

# First Quarter 2020 Financial Results

## Presenters:

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# FORWARD LOOKING STATEMENTS

Statements contained in this presentation that concern Euronet's or its management's intentions, expectations, or predictions of future performance, are forward-looking statements. Euronet's actual results may vary materially from those anticipated in such forward-looking statements as a result of a number of factors, including: changes in world financial markets and general economic conditions, including impacts from COVID-19; the effects in Europe of the U.K.'s departure from the E.U. and economic conditions in specific countries and regions; technological developments affecting the market for our products and services; our ability to successfully introduce new products and services; foreign currency exchange rate fluctuations; the effects of any breach of our computer systems or those of our customers or vendors, including our financial processing networks or those of other third parties; interruptions in any of our systems or those of our vendors or other third parties; our ability to renew existing contracts at profitable rates; changes in fees payable for transactions performed for cards bearing international logos or over switching networks such as card transactions on ATMs; our ability to comply with increasingly stringent regulatory requirements, including anti-money laundering, anti-terrorism, anti-bribery, consumer and data protection and the European Union's General Data Privacy Regulation and Revised Payment Service Directive requirements; changes in laws and regulations affecting our business, including tax and immigration laws and any laws regulating payments, including DCC transactions; changes in our relationships with, or in fees charged by, our business partners; competition; the outcome of claims and other loss contingencies affecting Euronet; the cost of borrowing, availability of credit and terms of and compliance with debt covenants; and renewal of sources of funding as they expire and the availability of replacement funding. These risks and other risks are described in the Company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Copies of these filings may be obtained via the SEC's Edgar website or by contacting the Company. Any forward-looking statements made in this presentation speak only as of the date of this release. Except as may be required by law, Euronet does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances. The Company regularly posts important information to the investor relations section of its website.

# DEFINED TERMS



Unless specifically noted otherwise within this presentation, the following terms are hereby defined as follows:

Constant currency measures are computed as if foreign currency exchange rates did not change from the prior period. This information is provided to illustrate the impact of changes in foreign currency exchange rates on the Company's results when compared to the prior period.

Adjusted EBITDA is defined as net income excluding, to the extent incurred in the period, interest, income tax expense, depreciation, amortization, share-based compensation expenses, and other non-operating or non-recurring items that are considered expenses or income under U.S. GAAP. Adjusted EBITDA represents a performance measure and is not intended to represent a liquidity measure.

Adjusted earnings per share (Adjusted EPS) is defined as diluted U.S. GAAP earnings per share excluding, to the extent incurred in the period, the tax-effected impacts of: a) foreign currency exchange gains or losses, b) goodwill or intangible asset impairment charges, c) gains or losses from the early retirement of debt, d) share-based compensation, e) acquired intangible asset amortization, f) non-cash interest expense, g) non-cash income tax expense, and h) other non-operating or non-recurring items. Adjusted earnings per share represents a performance measure and is not intended to represent a liquidity measure.

The reconciliation of non-GAAP items is included in the attached supplemental data.

The Company does not provide a reconciliation of its forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for GAAP and the related GAAP to non-GAAP reconciliation, including adjustments that could be made for currency exchange rate fluctuations and other charges reflected in the Company's reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.

The slide features a large blue shape on the right side, a white shape on the left, and an orange triangle at the bottom left. The text 'BUSINESS UPDATE' is centered within the white area.

# BUSINESS UPDATE

# CURRENT STATE OF BUSINESS

- » All segments began the year with strong growth trends
- » COVID-19 required significant changes to operating plans for 2020:
  - All of our nearly 8,000 employees were transitioned to remote work arrangements
  - Ensured no service interruptions for our customers
  - Implemented cost reduction plan to save \$100+ million in third party costs, 80% already achieved and will not hinder long-term growth prospects
  - No employee salary cuts or layoffs expected
- » Continuing to diversify our business through new products, solutions and geographies



# COVID-19 RECOVERY



- » epay will likely recover first as consumers will continue to purchase digital media content
- » Money transfer recovery will lag due to high unemployment rates
  - Will recover as immigrants will continue to send money to their families
  - Well positioned to serve customers impacted by closures of smaller competitors
- » EFT recovery longest and hardest to predict
  - Dependent upon government reopening and travel restrictions and subsequent travel recovery
  - Operating business for 2021 recovery

# EMERGING FROM COVID-19



- » Continued expansion to new geographies and identification of high-value sites
- » Expansion of ATM outsourcing to new and existing markets
- » Utilization of technology to provide more modern banking opportunities for customers and governments around the globe



- » Continued expansion of digital media content into new retailers, new channels and new markets
- » Brand partner marketing spend likely to come later in the year
- » Expect newly acquired digital transactions to remain and physical retail transactions to resume



- » Accelerated rollout of Ria mobile app to 18 new countries by end of Q2 2020
- » Renewed Walmart2Walmart and Walmart2World agreement for three additional years



- » Launched two post office agreements in Austria and Belgium
- » Expect physical remittances will resume as employment resumes

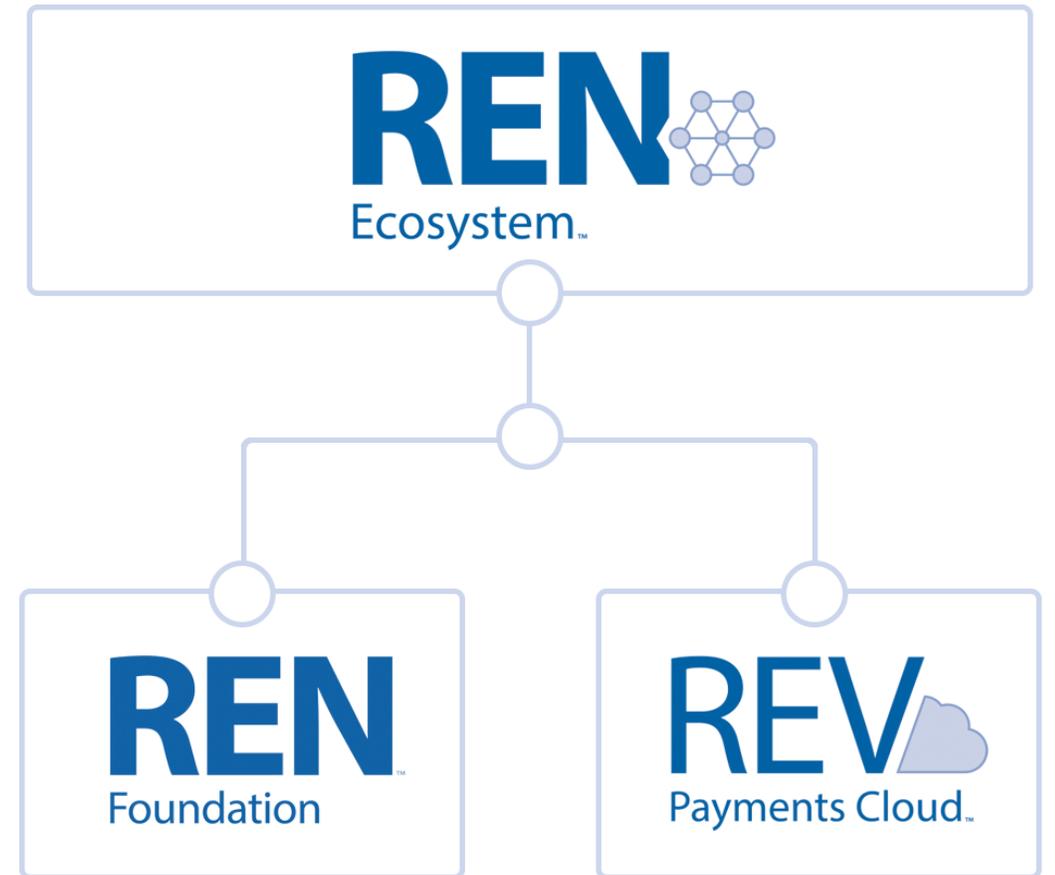
# EURONET TECHNOLOGY SUCCESS UPDATE

## » REV Payments Cloud

- Targeted at Fintechs and Neo- and Digital banks
- Provides access to Euronet's payments platforms (open loop issuing, 3D Secure for e/m-commerce transactions, access to local Real Time / QR Payment schemes, FX, etc.) and our physical assets (ATMs, money transfer network, digital content, and more)
- Recent Wins: Issuer Processing agreements for digital banks in Asia Pacific (Philippines, Indonesia)

## » REN Foundation

- Targeted at Banks, National Switches & Processors
- Delivers software that is installed in an existing data center to replace legacy systems which are in line with modern design principles i.e. cloud native, Open API, microservices etc.
- Handles traditional use cases like card issuing, acquiring and underlying architecture built to help launch non traditional account based Real Time Payment Systems
- Project Update: On track with deliverables for Bank of Mozambique. User acceptance testing to begin in Q2 2020.



The slide features a background with large, abstract geometric shapes in blue and orange. A white, arrow-shaped area on the left contains the text. The text is in a blue, sans-serif font, with 'FINANCIAL HIGHLIGHTS' in a larger size than 'FIRST QUARTER 2020'.

FINANCIAL  
HIGHLIGHTS  
FIRST QUARTER 2020

# Q1 2020 FINANCIAL REPORT

## BALANCE SHEET OVERVIEW



USD (in millions)	12/31/2019	3/31/2020
<b>Unrestricted Cash</b>	\$ 786.1	\$ <b>709.5</b>
<b>ATM Cash</b>	665.6	<b>558.6</b>
<b>Settlement Assets</b>	1013.1	<b>773.3</b>
<b>Total Assets</b>	4,657.7	<b>4,184.4</b>
<b>Settlement Obligations</b>	1,013.1	<b>773.3</b>
<b>Total Debt</b>	1,111.0	<b>1,101.2</b>
<b>Total Debt to Trailing Twelve Month Adjusted EBITDA Multiple</b>	1.8x	<b>1.9x</b>
<b>Net Debt to Trailing Twelve Month Adjusted EBITDA Multiple</b>	NM	<b>NM</b>

\*NM - Not Meaningful

# Q1 2020 FINANCIAL REPORT

## QUARTERLY FINANCIAL HIGHLIGHTS

### » Revenue - \$583.9 million

- 1% increase from \$577.5 million for Q1 2019
- 3% increase on a constant currency basis

### » Operating income - \$31.6 million

- 44% decrease from \$56.1 million for Q1 2019
- 42% decrease on a constant currency basis

### » Adjusted EBITDA - \$68.7 million

- 21% decrease from \$87.2 million for Q1 2019
- 19% decrease on a constant currency basis

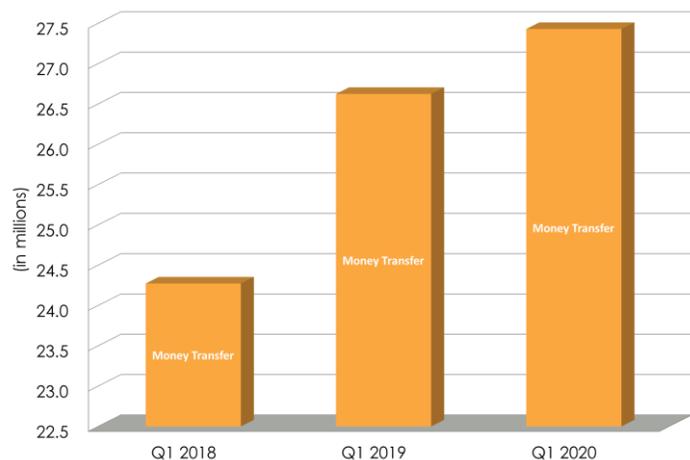
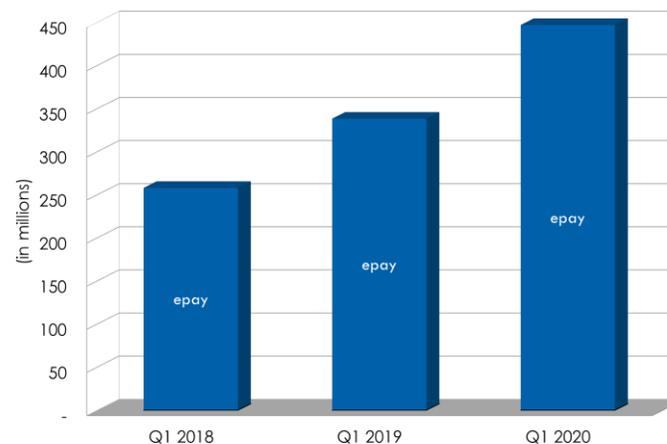
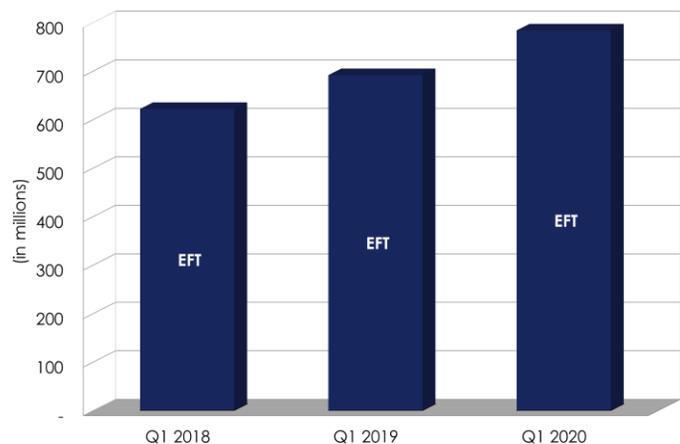
### » Adjusted EPS - \$0.55

- 35% decrease from \$0.85 for Q1 2019



# Q1 2020 FINANCIAL REPORT

## THREE YEAR TRANSACTION TREND



- » EFT transactions grew 13%
- » epay transactions grew 32%
- » Money Transfer transactions grew 3%

# Q1 2020 BUSINESS SEGMENT RESULTS

## SAME QUARTER PRIOR YEAR COMPARISON



USD (in millions)	Revenue		Operating Income (Expense)		Adjusted EBITDA	
	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020
<b>EFT Processing</b>	\$ 145.7	<b>\$ 145.8</b>	\$ 16.8	<b>\$ 4.9</b>	\$ 33.4	<b>\$ 25.2</b>
<b>% Change</b>		<b>0%</b>		<b>-71%</b>		<b>-25%</b>
<b>epay</b>	176.1	<b>172.9</b>	18.0	<b>16.5</b>	19.8	<b>18.3</b>
<b>% Change</b>		<b>-2%</b>		<b>-8%</b>		<b>-8%</b>
<b>Money Transfer</b>	256.6	<b>266.3</b>	30.7	<b>22.3</b>	38.8	<b>30.9</b>
<b>% Change</b>		<b>4%</b>		<b>-27%</b>		<b>-20%</b>
<b>Subtotal</b>	578.4	<b>585.0</b>	65.5	<b>43.7</b>	92.0	<b>74.4</b>
<b>% Change</b>		<b>1%</b>		<b>-33%</b>		<b>-19%</b>
<b>Corporate, Eliminations &amp; Other</b>	(0.9)	<b>(1.1)</b>	(9.4)	<b>(12.1)</b>	(4.8)	<b>(5.7)</b>
<b>Consolidated Total</b>	\$ 577.5	<b>\$ 583.9</b>	\$ 56.1	<b>\$ 31.6</b>	\$ 87.2	<b>\$ 68.7</b>
<b>% Change</b>		<b>1%</b>		<b>-44%</b>		<b>-21%</b>

# Q1 2020 BUSINESS SEGMENT RESULTS

SAME QUARTER PRIOR YEAR COMPARISON – CONSTANT CURRENCY

USD (in millions)	Revenue		Operating Income (Expense)		Adjusted EBITDA	
	Q1 2019	Q1 2020*	Q1 2019	Q1 2020*	Q1 2019	Q1 2020*
<b>EFT Processing</b>	\$ 145.7	<b>\$ 149.7</b>	\$ 16.8	<b>\$ 4.8</b>	\$ 33.4	<b>\$ 25.8</b>
<b>% Change</b>		<b>3%</b>		<b>-71%</b>		<b>-23%</b>
<b>epay</b>	176.1	<b>178.2</b>	18.0	<b>16.9</b>	19.8	<b>18.8</b>
<b>% Change</b>		<b>1%</b>		<b>-6%</b>		<b>-5%</b>
<b>Money Transfer</b>	256.6	<b>270.7</b>	30.7	<b>23.1</b>	38.8	<b>31.8</b>
<b>% Change</b>		<b>5%</b>		<b>-25%</b>		<b>-18%</b>
<b>Subtotal</b>	578.4	<b>598.6</b>	65.5	<b>44.8</b>	92.0	<b>76.4</b>
<b>% Change</b>		<b>3%</b>		<b>-32%</b>		<b>-17%</b>
<b>Corporate, Eliminations &amp; Other</b>	(0.9)	<b>(1.1)</b>	(9.4)	<b>(12.2)</b>	(4.8)	<b>(5.7)</b>
<b>Consolidated Total</b>	\$ 577.5	<b>\$ 597.5</b>	\$ 56.1	<b>\$ 32.6</b>	\$ 87.2	<b>\$ 70.7</b>
<b>% Change</b>		<b>3%</b>		<b>-42%</b>		<b>-19%</b>

# CLOSING REMARKS





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# SUPPLEMENTAL DATA

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In addition to the results presented in accordance with U.S. GAAP, the Company presents non-GAAP financial measures, such as constant currency, adjusted operating income, adjusted EBITDA and adjusted earnings per share. These measures should be used in addition to, and not a substitute for, revenues, net income, operating income and earnings per share computed in accordance with U.S. GAAP. We believe that these non-GAAP measures provide useful information to investors regarding the Company's performance and overall results of operations. These non-GAAP measures are also an integral part of the Company's internal reporting and performance assessment for executives and senior management. The non-GAAP measures used by the Company may not be comparable to similarly titled non-GAAP measures used by other companies. The attached schedules provide a full reconciliation of these non-GAAP financial measures to their most directly comparable U.S. GAAP financial measure.



# SUPPLEMENTAL DATA

## EURONET WORLDWIDE, INC.

### Reconciliation of Net Income to Operating Income (Expense) and Adjusted EBITDA (unaudited - in millions)

	Three months ended March 31, 2020				
	EFT Processing	epay	Money Transfer	Corporate Services	Consolidated
Net income					\$ 1.7
Add: Income tax expense					2.4
Add: Total other expense, net					27.5
Operating income (expense)	\$ 4.9	\$ 16.5	\$ 22.3	\$ (12.1)	31.6
Add: Depreciation and amortization	20.3	1.8	8.6	0.1	30.8
Add: Share-based compensation	-	-	-	6.3	6.3
Earnings (expense) before interest, taxes, depreciation, amortization and share-based compensation (Adjusted EBITDA) (1)	\$ 25.2	\$ 18.3	\$ 30.9	\$ (5.7)	\$ 68.7

(1) Adjusted EBITDA is a non-GAAP measure that should be considered in addition to and not a substitute for, net income computed in accordance with U.S. GAAP.

# SUPPLEMENTAL DATA



## EURONET WORLDWIDE, INC.

### Reconciliation of Net Income to Operating Income (Expense) and Adjusted EBITDA (unaudited - in millions)

Three months ended March 31, 2019

	EFT Processing	epay	Money Transfer	Corporate Services	Consolidated
Net income					\$ 34.5
Add: Income tax expense					16.0
Add: Total other expense, net					5.6
Operating income (expense)	\$ 16.8	\$ 18.0	\$ 30.7	\$ (9.4)	\$ 56.1
Add: Depreciation and amortization	16.6	1.8	8.1	0.1	26.6
Add: Share-based compensation	-	-	-	4.5	4.5
Earnings (expense) before interest, taxes, depreciation, amortization, and share-based compensation (Adjusted EBITDA) (1)	\$ 33.4	\$ 19.8	\$ 38.8	\$ (4.8)	\$ 87.2

(1) Adjusted EBITDA is a non-GAAP measure that should be considered in addition to and not a substitute for, net income computed in accordance with U.S. GAAP.

# SUPPLEMENTAL DATA

## EURONET WORLDWIDE, INC.

### Reconciliation of Revenue, Operating Income (Expense) and Adjusted EBITDA to Constant Currency Amounts by Segment

(unaudited - in millions)

	Three months ended ended March 31, 2020				
	EFT		Money	Corporate	
	Processing	epay	Transfer	Services	Consolidated
Revenue	\$ 145.8	\$ 172.9	\$ 266.3	\$ (1.1)	\$ 583.9
Add: Estimated foreign currency impact *	3.9	5.3	4.4	-	13.6
Revenue - Constant Currency	<u>\$ 149.7</u>	<u>\$ 178.2</u>	<u>\$ 270.7</u>	<u>\$ (1.1)</u>	<u>\$ 597.5</u>
Operating income (expense)	\$ 4.9	\$ 16.5	\$ 22.3	\$ (12.1)	\$ 31.6
Add: Estimated foreign currency impact *	(0.1)	0.4	0.8	(0.1)	1.0
Operating income (expense) - Constant Currency	<u>\$ 4.8</u>	<u>\$ 16.9</u>	<u>\$ 23.1</u>	<u>\$ (12.2)</u>	<u>\$ 32.6</u>
Adjusted EBITDA (reconciled on previous schedule)	\$ 25.2	\$ 18.3	\$ 30.9	\$ (5.7)	\$ 68.7
Add: Estimated foreign currency impact *	0.6	0.5	0.9	-	2.0
Adjusted EBITDA - Constant Currency	<u>\$ 25.8</u>	<u>\$ 18.8</u>	<u>\$ 31.8</u>	<u>\$ (5.7)</u>	<u>\$ 70.7</u>

# SUPPLEMENTAL DATA

**EURONET WORLDWIDE, INC.**  
**Reconciliation of Adjusted Earnings per Share**  
**(unaudited - in millions, except share and per share data)**

	Three Months Ended	
	March 31,	
	2020	2019
Net income attributable to Euronet Worldwide, Inc.	\$ 1.9	\$ 34.5
Foreign currency exchange loss (gain)	18.8	(3.2)
Intangible asset amortization	5.7	5.2
Share-based compensation	6.3	4.5
Non-cash interest accretion	3.7	3.4
Income tax effect of above adjustments	(6.2)	(0.2)
Loss on early retirement of debt	-	0.9
Non-cash GAAP tax expense	-	2.3
Adjusted earnings (1)	<u>\$ 30.2</u>	<u>\$ 47.4</u>
Adjusted earnings per share - diluted (1)	<u>\$ 0.55</u>	<u>\$ 0.85</u>
Diluted weighted average shares outstanding (GAAP)	54,779,321	55,576,867
Effect of unrecognized share-based compensation on diluted shares outstanding	<u>201,873</u>	<u>261,765</u>
Adjusted diluted weighted average shares outstanding	<u><u>54,981,194</u></u>	<u><u>55,838,632</u></u>

(1) Adjusted earnings and adjusted earnings per share are non-GAAP measures that should be considered in addition to, and not as a substitute for, net income and earnings per share computed in accordance with U.S. GAAP.

To see how these adjustments correlate to the income statement please see the first quarter 2020 earnings press release.