

# Third Quarter 2022 Financial Results

---

October 27, 2022

---

---

# Forward-Looking Statements and Non-GAAP Financial Measures

## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated organic revenue growth, adjusted earnings per share, adjusted earnings per share growth, free cash flow conversion, adjusted operating margin, adjusted operating margin expansion and other statements regarding our future financial performance. Statements can generally be identified as forward-looking because they include words such as “believes,” “anticipates,” “expects,” “could,” “should,” or words of similar meaning. Statements that describe the company’s future plans, objectives or goals are also forward-looking statements. Forward-looking statements are subject to assumptions, risks and uncertainties that may cause actual results to differ materially from those contemplated by such forward-looking statements. The factors that could cause the company’s actual results to differ materially include, among others, the following, many of which may continue to be amplified by the COVID-19 pandemic; the continuing impact of the COVID-19 pandemic on the company’s employees, clients, vendors, supply chain, operations and sales; the company’s ability to compete effectively against new and existing competitors and to continue to introduce competitive new products and services on a timely, cost-effective basis; changes in customer demand for the company’s products and services; the ability of the company’s technology to keep pace with a rapidly evolving marketplace; the success of the company’s merchant alliances, some of which are not controlled by the company; the impact of a security breach or operational failure on the company’s business including disruptions caused by other participants in the global financial system; the failure of the company’s vendors and merchants to satisfy their obligations; the successful management of credit and fraud risks in the company’s business and merchant alliances; changes in local, regional, national and international economic or political conditions, including those resulting from heightened inflation, rising interest rates, a recession, or intensified international hostilities, and the impact they may have on the company and its customers; the effect of proposed and enacted legislative and regulatory actions affecting the company or the financial services industry as a whole; the company’s ability to comply with government regulations and applicable card association and network rules; the protection and validity of intellectual property rights; the outcome of pending and future litigation and governmental proceedings; the company’s ability to successfully identify, complete and integrate acquisitions, and to realize the anticipated benefits associated with the same; the impact of the company’s strategic initiatives; the company’s ability to attract and retain key personnel; volatility and disruptions in financial markets that may impact the company’s ability to access preferred sources of financing and the terms on which the company is able to obtain financing or increase its costs of borrowing; adverse impacts from currency exchange rates or currency controls; changes in corporate tax and interest rates; and other factors included in “Risk Factors” in the company’s Annual Report on Form 10-K for the year ended December 31, 2021, and in other documents that the company files with the Securities and Exchange Commission, which are available at <http://www.sec.gov>. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements. The company assumes no obligation to update any forward-looking statements, which speak only as of the date of this presentation.

## Use of Non-GAAP Financial Measures

This presentation includes unaudited non-GAAP financial measures. Additional information about these measures, reconciliations to the nearest GAAP financial measures and additional information about the basis of the presentation of our third quarter financial results are provided in the appendix to this presentation.

# Third Quarter Highlights

- Adjusted Revenue of \$4.3 billion, up 8%
- Organic Revenue Growth of 11% for both the quarter and year to date
- Adjusted Earnings Per Share of \$1.63, up 11% for the quarter and up 14% year to date
- Expanded Adjusted Operating Margin by 100 basis points year over year and 170 bps sequentially, to 35.2%
- Free Cash Flow of \$849 million, resulting in a conversion of 81%

- Adjusted EPS impacted by \$0.08 from foreign currency driven by significant strengthening of the dollar
- Launched data-as-a-service to enable merchants and banks to access their Fiserv data through Snowflake's Data Cloud
- Returned \$750 million to shareholders through share repurchase, reaching a total of 60 million shares since the First Data merger
- Achieved leverage of 2.9x, reaching target levels
- Strategic asset review led to divestiture of Korea, SIS<sup>1</sup> and Costa Rica operations

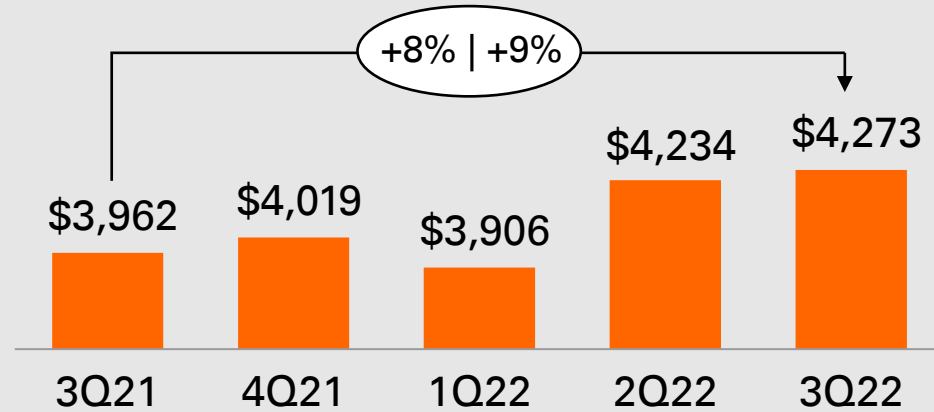
<sup>1</sup>SIS, or Systems Integration Services, provides IT engineering services

See appendix for information regarding non-GAAP financial measures. All comparisons throughout this presentation are year-over-year, unless otherwise noted.

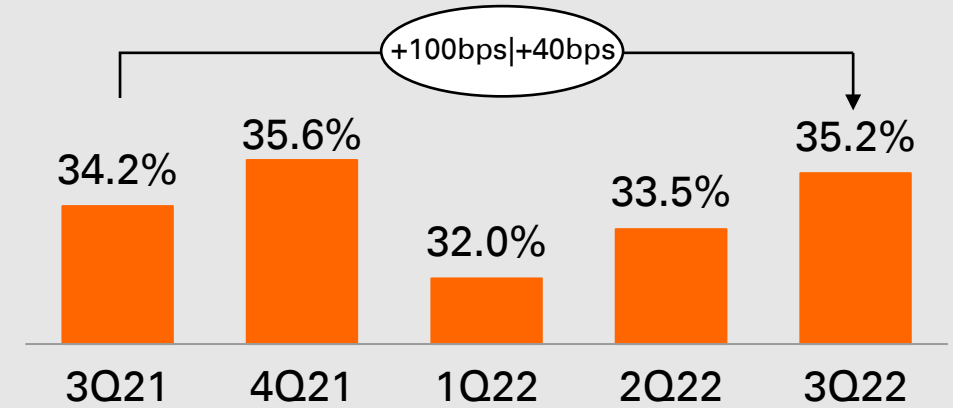
# Financial Metric Dashboard

**Organic Growth: 3Q22 +11% | YTD +11%**

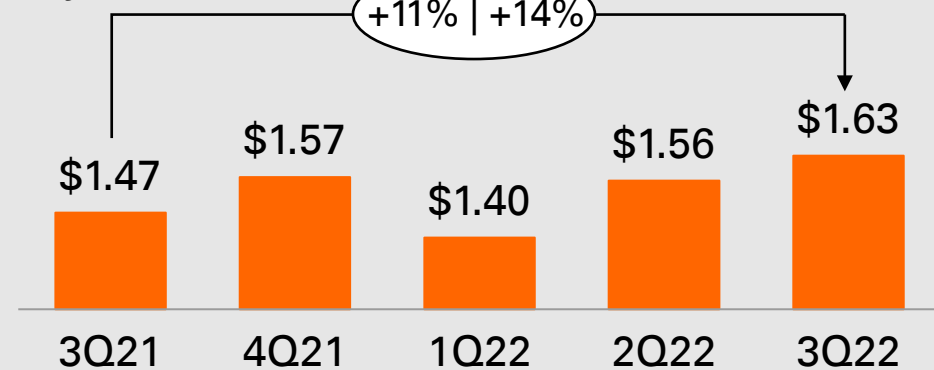
## Adjusted Revenue



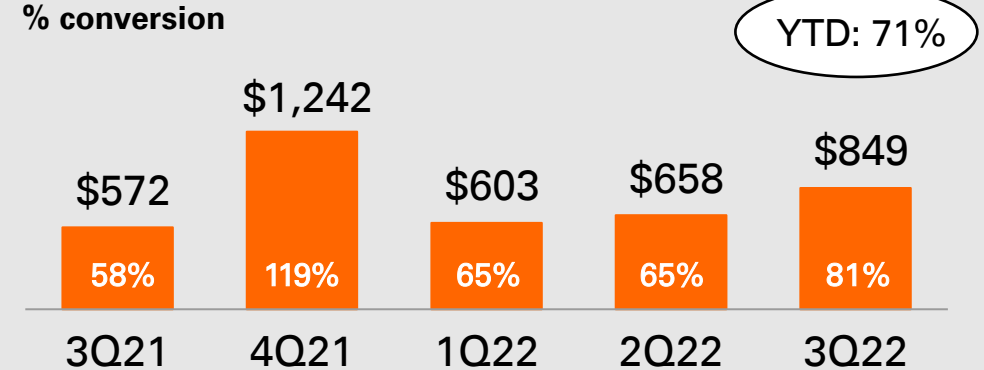
## Adjusted Operating Margin %



## Adjusted EPS



## Free Cash Flow



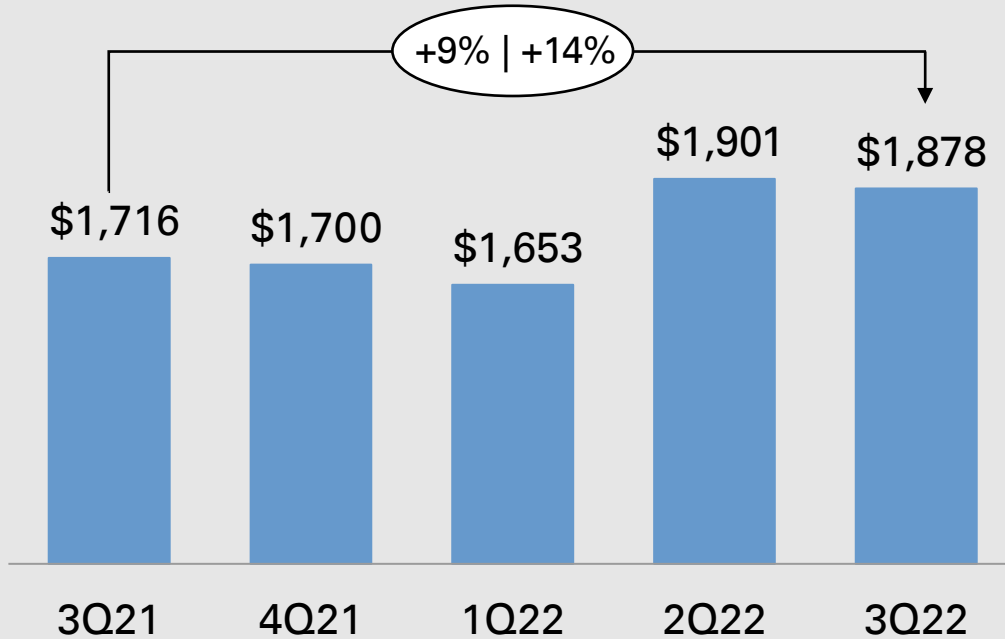
3Q | YTD

\$ in millions, except per share amounts, unaudited. See Appendix for information regarding non-GAAP financial measures.

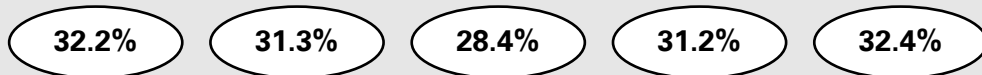
# Merchant Acceptance Segment

Organic Growth: 3Q22 +14% | YTD +17%

## Adjusted Revenue



## Adjusted Operating Margin



**Margin:**  
3Q22: +20bps  
YTD: +20bps

## Highlights

**19%**  
Clover revenue growth

**\$236 billion**  
Clover annualized GPV

**18%**  
Carat revenue growth

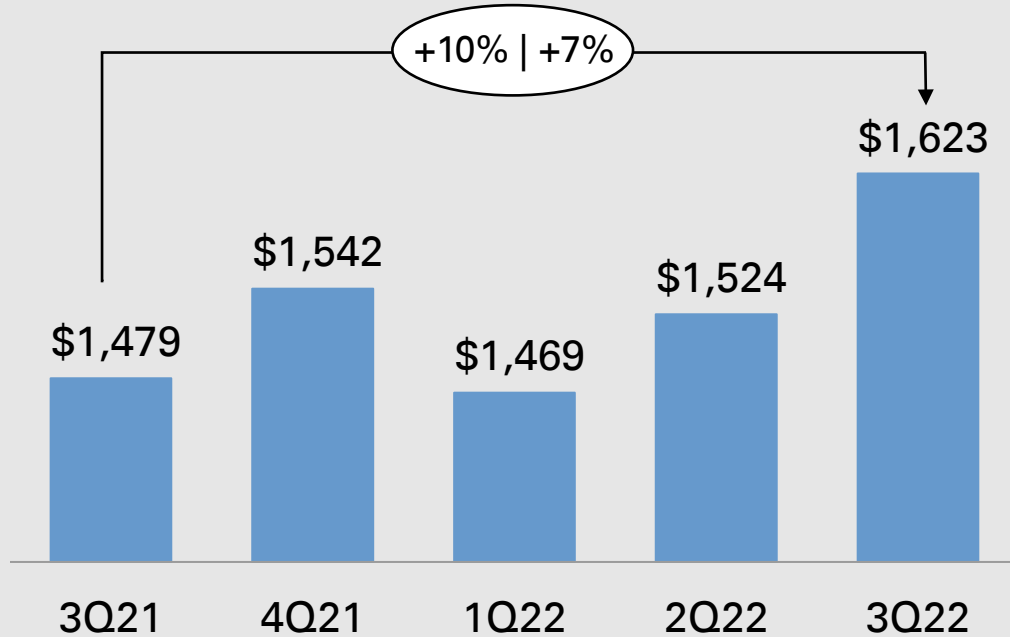
**10% and 5%**  
merchant volume and transaction growth, respectively\*

\*Represents growth excluding the loss of a processing client; including the impact, 3Q22 merchant volume growth was 8%, and transaction growth was 5%. \$ in millions, unaudited. "GPV" represents gross payment volume. See Appendix for information regarding non-GAAP financial measures.

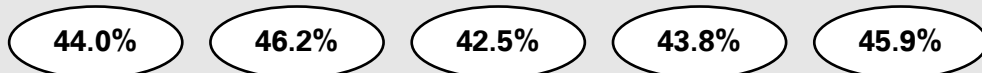
# Payments and Network Segment

Organic Growth: 3Q22 +11% | YTD +8%

## Adjusted Revenue



## Adjusted Operating Margin



**Margin:**  
 3Q22: +190bps  
 YTD: +70bps

## Highlights

**19%**  
 North America credit active account growth

**34% and 48%**  
 growth in Zelle® transactions and number of clients, respectively

**Double digit revenue growth**  
 driven by new client onboarding; pipeline remains healthy

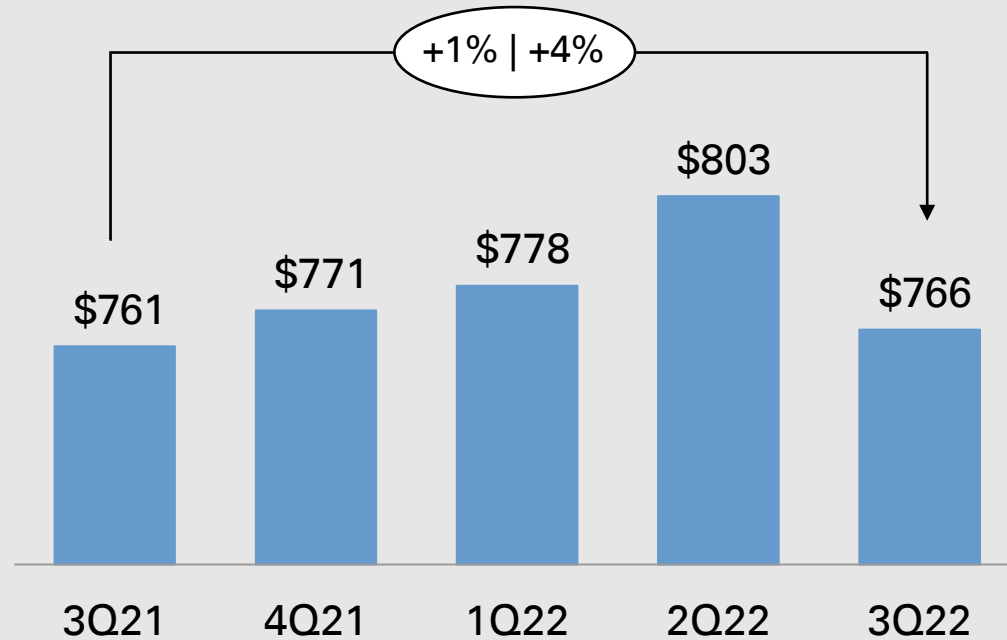
**Strong Government Momentum**  
 Two California State card issuing deals:  
 Middle Class Tax Refund in Q3;  
 State Comptroller's Office in Q4

\$ in millions, unaudited. See Appendix for information regarding non-GAAP financial measures.

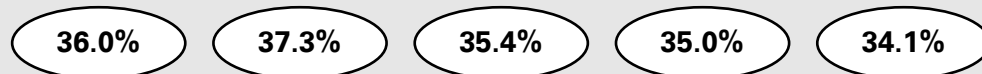
# Financial Technology Segment

Organic Growth: 3Q22 +1% | YTD +4%

## Adjusted Revenue



## Adjusted Operating Margin



Margin:  
3Q22: -190bps  
YTD: -50bps

## Highlights

14

core wins, including 9 competitive takeaways

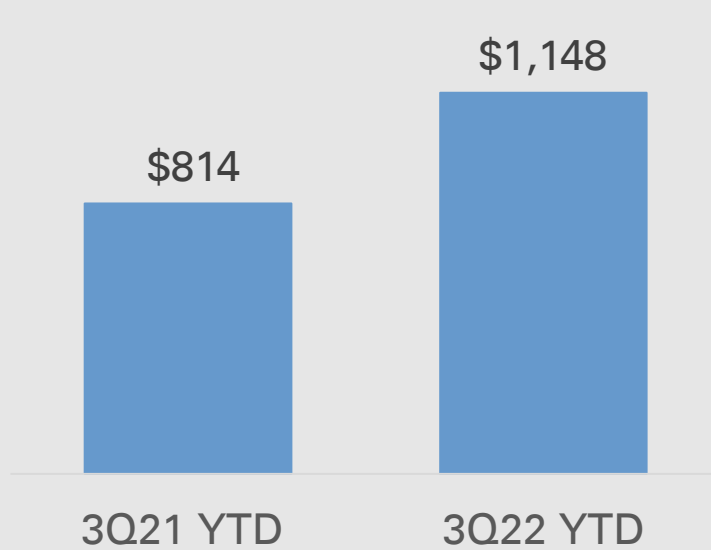
2

new Finxact wins, 11 clients now live

**On track** to achieve medium term outlook of 4% – 6% organic

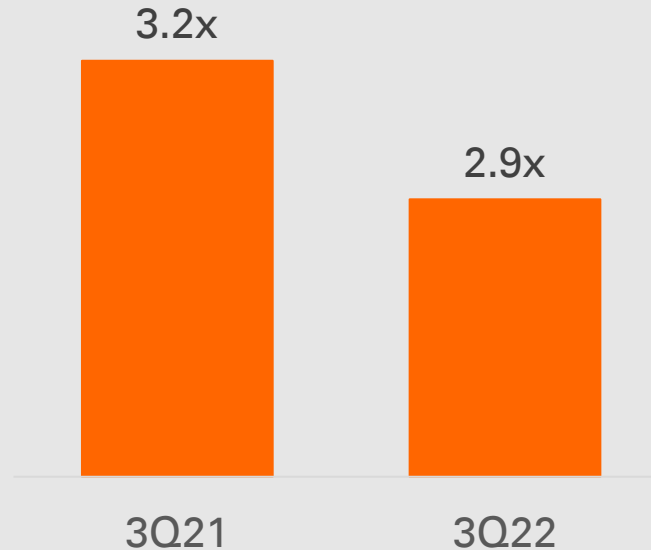
# Increasing Investments in Business and Allocating Capital Wisely

**Capital Expenditures**  
Investing in Fiserv...



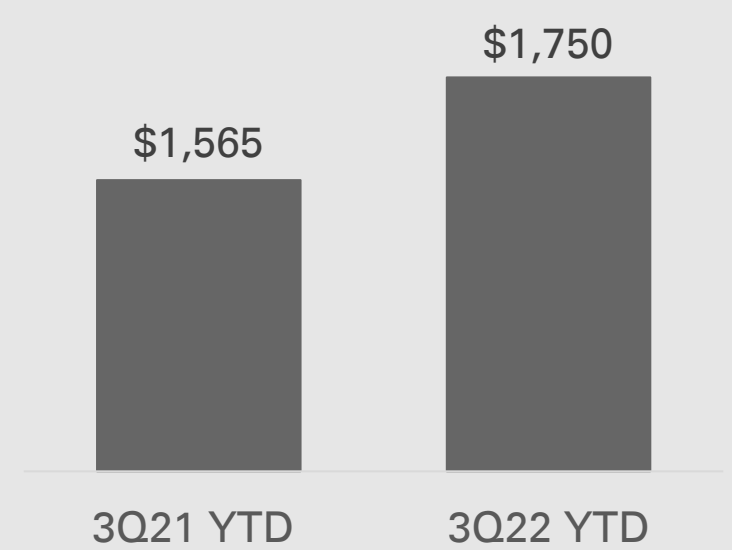
- Investing for innovation, new and existing client growth, and greater productivity
- Inorganic investment of \$0.7 billion

**Debt to Adjusted EBITDA**  
while meeting debt commitments...



- Achieved target leverage below 3.0x
- Total debt of \$21.4 billion, 19% variable

**Share Repurchases**  
and returning value to shareholders



- Share repurchase yield of 4%, among the Top 150 of the S&P 500
- 17.9 million shares repurchased for \$1.75 billion year to date

Yield is calculated using share repurchase dollar amount for trailing twelve months ending June 2022, divided by market cap on 10.19.22  
\$ in millions, unaudited. See appendix for information regarding non-GAAP financial measures.



# 2022 Performance Outlook

## Key Financial Metrics

	Previous	Updated
Organic Revenue Growth	9% – 11%	11%
Adjusted EPS	\$6.45 – \$6.55 <i>(16% – 17% growth)</i>	\$6.48 – \$6.55 <i>(16% – 17% growth)</i>

## Other Financial Metrics

Adjusted Operating Margin Expansion	≥100bps	≥100bps
Free Cash Flow Conversion	90% – 95%	~85%

See Appendix for information regarding non-GAAP financial measures.

# Appendix

# Non-GAAP Financial Measures

## Use of Non-GAAP Financial Measures

This presentation includes the following unaudited non-GAAP financial measures: “adjusted revenue,” “adjusted revenue growth,” “organic revenue,” “organic revenue growth,” “adjusted operating income,” “adjusted operating margin,” “adjusted operating margin expansion,” “adjusted net income,” “adjusted earnings per share,” “adjusted earnings per share growth,” “free cash flow,” and “free cash flow conversion.” Management believes that adjustments for certain non-cash or other items and the exclusion of certain pass-through revenue and expenses should enhance shareholders' ability to evaluate the company's performance, as such measures provide additional insights into the factors and trends affecting its business. Additional information about these measures and reconciliations to the nearest GAAP financial measures are provided in this appendix.

## Forward-looking Non-GAAP Financial Measures

Reconciliations of unaudited non-GAAP financial measures to the most comparable GAAP measures are included in this presentation, except for forward-looking measures where a reconciliation to the corresponding GAAP measures is not available due to the variability, complexity and limited visibility of these items that are excluded from the non-GAAP outlook measures. The company's forward-looking non-GAAP financial measures for 2022, including organic revenue growth, adjusted earnings per share, adjusted operating margin, and free cash flow conversion, are designed to enhance shareholders' ability to evaluate the company's performance by excluding certain items to focus on factors and trends affecting its business. The company's organic revenue growth outlook excludes the impact of foreign currency fluctuations, acquisitions, dispositions and the company's Output Solutions postage reimbursements and includes deferred revenue purchase accounting adjustments. Estimates of these impacts and adjustments on a forward-looking basis are presented on page 25 and are subject to variability. The company's adjusted earnings per share and adjusted operating margin outlooks exclude certain non-cash or other items such as non-cash intangible asset amortization expense associated with acquisitions; non-cash impairment charges; restructuring costs; severance costs; net charges associated with debt financing activities; merger and integration costs; gains or losses from the sale of businesses, certain assets or investments and certain discrete tax benefits and expenses; and includes non-cash deferred revenue adjustments arising from acquisitions. The company completed First Data acquisition-related integration activities as of December 31, 2021 and therefore does not expect to incur additional costs associated with the achievement of cost synergies related to the First Data acquisition, resulting in lower merger and integration costs in 2022. The company's adjusted operating margin outlook excludes the impact of the company's Output Solutions postage reimbursements. The company's free cash flow outlook and free cash flow conversion outlook includes, but is not limited to, capital expenditures, distributions paid to noncontrolling interests, and distributions from unconsolidated affiliates and excludes severance, merger and integration payments. The company estimates that amortization expense in 2022 with respect to acquired intangible assets will approximate the amount incurred in 2021. Other adjustments to the company's financial measures that were incurred in 2021 and for the nine months ended September 30, 2022 are presented on the subsequent pages of this presentation; however, they are not necessarily indicative of adjustments that may be incurred throughout 2022 or beyond. Estimates of these impacts and adjustments on a forward-looking basis are not available due to the variability, complexity and limited visibility of these items.

# 3Q22 Revenue Details

	Merchant Acceptance	Payments and Network	Financial Technology	Corporate and Other	Total Company
GAAP revenue	\$1,878	\$1,617	\$766	\$257	\$4,518
Output solutions postage reimbursements	-	-	-	(251)	(251)
Deferred revenue adjustments	-	6	-	-	6
Adjusted revenue	\$1,878	\$1,623	\$766	\$6	\$4,273
Currency impact (FX)	72	24	4	-	100
Acquisitions and divestitures, net	(7)	-	(3)	(6)	(16)
Organic revenue	\$1,943	\$1,647	\$767	\$-	\$4,357

	Merchant Acceptance	Payments and Network	Financial Technology	Corporate and Other	Total Company
GAAP revenue growth	9%	10%	1%	N/M	9%
Adjusted revenue growth	9%	10%	1%	N/M	8%
Organic revenue growth	14%	11%	1%	N/M	11%

\$ in millions, unaudited. See page 11 for information regarding non-GAAP financial measures and pages 17-18 for related adjustments.

N/M: not meaningful for comparison

# Adjusted Revenue and Adjusted Operating Income

## Total Company

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
Revenue	\$ 4,518	\$ 4,450	\$ 4,138	\$ 4,257	\$ 4,163	\$ 13,106	\$ 11,969
Adjustments:							
Output Solutions postage reimbursements	(251)	(222)	(239)	(244)	(209)	(712)	(616)
Deferred revenue purchase accounting adjustments	6	6	7	6	8	19	21
Adjusted revenue	\$ 4,273	\$ 4,234	\$ 3,906	\$ 4,019	\$ 3,962	\$ 12,413	\$ 11,374
Operating income	\$ 855	\$ 860	\$ 846	\$ 533	\$ 636	\$ 2,561	\$ 1,755
Adjustments:							
Merger and integration costs	54	39	22	382	206	115	479
Severance costs	35	47	52	43	24	134	38
Amortization of acquisition-related intangible assets	442	471	475	473	490	1,388	1,509
Net (gain) loss on sale of business and other assets	120	—	(147)	—	—	(27)	—
Adjusted operating income	\$ 1,506	\$ 1,417	\$ 1,248	\$ 1,431	\$ 1,356	\$ 4,171	\$ 3,781
Operating margin	18.9 %	19.3 %	20.5 %	12.5 %	15.3 %	19.5 %	14.7 %
Adjusted operating margin	35.2 %	33.5 %	32.0 %	35.6 %	34.2 %	33.6 %	33.2 %

\$ in millions, unaudited. Operating margin percentages are calculated using actual, unrounded amounts. See page 11 for information regarding non-GAAP financial measures.

# Adjusted Revenue and Adjusted Operating Income by Segment

## Merchant Acceptance Segment

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
Revenue	\$ 1,878	\$ 1,901	\$ 1,653	\$ 1,700	\$ 1,716	\$ 5,432	\$ 4,779
Operating income	\$ 610	\$ 593	\$ 470	\$ 533	\$ 552	\$ 1,673	\$ 1,463
Operating margin	32.4 %	31.2 %	28.4 %	31.3 %	32.2 %	30.8 %	30.6 %

\$ in millions, unaudited. Operating margin percentages are calculated using actual, unrounded amounts.

For all periods presented in the Merchant Acceptance segment, there were no adjustments to GAAP measures presented and thus the adjusted measures are equal to the GAAP measures presented.

See page 11 for information regarding non-GAAP financial measures.

# Adjusted Revenue and Adjusted Operating Income by Segment

## Payments and Network Segment

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
Revenue	\$ 1,617	\$ 1,518	\$ 1,462	\$ 1,536	\$ 1,471	\$ 4,597	\$ 4,297
Adjustments:							
Deferred revenue purchase accounting adjustments	6	6	7	6	8	19	21
Adjusted revenue	\$ 1,623	\$ 1,524	\$ 1,469	\$ 1,542	\$ 1,479	\$ 4,616	\$ 4,318
Operating income	\$ 738	\$ 662	\$ 618	\$ 707	\$ 643	\$ 2,018	\$ 1,850
Adjustments:							
Merger and integration costs	6	6	7	6	7	19	21
Adjusted operating income	\$ 744	\$ 668	\$ 625	\$ 713	\$ 650	\$ 2,037	\$ 1,871
Operating margin	45.6 %	43.6 %	42.3 %	45.9 %	43.7 %	43.9 %	43.1 %
Adjusted operating margin	45.9 %	43.8 %	42.5 %	46.2 %	44.0 %	44.1 %	43.4 %

\$ in millions, unaudited. Operating margin percentages are calculated using actual, unrounded amounts. See page 11 for information regarding non-GAAP financial measures.

# Adjusted Revenue and Adjusted Operating Income by Segment

## Financial Technology Segment

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
Revenue	\$ 766	\$ 803	\$ 778	\$ 771	\$ 761	\$ 2,347	\$ 2,251
Operating income	\$ 261	\$ 281	\$ 275	\$ 287	\$ 275	\$ 817	\$ 794
Operating margin	34.1 %	35.0 %	35.4 %	37.3 %	36.0 %	34.8 %	35.3 %

\$ in millions, unaudited. Operating margin percentages are calculated using actual, unrounded amounts.

For all periods presented in the Financial Technology segment, there were no adjustments to GAAP measures presented and thus the adjusted measures are equal to the GAAP measures presented.

See page 11 for information regarding non-GAAP financial measures.



# Adjusted and Organic Revenue by Segment

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Growth	2022	2021	Growth
<b>Total Company</b>						
Revenue	\$ 4,518	\$ 4,163	9%	\$ 13,106	\$ 11,969	9%
Output Solutions postage reimbursements	(251)	(209)		(712)	(616)	
Deferred revenue purchase accounting adjustments	6	8		19	21	
Adjusted revenue	<u>\$ 4,273</u>	<u>\$ 3,962</u>	8%	<u>\$ 12,413</u>	<u>\$ 11,374</u>	9%
Currency impact	100	—		191	—	
Acquisition adjustments	(10)	—		(32)	—	
Divestiture adjustments	(6)	(20)		(18)	(62)	
Organic revenue <sup>1</sup>	<u>\$ 4,357</u>	<u>\$ 3,942</u>	11%	<u>\$ 12,554</u>	<u>\$ 11,312</u>	11%
<b>Merchant Acceptance <sup>2</sup></b>						
Revenue	<u>\$ 1,878</u>	<u>\$ 1,716</u>	9%	<u>\$ 5,432</u>	<u>\$ 4,779</u>	14%
Currency impact	72	—		136	—	
Acquisition adjustments	(7)	—		(26)	—	
Divestiture adjustments	—	(14)		—	(36)	
Organic revenue <sup>1</sup>	<u>\$ 1,943</u>	<u>\$ 1,702</u>	14%	<u>\$ 5,542</u>	<u>\$ 4,743</u>	17%
<b>Financial Technology <sup>2</sup></b>						
Revenue	<u>\$ 766</u>	<u>\$ 761</u>	1%	<u>\$ 2,347</u>	<u>\$ 2,251</u>	4%
Currency impact	4	—		8	—	
Acquisition adjustments	(3)	—		(6)	—	
Organic revenue <sup>1</sup>	<u>\$ 767</u>	<u>\$ 761</u>	1%	<u>\$ 2,349</u>	<u>\$ 2,251</u>	4%

\$ in millions, unaudited. Revenue growth is calculated using actual, unrounded amounts.

# Adjusted and Organic Revenue by Segment (cont.)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2022	2021	Growth	2022	2021	Growth
<b>Payments and Network</b>						
Revenue	\$ 1,617	\$ 1,471	10%	\$ 4,597	\$ 4,297	7%
Deferred revenue purchase accounting adjustments	6	8		19	21	
Adjusted revenue	\$ 1,623	\$ 1,479	10%	\$ 4,616	\$ 4,318	7%
Currency impact	24	—		47	—	
Organic revenue <sup>1</sup>	\$ 1,647	\$ 1,479	11%	\$ 4,663	\$ 4,318	8%
<b>Corporate and Other</b>						
Revenue	\$ 257	\$ 215		\$ 730	\$ 642	
Output Solutions postage reimbursements	(251)	(209)		(712)	(616)	
Adjusted revenue	\$ 6	\$ 6		\$ 18	\$ 26	
Divestiture adjustments	(6)	(6)		(18)	(26)	
Organic revenue <sup>1</sup>	\$ —	\$ —		\$ —	\$ —	

\$ in millions, unaudited. Revenue growth is calculated using actual, unrounded amounts.  
See page 11 for information regarding non-GAAP financial measures.

<sup>1</sup> Organic revenue growth is measured as the change in adjusted revenue (see pages 13-16) for the current period excluding the impact of foreign currency fluctuations and revenue attributable to acquisitions and dispositions, divided by adjusted revenue from the prior period excluding revenue attributable to dispositions. Currency impact is measured as the increase or decrease in adjusted revenue for the current period by applying prior period foreign currency exchange rates to present a constant currency comparison to prior periods.

<sup>2</sup> For all periods presented in the Merchant Acceptance and Financial Technology segments, there were no adjustments to the GAAP revenue presented and thus the adjusted revenue is equal to the GAAP revenue presented.

# Adjusted Net Income and Adjusted EPS

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
GAAP net income attributable to Fiserv	\$ 481	\$ 598	\$ 669	\$ 333	\$ 428	\$ 1,748	\$ 1,001
Adjustments:							
Merger and integration costs <sup>1</sup>	54	39	22	382	210	115	483
Severance costs	35	47	52	43	24	134	38
Amortization of acquisition-related intangible assets <sup>2</sup>	442	471	475	473	490	1,388	1,509
Non wholly-owned entity activities <sup>3</sup>	51	(14)	(56)	11	33	(19)	40
Net (gain) loss on sale of business and other assets <sup>4</sup>	120	—	(147)	—	—	(27)	—
Tax impact of adjustments <sup>5</sup>	(131)	(128)	(94)	(209)	(174)	(353)	(476)
Discrete tax items	—	—	—	8	(24)	—	110
Adjusted net income	\$ 1,052	\$ 1,013	\$ 921	\$ 1,041	\$ 987	\$ 2,986	\$ 2,705
GAAP EPS attributable to Fiserv	\$ 0.75	\$ 0.92	\$ 1.02	\$ 0.50	\$ 0.64	\$ 2.68	\$ 1.49
Adjustments - net of income taxes:							
Merger and integration costs <sup>1</sup>	0.07	0.05	0.03	0.44	0.24	0.14	0.55
Severance costs	0.04	0.06	0.06	0.05	0.03	0.16	0.04
Amortization of acquisition-related intangible assets <sup>2</sup>	0.54	0.57	0.57	0.55	0.56	1.68	1.72
Non wholly-owned entity activities <sup>3</sup>	0.05	(0.04)	(0.07)	0.01	0.04	(0.06)	0.05
Net (gain) loss on sale of business and other assets <sup>4</sup>	0.19	—	(0.21)	—	—	(0.03)	—
Discrete tax items	—	—	—	0.01	(0.04)	—	0.16
Adjusted EPS	\$ 1.63	\$ 1.56	\$ 1.40	\$ 1.57	\$ 1.47	\$ 4.59	\$ 4.01
YTD GAAP EPS attributable to Fiserv growth	80 %						
YTD Adjusted EPS growth	14 %						

\$ in millions, except per share amounts, unaudited. Earnings per share is calculated using actual, unrounded amounts. Footnotes relate to adjustments in the third quarter and first nine months of 2022. See page 11 for information regarding non-GAAP financial measures.

# Adjusted Net Income and Adjusted EPS (cont.)

- <sup>1</sup> Represents acquisition and related integration costs incurred in connection with various acquisitions. Merger and integration costs in the third quarter and first nine months of 2022 primarily includes share-based compensation and third-party professional service fees attributable to various acquisitions.
- <sup>2</sup> Represents amortization of intangible assets acquired through various acquisitions, including customer relationships, software/technology and trade names. This adjustment does not exclude the amortization of other intangible assets such as contract costs (sales commissions and deferred conversion costs), capitalized and purchased software, and financing costs and debt discounts. See additional information on page 24 for an analysis of the company's amortization expense.
- <sup>3</sup> Represents the company's share of amortization of acquisition-related intangible assets and, in 2022, expenses associated with debt refinancing activities at its unconsolidated affiliates, as well as the minority interest share of amortization of acquisition-related intangible assets at its subsidiaries in which the company holds a controlling financial interest. This adjustment for the first nine months of 2022 also includes gains totaling \$201 million related to certain equity investment transactions and other net expense of \$57 million associated with joint venture debt guarantees.
- <sup>4</sup> Represents a loss on the sale of the company's Korea operations during the third quarter of 2022, as well as a gain on the sale of certain merchant contracts during the first nine months of 2022 in conjunction with the mutual termination of one of the company's merchant alliance joint ventures.
- <sup>5</sup> The tax impact of adjustments is calculated using a tax rate of 21% in the first nine months of 2022, which approximates the company's anticipated annual effective tax rate, exclusive of the \$10 million actual tax impacts associated with the net gain on sales of business, other assets and certain equity investment transactions during the first nine months of 2022.

# Debt to Adjusted EBITDA

	3Q22	2Q22	1Q22	4Q21	3Q21
GAAP net income attributable to Fiserv	\$ 481	\$ 598	\$ 669	\$ 333	\$ 428
GAAP interest, taxes, depreciation and amortization:					
Interest expense and other non-operating income, net	203	242	172	135	158
Income tax provision	147	137	98	63	54
Depreciation and amortization	790	809	799	781	805
EBITDA	\$ 1,621	\$ 1,786	\$ 1,738	\$ 1,312	\$ 1,445
Adjustments:					
Merger and integration costs <sup>1</sup>	54	39	22	382	206
Severance costs	35	47	52	43	24
Non wholly-owned entity activities <sup>2</sup>	53	(72)	(54)	37	38
Share-based compensation	63	64	51	43	48
Net (gain) loss on sale of business and other assets <sup>3</sup>	120	—	(147)	—	—
Adjusted EBITDA	\$ 1,946	\$ 1,864	\$ 1,662	\$ 1,817	\$ 1,761
Debt	\$ 21,375	\$ 21,515	\$ 21,070	\$ 21,237	\$ 20,989
Trailing 12-month adjusted EBITDA <sup>4</sup>	\$ 7,289	\$ 7,104	\$ 6,934	\$ 6,743	\$ 6,555
Debt to trailing 12-month adjusted EBITDA	2.9x	3.0x	3.0x	3.1x	3.2x
Trailing 12-month GAAP net income attributable to Fiserv <sup>4</sup>	\$ 2,081	\$ 2,028	\$ 1,699	\$ 1,334	\$ 1,301
Debt to trailing 12-month GAAP net income attributable to Fiserv	10.3x	10.6x	12.4x	15.9x	16.1x

\$ in millions, unaudited. Footnotes relate to adjustments in the third quarter and first nine months of 2022. See page 11 for information regarding non-GAAP financial measures.

# Debt to Adjusted EBITDA (cont.)

- <sup>1</sup> Represents acquisition and related integration costs incurred in connection with various acquisitions. Merger and integration costs in the third quarter and first nine months of 2022 primarily includes share-based compensation and third-party professional service fees attributable to various acquisitions.
- <sup>2</sup> Represents the company's share of amortization of acquisition-related intangible assets at its unconsolidated affiliates, as well as the minority interest share of amortization of acquisition-related intangible assets at its subsidiaries in which the company holds a controlling financial interest. This adjustment for the first nine months of 2022 also includes gains totaling \$201 million related to certain equity investment transactions.
- <sup>3</sup> Represents a loss on the sale of the company's Korea operations during the third quarter of 2022, as well as a gain on the sale of certain merchant contracts during the first nine months of 2022 in conjunction with the mutual termination of one of the company's merchant alliance joint ventures.
- <sup>4</sup> Refer to the following table for prior period results required to calculate the trailing 12-month metrics. Merger and integration costs in 2020 exclude accelerated depreciation and amortization associated with termination of certain vendor contracts.

	<u>2021</u>	<u>1Q21</u>	<u>4Q20</u>
GAAP net income attributable to Fiserv	\$ 269	\$ 304	\$ 300
GAAP interest, taxes, depreciation and amortization:			
Interest expense and other non-operating income, net	174	155	180
Income tax provision	228	18	20
Depreciation and amortization	813	797	774
EBITDA	<u>\$ 1,484</u>	<u>\$ 1,274</u>	<u>\$ 1,274</u>
Adjustments:			
Merger and integration costs	148	125	251
Severance costs	4	10	16
Non wholly-owned entity activities	7	14	43
Share-based compensation	51	48	45
Adjusted EBITDA	<u>\$ 1,694</u>	<u>\$ 1,471</u>	<u>\$ 1,629</u>

# Free Cash Flow Conversion

	3Q22	2Q22	1Q22	4Q21	3Q21	YTD22	YTD21
Net cash provided by operating activities	\$ 1,180	\$ 990	\$ 815	\$ 1,343	\$ 678	\$ 2,985	\$ 2,691
Capital expenditures	(430)	(387)	(331)	(346)	(320)	(1,148)	(814)
Adjustments:							
Distributions paid to noncontrolling interests and redeemable noncontrolling interests	(8)	(9)	(13)	(21)	(20)	(30)	(41)
Distributions from unconsolidated affiliates included in cash flows from investing activities	32	17	61	24	39	110	91
Severance, merger and integration payments	82	27	102	298	196	211	414
Tax payments on adjustments	(17)	(6)	(21)	(66)	(45)	(44)	(95)
Tax payments on gain on sale of assets and investments in unconsolidated affiliates	11	26	—	10	44	37	44
Other	(1)	—	(10)	—	—	(11)	—
Free cash flow	<u>\$ 849</u>	<u>\$ 658</u>	<u>\$ 603</u>	<u>\$ 1,242</u>	<u>\$ 572</u>	<u>\$ 2,110</u>	<u>\$ 2,290</u>
Adjusted net income	\$ 1,052	\$ 1,013	\$ 921	\$ 1,041	\$ 987	\$ 2,986	\$ 2,705
Free cash flow conversion	81 %	65 %	65 %	119 %	58 %	71 %	85 %
GAAP net income attributable to Fiserv	\$ 481	\$ 598	\$ 669	\$ 333	\$ 428	\$ 1,748	\$ 1,001
Ratio of net cash provided by operating activities to GAAP net income attributable to Fiserv	245 %	166 %	122 %	403 %	158 %	171 %	269 %

\$ in millions, unaudited. Free cash flow conversion is defined as free cash flow divided by adjusted net income. See page 11 for information regarding non-GAAP financial measures. See pages 19-20 for adjusted net income reconciliation.

# Additional Information – Amortization Expense

Total Amortization	3Q22	3Q21	YTD22	YTD21
Acquisition-related intangible assets	\$ 450	\$ 509	\$ 1,416	\$ 1,554
Capitalized software and other intangibles	91	76	258	202
Purchased software	67	57	180	181
Financing costs and debt discounts	11	16	33	41
Sales commissions	27	24	79	72
Deferred conversion costs	16	13	49	37
Total amortization	<u>\$ 662</u>	<u>\$ 695</u>	<u>\$ 2,015</u>	<u>\$ 2,087</u>

\$ in millions, unaudited.

The company adjusts its non-GAAP results to exclude amortization of acquisition-related intangible assets as such amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions (see corresponding adjustment on pages 19-20). The adjustment for acquired First Data software/technology excludes only the incremental amortization related to the fair value purchase accounting allocation. Management believes that the adjustment of acquisition-related intangible asset amortization supplements the GAAP information with a measure that can be used to assess the comparability of operating performance. Although the company excludes amortization from acquisition-related intangible assets from its non-GAAP expenses, management believes that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets.



# 2022 Performance Outlook – Organic Revenue Growth

	<u>Growth</u>
2022 Revenue	9%
Output solutions postage reimbursements	(0.5%)
2022 Adjusted revenue	<u>8.5%</u>
Currency impact <sup>1</sup>	2%
Acquisition adjustments	(0.5%)
Divestiture adjustments <sup>2</sup>	1%
2022 Organic revenue <sup>3</sup>	<u>11%</u>

See page 11 for information regarding non-GAAP financial measures.

<sup>1</sup> Currency impact is measured as the increase or decrease in the expected adjusted revenue for the period by applying prior period foreign currency exchange rates to present a constant currency comparison to prior periods.

<sup>2</sup> Reflects expected revenue adjustments attributable to dispositions, including revenue associated with certain merchant contracts that were sold in the first quarter of 2022 in conjunction with the mutual termination of one of the company's merchant alliance joint ventures.

<sup>3</sup> Organic revenue growth is measured as the expected change in adjusted revenue (see pages 17-18) for the period excluding the anticipated impact of foreign currency fluctuations and revenue attributable to acquisitions and dispositions, divided by adjusted revenue from the prior period excluding revenue attributable to dispositions.

# 2021 Adjusted Net Income and Adjusted EPS Reconciliation

2021 GAAP net income attributable to Fiserv	\$	1,334
Adjustments:		
Merger and integration costs <sup>1</sup>		865
Severance costs <sup>2</sup>		81
Amortization of acquisition-related intangible assets <sup>3</sup>		1,982
Non wholly-owned entity activities <sup>4</sup>		51
Tax impact of adjustments <sup>5</sup>		(685)
Discrete tax items <sup>6</sup>		118
2021 Adjusted net income	<u>\$</u>	<u>3,746</u>
2021 Weighted average common shares outstanding - diluted		671.6
2021 GAAP earnings per share attributable to Fiserv	\$	1.99
Adjustments - net of income taxes:		
Merger and integration costs <sup>1</sup>		0.99
Severance costs <sup>2</sup>		0.09
Amortization of acquisition-related intangible assets <sup>3</sup>		2.27
Non wholly-owned entity activities <sup>4</sup>		0.06
Discrete tax items <sup>6</sup>		0.18
2021 Adjusted earnings per share	<u>\$</u>	<u>5.58</u>
2022 Adjusted earnings per share outlook		\$6.48 - \$6.55
2022 Adjusted earnings per share growth outlook		16% - 17%

\$ in millions, except per share amounts, unaudited. Earnings per share is calculated using actual, unrounded amounts. See page 11 for information regarding non-GAAP financial measures.

# 2021 Adjusted Net Income and Adjusted EPS Reconciliation (cont.)

- <sup>1</sup> Represents acquisition and related integration costs incurred in connection with various acquisitions, primarily related to the First Data acquisition. First Data integration costs primarily include \$370 million of third-party professional service fees associated with integration activities; \$44 million of incremental share-based compensation, including the fair value of stock awards assumed by Fiserv; and \$277 million of other integration-related compensation costs.
- <sup>2</sup> Represents severance costs associated with the achievement of expense management initiatives, including those related to the First Data acquisition.
- <sup>3</sup> Represents amortization of intangible assets acquired through various acquisitions, including customer relationships, software/technology and trade names. This adjustment does not exclude the amortization of other intangible assets such as contract costs (sales commissions and deferred conversion costs), capitalized and purchased software, and financing costs and debt discounts.
- <sup>4</sup> Represents the company's share of amortization of acquisition-related intangible assets at its unconsolidated affiliates, as well as the minority interest share of amortization of acquisition-related intangible assets at its subsidiaries in which the company holds a controlling financial interest. This adjustment also includes net gains totaling \$98 million related to the fair value remeasurement and sale of certain equity investments.
- <sup>5</sup> The tax impact of adjustments is calculated using a tax rate of 23%, which approximates the company's annual effective tax rate.
- <sup>6</sup> Represents certain discrete tax items, such as foreign-derived intangible income tax benefits from a subsidiary restructuring and the revaluation of deferred taxes due to a change in the respective statutory tax rates in the United Kingdom and Argentina.

# 2021 Adjusted Revenue and Adjusted Operating Income Reconciliation

2021 Revenue	\$ 16,226
Adjustments:	
Output Solutions postage reimbursements	(860)
Deferred revenue purchase accounting adjustments	27
2021 Adjusted revenue	<u>\$ 15,393</u>
2021 Operating income	\$ 2,288
Adjustments:	
Merger and integration costs	861
Severance costs	81
Amortization of acquisition-related intangible assets	1,982
2021 Adjusted operating income	<u>\$ 5,212</u>
2021 Operating margin	14.1 %
2021 Adjusted operating margin	33.9 %
2022 Adjusted operating margin expansion outlook	≥ 100 bps

\$ in millions, unaudited. Operating margin percentages are calculated using actual, unrounded amounts.  
See page 11 for information regarding non-GAAP financial measures.