

# Supplemental Financial Data and GAAP to Non-GAAP Reconciliations

Second Quarter 2018

Fidelity National Information Services, Inc.  
Earnings Release Supplemental Financial Information  
July 31, 2018

Exhibit A	Condensed Consolidated Statements of Earnings - Unaudited for the three and six months ended June 30, 2018 and 2017
Exhibit B	Condensed Consolidated Balance Sheets - Unaudited as of June 30, 2018 and December 31, 2017
Exhibit C	Condensed Consolidated Statements of Cash Flows - Unaudited for the six months ended June 30, 2018 and 2017
Exhibit D	Supplemental Non-GAAP Financial Information - Unaudited for the three and six months ended June 30, 2018 and 2017
Exhibit E	Supplemental GAAP to Non-GAAP Reconciliations - Unaudited for the three and six months ended June 30, 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		Six months ended	
	June 30,		June 30,	
	2018	2017	2018	2017
Revenues	\$ 2,106	\$ 2,258	\$ 4,172	\$ 4,406
Cost of revenues	1,414	1,520	2,828	3,011
Gross profit	692	738	1,344	1,395
Selling, general and administrative expenses	339	368	697	779
Operating income	353	370	647	616
Other income (expense):				
Interest expense, net	(73)	(91)	(144)	(183)
Other income (expense), net	(4)	4	(2)	60
Total other income (expense), net	(77)	(87)	(146)	(123)
Earnings before income taxes and equity method investment earnings (loss)	276	283	501	493
Provision (benefit) for income taxes	51	136	85	210
Equity method investment earnings (loss)	(7)	—	(8)	—
Net earnings	218	147	408	283
Net (earnings) loss attributable to noncontrolling interest	(6)	(8)	(14)	(14)
Net earnings attributable to FIS common stockholders	\$ 212	\$ 139	\$ 394	\$ 269
Net earnings per share-basic attributable to FIS common stockholders	\$ 0.64	\$ 0.42	\$ 1.20	\$ 0.82
Weighted average shares outstanding-basic	329	330	329	329
Net earnings per share-diluted attributable to FIS common stockholders	\$ 0.64	\$ 0.42	\$ 1.18	\$ 0.81
Weighted average shares outstanding-diluted	333	334	334	334

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**

	June 30, 2018	December 31, 2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 683	\$ 665
Settlement deposits	522	677
Trade receivables, net	1,408	1,624
Contract assets	109	108
Settlement receivables	279	291
Other receivables	199	70
Prepaid expenses and other current assets	294	253
Total current assets	3,494	3,688
Property and equipment, net	557	610
Goodwill	13,666	13,730
Intangible assets, net	3,524	3,885
Computer software, net	1,723	1,728
Deferred contract costs, net	412	354
Other noncurrent assets	492	531
Total assets	\$ 23,868	\$ 24,526
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 934	\$ 1,241
Settlement payables	796	949
Deferred revenues	766	776
Current portion of long-term debt	38	1,045
Total current liabilities	2,534	4,011
Long-term debt, excluding current portion	8,854	7,718
Deferred income taxes	1,455	1,468
Deferred revenues	103	106
Other long-term liabilities	378	403
Total liabilities	13,324	13,706
Equity:		
FIS stockholders' equity:		
Preferred stock \$0.01 par value	—	—
Common stock \$0.01 par value	4	4
Additional paid in capital	10,659	10,534
Retained earnings	4,291	4,109
Accumulated other comprehensive earnings (loss)	(403)	(332)
Treasury stock, at cost	(4,112)	(3,604)
Total FIS stockholders' equity	10,439	10,711
Noncontrolling interest	105	109
Total equity	10,544	10,820
Total liabilities and equity	\$ 23,868	\$ 24,526

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

**Exhibit C**

	Six months ended June 30,	
	2018	2017
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 408	\$ 283
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	706	673
Amortization of debt issue costs	9	17
Gain on sale of businesses	(6)	(88)
Loss on extinguishment of debt	1	—
Stock-based compensation	45	61
Deferred income taxes	(24)	(130)
Net changes in assets and liabilities, net of effects from acquisitions and foreign currency:		
Trade receivables	189	(5)
Contract assets	(3)	51
Settlement activity	13	(19)
Prepaid expenses and other assets	(11)	(52)
Deferred contract costs	(119)	(64)
Deferred revenues	(2)	18
Accounts payable, accrued liabilities and other liabilities	(383)	(217)
Net cash provided by operating activities	823	528
<b>Cash flows from investing activities:</b>		
Additions to property and equipment	(83)	(69)
Additions to computer software	(233)	(228)
Proceeds from sale of businesses	49	846
Other investing activities, net	(6)	(3)
Net cash provided by (used in) investing activities	(273)	546
<b>Cash flows from financing activities:</b>		
Borrowings	5,703	3,698
Repayment of borrowings and capital lease obligations	(5,521)	(4,557)
Debt issuance costs	(24)	—
Proceeds from exercise of stock options	203	109
Treasury stock activity	(637)	(43)
Dividends paid	(211)	(192)
Other financing activities, net	(2)	(5)
Net cash provided by (used in) financing activities	(489)	(990)
Effect of foreign currency exchange rate changes on cash	(43)	19
Net increase (decrease) in cash and cash equivalents	18	103
Cash and cash equivalents, at beginning of period	665	683
Cash and cash equivalents, at end of period	\$ 683	\$ 786

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

**Exhibit D**

Three months ended June 30, 2018

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 1,124	\$ 899	\$ 83	\$ 2,106
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	1	1
Adjusted revenue	<u>\$ 1,124</u>	<u>\$ 899</u>	<u>\$ 84</u>	<u>\$ 2,107</u>

Six months ended June 30, 2018

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 2,185	\$ 1,826	\$ 161	\$ 4,172
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	3	3
Adjusted revenue	<u>2,185</u>	<u>1,826</u>	<u>164</u>	<u>4,175</u>

Three months ended June 30, 2017

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 1,087	\$ 1,086	\$ 85	\$ 2,258
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	2	2
Adjusted revenue	<u>1,087</u>	<u>1,086</u>	<u>87</u>	<u>2,260</u>

Six months ended June 30, 2017

	Integrated Financial Solutions	Global Financial Solutions	Corporate and Other	Consolidated
Revenue	\$ 2,124	\$ 2,089	\$ 193	\$ 4,406
Non-GAAP adjustments:				
Acquisition deferred revenue adjustment (1)	—	—	5	5
Adjusted revenue	<u>2,124</u>	<u>2,089</u>	<u>198</u>	<u>4,411</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 June 30,						
	2018			2017			
	Adjusted	Constant		Adjusted	In Year	Adjusted	Organic
	Revenue (1)	FX	Currency Revenue	Revenue (1)	Adjustments (2)	Base	Growth
Integrated Financial Solutions	\$ 1,124	\$ (1)	\$ 1,123	\$ 1,087	\$ (10)	\$ 1,077	4.3 %
Global Financial Solutions	899	1	900	1,086	(158)	928	(3.0)%
Corporate and Other	84	1	85	87	—	87	(3.0)%
<b>Total</b>	<b>\$ 2,107</b>	<b>\$ 1</b>	<b>\$ 2,108</b>	<b>\$ 2,260</b>	<b>\$ (168)</b>	<b>\$ 2,092</b>	<b>0.8 %</b>

	Six months ended June 30,						
	2018			2017			
	Adjusted	Constant		Adjusted	In Year	Adjusted	Organic
	Revenue (1)	FX	Currency Revenue	Revenue (1)	Adjustments (2)	Base	Growth
Integrated Financial Solutions	\$ 2,185	\$ (2)	\$ 2,183	\$ 2,124	\$ (20)	\$ 2,104	3.7 %
Global Financial Solutions	1,826	(19)	1,807	2,089	(301)	1,788	1.1 %
Corporate and Other	164	—	164	198	(18)	180	(8.7)%
<b>Total</b>	<b>\$ 4,175</b>	<b>\$ (21)</b>	<b>\$ 4,154</b>	<b>\$ 4,411</b>	<b>\$ (339)</b>	<b>\$ 4,072</b>	<b>2.0 %</b>

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 Public Sector and Education ("PS&E") businesses, Capco consulting business and risk and compliance consulting business and Kingstar 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	Six months ended
	June 30, 2018	June 30, 2018
Net cash provided by operating activities	\$ 469	\$ 823
Non-GAAP adjustments:		
Acquisition, integration and severance payments (1)	34	61
Tax payments on divestitures (2)	—	19
Debt financing activities (3)	1	1
Settlement activity	(11)	(13)
Adjusted cash flows from operations	493	891
Capital expenditures	(144)	(316)
Free cash flow	\$ 349	\$ 575

  

	Three months ended	Six months ended
	June 30, 2017	June 30, 2017
Net cash provided by operating activities	\$ 74	\$ 528
Non-GAAP adjustments:		
Acquisition, integration and severance payments (1)	46	62
Tax payments on divestitures (2)	312	312
Debt financing activities (3)	2	13
Settlement activity	(17)	19
Adjusted cash flows from operations	417	934
Capital expenditures	(142)	(297)
Free cash flow	\$ 275	\$ 637

Free cash flow reflects adjusted cash flows from operations less capital expenditures. 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 and six months ended June 30, 2018 and 2017 exclude cash payments for certain acquisition, integration and severance expenses, net of related tax impact. The related tax impact totaled \$8 million and \$36 million for the three months and \$15 million and \$45 million for the six months ended June 30, 2018 and 2017, respectively.
- (2) Adjusted cash flows from operations and free cash flow exclude tax payments made in 2018 related to the sale of Capco consulting business and risk and compliance consulting business recognized during 2017. Adjusted cash flows from operations and free cash flow for the three and six months ended June 30, 2017 exclude 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.
- (3) Adjusted cash flows from operations and free cash flow for the three and six months ended June 30, 2018 exclude the \$1 million one-time bond premium payment on the redemption of our senior notes due October 2018. Adjusted cash flows from operations and free cash flow for the three months ended June 30, 2017 exclude cash payments of \$2 million, net of related tax impact of \$2 million for certain financing activities. Adjusted cash flows from operations and free cash flow for the six months ended June 30, 2017 are also 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		Six months ended	
	June 30,		June 30,	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Net earnings attributable to FIS common stockholders	\$ 212	\$ 139	\$ 394	\$ 269
Provision (benefit) for income taxes	51	136	85	210
Interest expense, net	73	91	144	183
Other, net	<u>17</u>	<u>4</u>	<u>24</u>	<u>(46)</u>
Operating income, as reported	353	370	647	616
FIS depreciation and amortization, excluding purchase accounting amortization	169	160	338	312
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	185	180	368	360
Acquisition, integration and severance (2)	49	39	106	119
Acquisition deferred revenue adjustment (3)	1	2	3	5
Adjusted EBITDA	<u>\$ 757</u>	<u>\$ 751</u>	<u>\$ 1,462</u>	<u>\$ 1,412</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		Six months ended	
	June 30,		June 30,	
	2018	2017	2018	2017
Earnings before income taxes and equity method investment earnings (loss)	\$ 276	\$ 283	\$ 501	\$ 493
Provision (benefit) for income taxes	51	136	85	210
Equity method investment earnings (loss)	(7)	—	(8)	—
Net (earnings) loss attributable to noncontrolling interest	(6)	(8)	(14)	(14)
Net earnings attributable to FIS common stockholders	<u>212</u>	<u>139</u>	<u>394</u>	<u>269</u>
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	185	180	368	360
Acquisition, integration and severance (2)	49	39	106	119
Acquisition deferred revenue adjustment (3)	1	2	3	5
Loss (gain) on businesses and investments (4)	1	(3)	(2)	(88)
Debt financing activities (5)	1	4	1	29
Equity method investment earnings (loss) (6)	7	—	8	—
Provision for income taxes on non-GAAP adjustments	(48)	(13)	(106)	(71)
Total non-GAAP adjustments	<u>196</u>	<u>209</u>	<u>378</u>	<u>354</u>
Adjusted net earnings, net of tax	<u>\$ 408</u>	<u>\$ 348</u>	<u>\$ 772</u>	<u>\$ 623</u>
Net earnings per share - diluted attributable to FIS common stockholders	\$ 0.64	\$ 0.42	\$ 1.18	\$ 0.81
FIS non-GAAP adjustments:				
Purchase accounting amortization (1)	0.56	0.54	1.10	1.08
Acquisition, integration and severance (2)	0.15	0.12	0.32	0.36
Acquisition deferred revenue adjustment (3)	—	0.01	0.01	0.01
Loss (gain) on businesses and investments (4)	—	(0.01)	(0.01)	(0.26)
Debt financing activities (5)	—	0.01	—	0.09
Equity method investment earnings (loss) (6)	0.02	—	0.02	—
Provision for income taxes on non-GAAP adjustments	(0.14)	(0.04)	(0.32)	(0.21)
Adjusted net earnings per share - diluted attributable to FIS common stockholders	<u>\$ 1.23</u>	<u>\$ 1.04</u>	<u>\$ 2.31</u>	<u>\$ 1.86</u>
Weighted average shares outstanding-diluted	<u>333</u>	<u>334</u>	<u>334</u>	<u>334</u>

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.
- (6) See note (6) to Exhibit E.

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

**Exhibit E (continued)**

**Notes to Unaudited - Supplemental GAAP to Non-GAAP Reconciliations for the three and six months ended June 30, 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 and second quarters of 2018 and the pre-tax gain on the sale of 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 a bond premium associated with the early redemption of our senior notes due October 2018 during June 2018. For 2017, 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.
- (6) This item represents our equity method investment earnings or loss. This is predominantly due to our equity ownership interest in Cardinal Holdings, LP and represents our portion of non-cash earnings or loss for the period presented.

**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)	2.5 %	3.5 %
Estimated adjustments (1)	0.5 %	0.5 %
IFS organic revenue increase/(decrease)	3.0 %	4.0 %
	Year ended December 31, 2018	
	Low	High
GFS GAAP revenue increase/(decrease)	(6.0)%	(5.0)%
Estimated adjustments (1)	9.0 %	9.0 %
GFS organic revenue increase/(decrease)	3.0 %	4.0 %

- (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	\$ 3.08	\$ 3.39
Estimated adjustments (1)	2.10	1.95
Adjusted net earnings per share - diluted attributable to FIS common stockholders	\$ 5.18	\$ 5.34

- (1) Estimated adjustments for the full year 2018 include purchase accounting amortization, acquisition, integration and severance, acquisition deferred revenue adjustments, equity method investment earnings (loss), debt financing activities and other items, net of tax impact.

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

**Exhibit F (continued)**

	<u>Year ended</u> <u>December 31, 2018</u>
Net earnings margin attributable to FIS common stockholders	13.0%
Estimated adjustments (1)	24.0%
Adjusted EBITDA margin	<u>37.0%</u>

- (1) Estimated adjustments for the full year 2018 include purchase accounting amortization, acquisition, integration and severance, acquisition deferred revenue adjustments, equity method investment earnings (loss), debt financing activities and other items.