146</u>	<u>694</u>	<u>525</u>
Adjusted net earnings (loss) from continuing operations, net of tax	<u>\$ 397</u>	<u>\$ 330</u>	<u>\$ 1,025</u>	<u>\$ 885</u>
Net earnings per share - diluted from continuing operations attributable to FIS common stockholders	\$ 0.18	\$ 0.56	\$ 0.99	\$ 1.09
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	0.55	0.44	1.64	1.35
Acquisition, integration and severance (2)	0.07	0.12	0.42	0.55
Acquisition deferred revenue adjustment (3)	0.01	0.11	0.02	0.54
Loss (gain) on sale of businesses (4)	0.10	—	(0.16)	—
Debt financing activities (5)	0.50	0.01	0.59	0.01
Provision for income taxes on non-GAAP adjustments	(0.22)	(0.24)	(0.43)	(0.86)
Adjusted net earnings (loss) per share - diluted from continuing operations attributable to FIS common stockholders	<u>\$ 1.18</u>	<u>\$ 1.00</u>	<u>\$ 3.06</u>	<u>\$ 2.69</u>
Weighted average shares outstanding-diluted	<u>336</u>	<u>330</u>	<u>335</u>	<u>329</u>

Amounts in table may not sum 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 and nine months ended September 30, 2017 and 2016.

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 loss on the sale of the Capco consulting business and risk and compliance consulting business ("Capco") during the third quarter of 2017. It also includes the pre-tax gain on the sale of the Public Sector and Education ("PS&E") businesses and other divestitures during the first half of 2017.
- (5) This item represents a pre-tax charge upon extinguishment of approximately \$167 million in tender premiums and the write-off of previously capitalized debt issuance costs on the repurchased of approximately \$2,000 million in aggregate principal of debt securities during the 2017 third quarter. The year to date amount also includes the write-off of certain previously capitalized debt issuance costs, the payment of an \$18 million bond premium associated with the early redemption of our senior notes due March 2022 during March 2017 and other costs related to debt refinancing.