



# FINANCIAL RESULTS

## SECOND QUARTER 2019



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: conditions in world financial markets and general economic conditions, including the effects in Europe of the U.K.'s departure from the E.U. and economic conditions in specific countries and regions; the effects of demonetization in India; 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; Visa's announced rule change to allow our ATMs to provide DCC beginning mid-April 2019; our ability to comply with increasingly stringent regulatory requirements, including anti-money laundering, anti-terrorism, anti-bribery, consumer and data protection and GDPR or PSD2 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. 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 or the SEC. Any forward-looking statements made in this presentation speak only as of the date of this presentation. 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 operating income is defined as operating income excluding a post-acquisition adjustment.

Adjusted EBITDA is defined as net income excluding 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, h) a post-acquisition adjustment and i) 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.



# FINANCIAL HIGHLIGHTS

SECOND QUARTER 2019

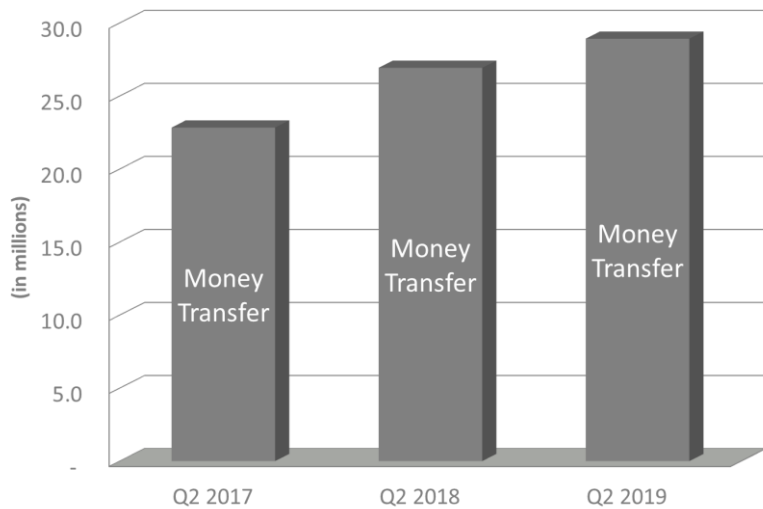
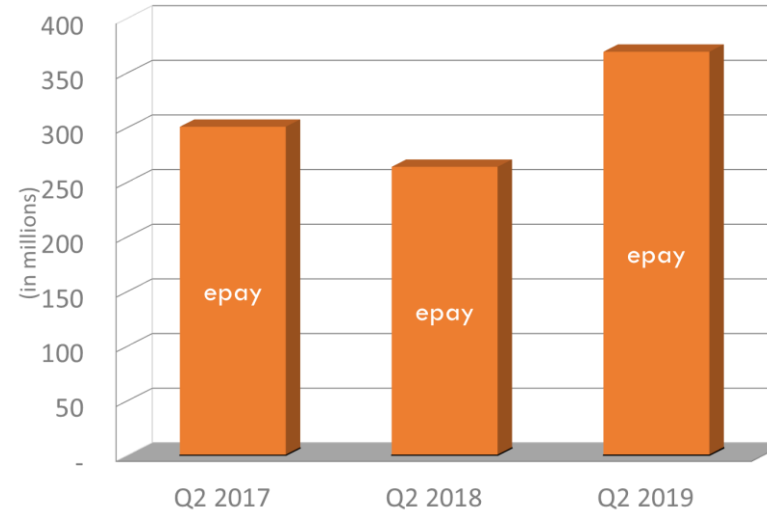
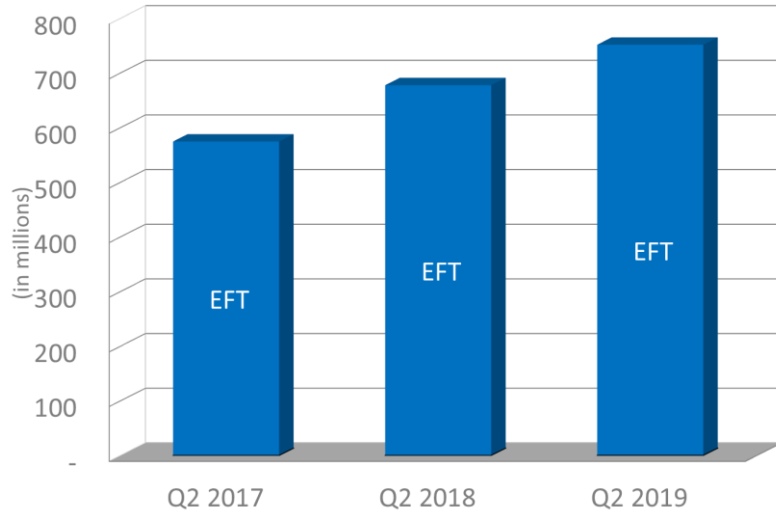
# Q2 2019 Financial Report

## Quarterly Financial Highlights

- Revenue - \$691.9 million
  - 11% increase from \$622.2 million for Q2 2018
  - 16% increase on a constant currency basis
- Operating income - \$117.9 million
  - 30% increase from \$90.4 million for Q2 2018
  - 38% increase on a constant currency basis
- Adjusting operating income - \$116.6 million
  - 29% increase from \$90.4 million for Q2 2018
  - 36% increase on a constant currency basis
- Adjusted EBITDA - \$150.4 million
  - 24% increase from \$121.2 million for Q2 2018
  - 31% increase on a constant currency basis
- Adjusted EPS - \$1.69
  - 28% increase from \$1.32 for Q2 2018

# Q2 2019 Financial Report

## Three Year Transaction Trend



- EFT transactions grew 11%
  - Growth in Europe and Asia
- epay transactions grew 40%
  - With growth across Europe and significant contributions from India which include a large volume of low-margin transactions
- Money Transfer transactions grew 7%
  - Strongest growth from international remittances

# Q2 2019 Business Segment Results

## Same Quarter Prior Year Comparison

USD (in millions)	Revenue		Adjusted Operating Income (Expense)		Adjusted EBITDA	
	Q2 2018	Q2 2019	Q2 2018	Q2 2019	Q2 2018	Q2 2019
<b>EFT Processing</b>	\$ 194.9	\$ 231.9	\$ 52.9	\$ 75.2	\$ 69.3	\$ 93.0
<i>% Change</i>		<b>19%</b>		<b>42%</b>		<b>34%</b>
<b>epay</b>	166.5	184.2	16.3	17.6	18.2	19.4
<i>% Change</i>		<b>11%</b>		<b>8%</b>		<b>7%</b>
<b>Money Transfer</b>	261.7	276.8	32.7	35.3	40.7	43.4
<i>% Change</i>		<b>6%</b>		<b>8%</b>		<b>7%</b>
<b>Subtotal</b>	623.1	692.9	101.9	128.1	128.2	155.8
<i>% Change</i>		<b>11%</b>		<b>26%</b>		<b>22%</b>
<b>Corporate, Eliminations &amp; Other</b>	(0.9)	(1.0)	(11.5)	(11.5)	(7.0)	(5.4)
<b>Consolidated Total</b>	\$ 622.2	\$ 691.9	\$ 90.4	\$ 116.6	\$ 121.2	\$ 150.4
<i>% Change</i>		<b>11%</b>		<b>29%</b>		<b>24%</b>

# Q2 2019 Business Segment Results

Same Quarter Prior Year Comparison – Constant Currency\*

USD (in millions)	Revenue		Adjusted Operating Income (Expense)		Adjusted EBITDA	
	Q2 2018	Q2 2019*	Q2 2018	Q2 2019*	Q2 2018	Q2 2019*
<b>EFT Processing</b>	\$ 194.9	\$ 245.0	\$ 52.9	\$ 79.6	\$ 69.3	\$ 98.3
<i>% Change</i>		<i>26%</i>		<i>50%</i>		<i>42%</i>
<b>epay</b>	166.5	193.3	16.3	18.5	18.2	20.4
<i>% Change</i>		<i>16%</i>		<i>13%</i>		<i>12%</i>
<b>Money Transfer</b>	261.7	284.7	32.7	36.7	40.7	45.2
<i>% Change</i>		<i>9%</i>		<i>12%</i>		<i>11%</i>
<b>Subtotal</b>	623.1	723.0	101.9	134.8	128.2	163.9
<i>% Change</i>		<i>16%</i>		<i>32%</i>		<i>28%</i>
<b>Corporate, Eliminations &amp; Other</b>	(0.9)	(1.0)	(11.5)	(11.6)	(7.0)	(5.5)
<b>Consolidated Total</b>	\$ 622.2	\$ 722.0	\$ 90.4	\$ 123.2	\$ 121.2	\$ 158.4
<i>% Change</i>		<i>16%</i>		<i>36%</i>		<i>31%</i>



# Q2 2019 Financial Report

## Balance Sheet Overview

USD (in millions)	3/31/2019	6/30/2019
<b>Unrestricted Cash</b>	\$ 1,216.3	\$ 1,558.5
<b>Total Assets</b>	3,814.1	4,333.3
<b>Total Debt</b>	786.9	1,136.0
<b>Total Debt to Trailing Twelve Month Adjusted EBITDA Multiple</b>	1.6x	2.1x
<b>Net Debt to Trailing Twelve Month Adjusted EBITDA Multiple</b>	NM	NM

\*NM - Not Meaningful

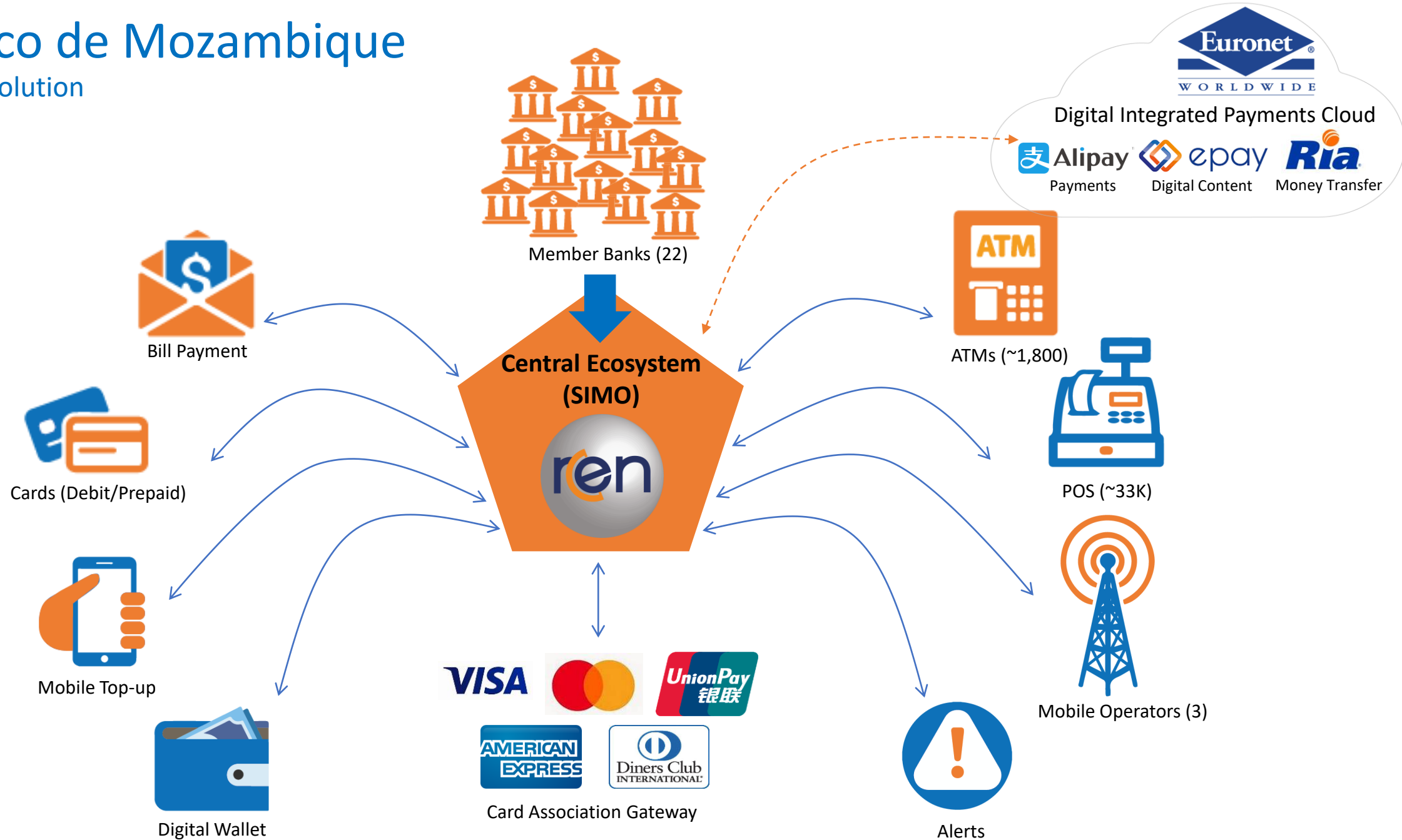


# BUSINESS OVERVIEW

SECOND QUARTER 2019

# Banco de Mozambique

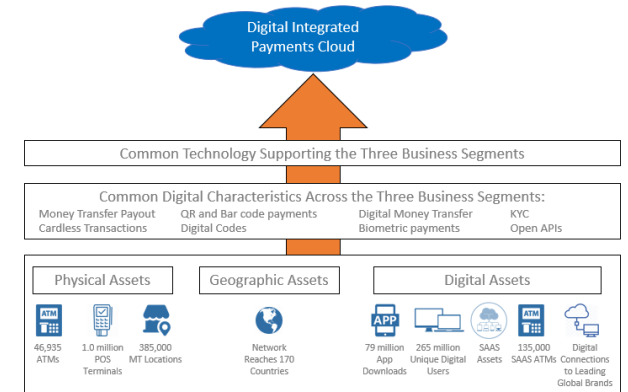
## SIMO Solution



# Digital Integrated Payments Cloud Success

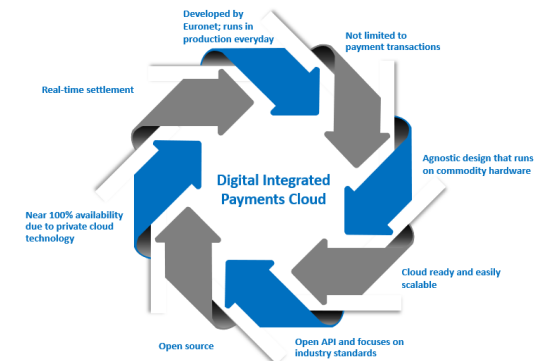
- Launched Alipay with dm-drogerie in Europe
- Launched payment physical and online payments processing, DCC, QR Code processing, alternative payments and Innova tax free transactions in Muller stores in Europe
- Successfully launched digital media, including the introduction of a closed-loop card, for the first Microsoft store launch in the U.K.
- Launched Click and Collect for mobile operators in Italy
- ATM2Ria Poland-Ukraine money transfer service
  - Customers stage a transaction on the MyRia app
  - Pay on Euronet ATMs and Recyclers in Poland using cash or card

## Assets Leveraging the Global Payments Infrastructure



## Digital Integrated Payments Cloud

### Key Features





# EFT SEGMENT

SECOND QUARTER 2019

# EFT Segment Highlights

## Q2 2019 Financial Highlights

- Revenue - \$231.9 million
  - 19% increase from \$194.9 million for Q2 2018
  - 26% increase on a constant currency basis
- Operating income - \$76.5 million
  - 45% increase from \$52.9 million for Q2 2018
  - 53% increase on a constant currency basis
- Adjusted operating income - \$75.2 million
  - 42% increase from \$52.9 million for Q2 2018
  - 50% increase on a constant currency basis
- Adjusted EBITDA - \$93.0 million
  - 34% increase from \$69.3 million for Q2 2018
  - 42% increase on a constant currency basis
- Transactions – 752 million
  - 11% increase from 677 million for Q2 2018

# EFT Segment Highlights

## Q2 2019 Growth Drivers

- New Markets Entered:
  - Independent ATM Deployment in a new Asia Pacific market
- Launched:
  - ATM managed services agreement with RBL Bank Ltd. In India
  - ATM outsourcing agreement with a large bank in Asia Pacific
  - New card scheme acceptance on ATM IAD networks in several countries
- Signed:
  - Network participation agreement with Astrobank in Cyprus
  - ADT network participation agreement with BNP Paribas in Poland
  - BLIK deposit agreement with Getin Bank in Poland
  - Brown label ATM deployment pilot with Kotak Mahindra Bank in India
  - Card issuing and ATM acquiring services agreement with American Bank of Investments in Albania
- Renewals/extensions:
  - Renewed outsourcing agreements with Credit Agricole Bank and Leumi Bank in Romania
  - Renewed brown label deployment agreement with DCB Bank in India
  - Renewed DCC passthrough agreement with State Bank of India
  - Extended issuing agreements for new card products with AIK and Societe Generale in Serbia
  - Extended 3D secure issuing agreements with Sparkasse in North Macedonia, Zapad Bank and Hipotekarna Bank in Montenegro, and Sberbanka in Bosnia

# EFT Segment Highlights

## Q2 2019 Financial Highlights

- **New Products:**

- ATMs:
  - Euronet mobile ATMs to provide convenient cash at popular summer music and cultural events
- POS & Card Products:
  - Contactless card migration for Credit Agricole
  - Card issuing products for Komercijalna, AIK and Credit Agricole in the Balkan region
  - QR code-based alternative payments with Commercial Bank in Sri Lanka
  - ECR solution for DFS in San Francisco and Sydney
  - POS DCC with DFS in Cairns and King Power in Thailand
- Software:
  - Launched Visa PayWave contactless issuing for Cayman National Bank and for Banco Agricole in El Salvador
  - Issuer wallets for Visa and Mastercard for Banca Commerciale Romana in Romania



- **ATM Deployment:**

Sequential ATM Additions		Year-to-Date Additions	
ATMs at Beginning of Quarter	42,034	ATMs at Beginning of Year	40,354
Traditional High Value ATM Adds		Traditional High Value ATM Adds	
Independently Deployed ATMs	1,496	Independently Deployed ATMs	2,097
Outsourcing ATMs	1,023	Outsourcing ATMs	1,383
Low-Margin India ATMs	142	Low-Margin India ATMs	111
YourCash De-installations	(280)	YourCash De-installations	(367)
Re-activated ATMs	2,221	Re-activated ATMs	3,058
<b>ATMs at June 30, 2019</b>	<b><u>46,636</u></b>	<b>ATMs at June 30, 2019</b>	<b><u>46,636</u></b>





# EPAY SEGMENT

SECOND QUARTER 2019

# epay Segment Highlights

## Q2 2019 Financial Highlights

- Revenue - \$184.2 million
  - 11% increase from \$166.5 million for Q2 2018
  - 16% increase on a constant currency basis
- Operating income - \$17.6 million
  - 8% increase from \$16.3 million for Q2 2018
  - 13% increase on a constant currency basis
- Adjusted EBITDA - \$19.4 million
  - 7% increase from \$18.2 million for Q2 2018
  - 12% increase on a constant currency basis
- Transactions – 369 million
  - 40% increase from 264 million for Q2 2018

# epay Segment Highlights

## Q2 2019 Growth Drivers

- Launched:

- UK Launched digital media content and closed-loop card for new Microsoft Store in London
- Australia Expanded distribution of Alipay to with David Jones, an upmarket department store
- Brazil Expanded Gift Card products into Assai, a large grocery retailer
- Greece Digital distribution of Sony products
- Hungary Launched McAfee Antivirus across multiple retailers
- India Launched Norton Consumer Security Subscriptions on Amazon
- Italy SIA, an interbank switch, to expand distribution for multiple digital products
- Norway Sony distribution in COOP, a large grocery retailer
- Portugal Digital product expansion through Meo telco locations
- Sweden Digital distribution of iTunes into Reitan, a large convenience chain in Nordics
- UAE Introduction of Digital distribution of Google Play

# epay Segment Highlights

## Q2 2019 Growth Drivers

- Signed:

- Australia            Agreements to expand distribution of Alipay to over 500 retailer locations
- France                Gift card mall in Carrefour and Casino, two large hypermarkets
- France                Agreement to distribute iTunes and Google Play in FNAC, a large retailers
- India                    Signed PhonePe, a leading digital wallet, as an agent under the National Bill Payment System for utility bill payment services
- Portugal               Agreement to distribute Nintendo products via SIBS ATM network
- UAE                     Digital Distribution agreement for Netflix
- UAE                     Digital and physical gift card distribution agreement for Amazon



# MONEY TRANSFER SEGMENT

SECOND QUARTER 2019

# Money Transfer Segment Highlights

## Q2 2019 Financial Highlights

- Revenue - \$276.8 million
  - 6% increase from \$261.7 million for Q2 2018
  - 9% increase on a constant currency basis
- Operating income - \$35.3 million
  - 8% increase from \$32.7 million for Q2 2018
  - 12% increase on a constant currency basis
- Adjusted EBITDA - \$43.4 million
  - 7% increase from \$40.7 million for Q2 2018
  - 11% increase on a constant currency basis
- Transactions – 28.9 million
  - 7% increase from 26.9 million for Q2 2018

# Money Transfer Segment Highlights

## Q2 2019 Growth Drivers

- **Growth in Send & Payout Network, Correspondents & Locations:**
  - Our network reaches:
    - 160 countries
    - 385,000 total network locations, an 8% increase vs. 2Q 2018
- **Correspondent Expansion:**
  - Launched 20 new correspondents in 18 countries
    - Launched cash and bank deposit in Cape Verde through Banco Internacional de Cabo Verde
    - Launched bank deposit service in Venezuela, with Casa de Cambios Insular
  - Signed 18 new correspondent agreements across 16 countries
    - Signed a payout service agreement with Credit Immobilier et Hotelier in Morocco, with 500 branches
- **Other Business:**
  - ATM2Ria Poland-Ukraine money transfer service
    - Customers stage a transaction on the MyRia app
    - Pay on Euronet ATMs and Recyclers in Poland using cash or card
  - Launched riamoneytransfer.com service in Canada

# Summary & Outlook

- Second quarter Adjusted EPS of \$1.69 – a 28% year-over-year increase
- We continue to utilize our technology to expand our own business, offer our customers direct access to our broad product portfolio and sell our technology to allow customers to create or modernize their own payment ecosystem
- EFT delivered exceptional double-digit growth rates while continuing to invest in ATM network expansion
- epay's double-digit earnings growth resulted from continued digital media growth and network expansion
- Money transfer continued to deliver earnings growth from expansion in both the physical and digital channels
- Successfully issued €600 million in long-term, low coupon senior notes
- The generation of free cash contributes to our strong balance sheet
- We expect third quarter Adjusted EPS to be approximately \$2.80, assuming consistent foreign exchange rates

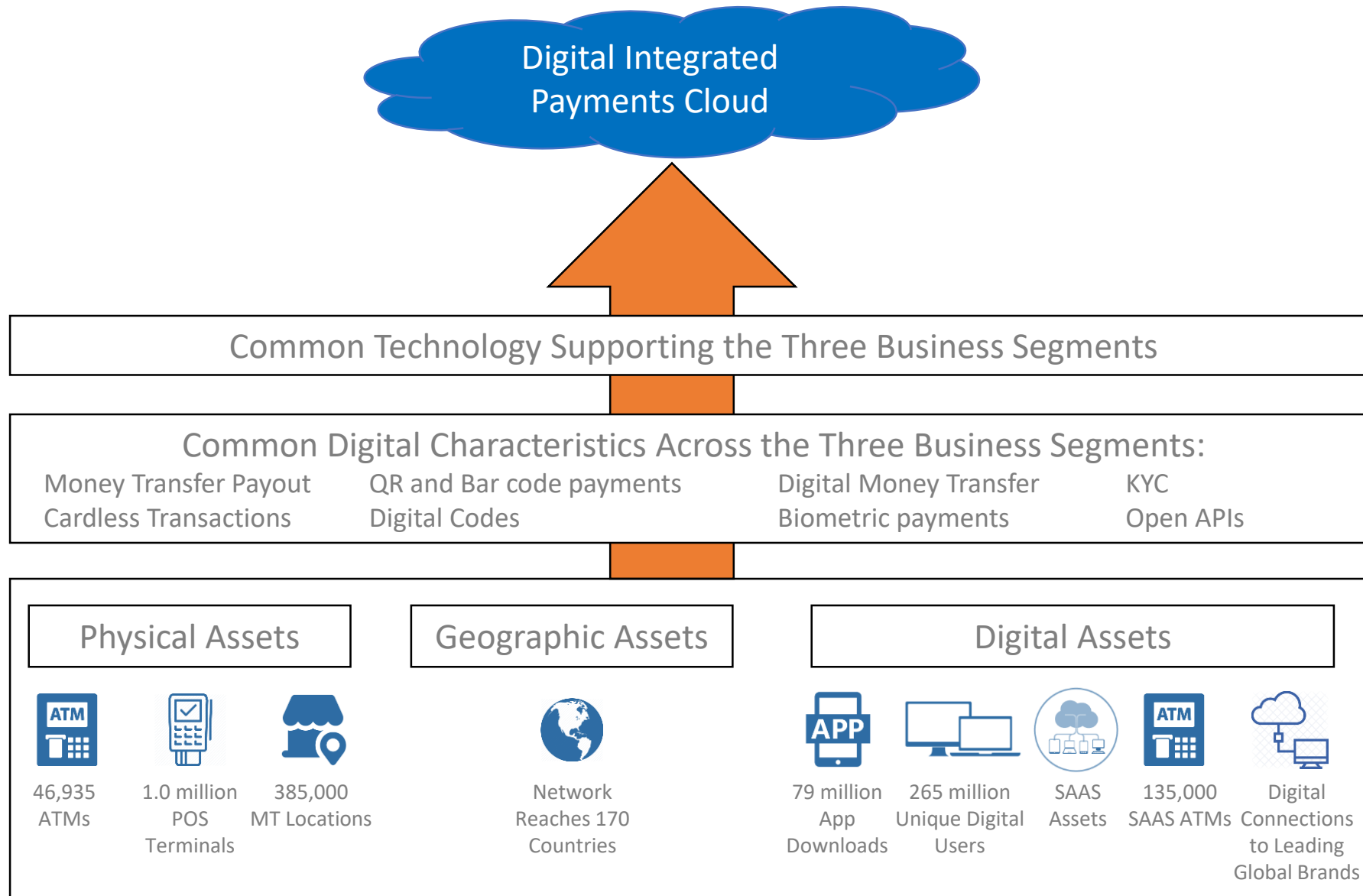




# APPENDIX

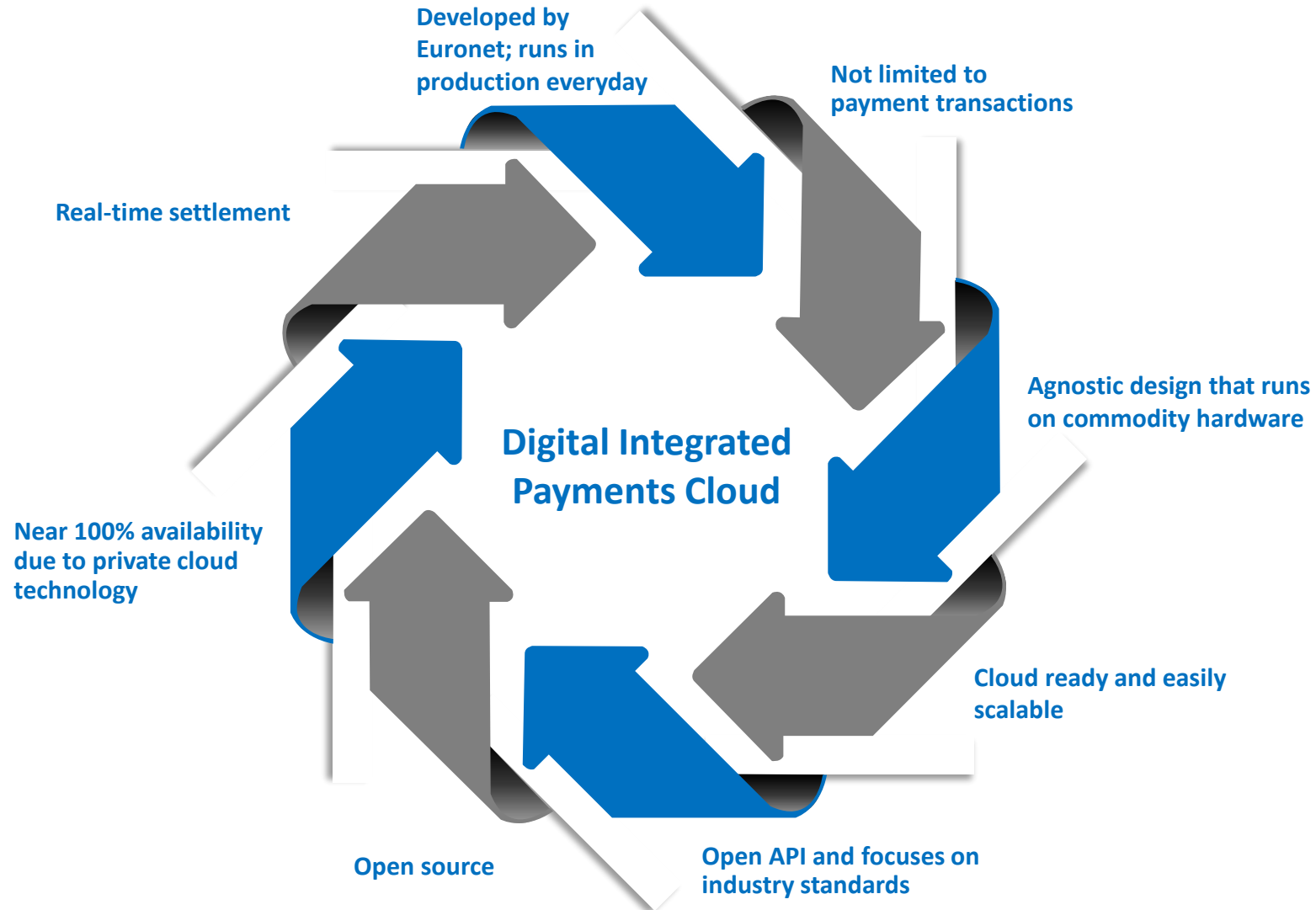
SECOND QUARTER 2019

# Assets Leveraging the Global Payments Infrastructure



# Digital Integrated Payments Cloud

## Key Features





# SUPPLEMENTAL DATA

SECOND QUARTER 2019

# Supplemental Data

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), Adjusted Operating Income (Expense) and Adjusted EBITDA (unaudited - in millions)

	Three months ended June 30, 2019				
	EFT Processing	epay	Money Transfer	Corporate Services	Consolidated
Net income					\$ 68.1
Add: Income tax expense					31.3
Add: Total other expense, net					18.5
Operating income (expense)	\$ 76.5	\$ 17.6	\$ 35.3	\$ (11.5)	117.9
Add: Post-acquisition adjustment	(1.3)	-	-	-	(1.3)
Adjusted operating income (expense) (1)	75.2	17.6	35.3	(11.5)	116.6
Add: Depreciation and amortization	17.8	1.8	8.1	0.1	27.8
Add: Share-based compensation	-	-	-	6.0	6.0
Earnings (expense) before interest, taxes, depreciation, amortization, share-based compensation and a post acquisition adjustment (Adjusted EBITDA) (1)	\$ 93.0	\$ 19.4	\$ 43.4	\$ (5.4)	\$ 150.4

(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 June 30, 2018

	EFT		Money		Corporate	Consolidated	
	Processing	epay	Transfer	Services			
Net income						\$	43.6
Add: Income tax expense							16.4
Add: Total other expense, net							30.4
Operating income (expense)	\$ 52.9	\$ 16.3	\$ 32.7	\$ (11.5)	\$		90.4
Add: Depreciation and amortization	16.4	1.9	8.0	-			26.3
Add: Share-based compensation	-	-	-	4.5			4.5
Earnings (expense) before interest, taxes, depreciation, amortization, and share-based compensation							
(Adjusted EBITDA) (1)	\$ 69.3	\$ 18.2	\$ 40.7	\$ (7.0)	\$		121.2

(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 June 30, 2019				
	<b>EFT</b>		<b>Money</b>	<b>Corporate</b>	
	<b>Processing</b>	<b>epay</b>	<b>Transfer</b>	<b>Services</b>	<b>Consolidated</b>
Revenue	\$ 231.9	\$ 184.2	\$ 276.8	\$ (1.0)	\$ 691.9
Add: Estimated foreign currency impact *	13.1	9.1	7.9	-	30.1
Revenue - Constant Currency	<u>\$ 245.0</u>	<u>\$ 193.3</u>	<u>\$ 284.7</u>	<u>\$ (1.0)</u>	<u>\$ 722.0</u>
Adjusted Operating income (expense)	\$ 75.2	\$ 17.6	\$ 35.3	\$ (11.5)	\$ 116.6
Add: Estimated foreign currency impact *	4.4	0.9	1.4	(0.1)	6.6
Adjusted Operating income (expense) - Constant Currency	<u>\$ 79.6</u>	<u>\$ 18.5</u>	<u>\$ 36.7</u>	<u>\$ (11.6)</u>	<u>\$ 123.2</u>
Adjusted EBITDA (reconciled on previous schedule)	\$ 93.0	\$ 19.4	\$ 43.4	\$ (5.4)	\$ 150.4
Add: Estimated foreign currency impact *	5.3	1.0	1.8	(0.1)	8.0
Adjusted EBITDA - Constant Currency	<u>\$ 98.3</u>	<u>\$ 20.4</u>	<u>\$ 45.2</u>	<u>\$ (5.5)</u>	<u>\$ 158.4</u>



# Supplemental Data

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

	Three Months Ended	
	June 30,	
	2019	2018
Net income attributable to Euronet Worldwide, Inc.	\$ 68.2	\$ 43.7
Foreign currency exchange loss	0.1	20.7
Intangible asset amortization	5.1	5.8
Share-based compensation	6.0	4.5
Post acquisition adjustment	(1.3)	-
Non-cash interest accretion	5.4	2.9
Income tax effect of above adjustments	(0.9)	(8.1)
Loss on early retirement of debt	8.9	-
Non-cash GAAP tax expense	3.3	1.3
Adjusted earnings (1)	<u>\$ 94.8</u>	<u>\$ 70.8</u>
Adjusted earnings per share - diluted (1)	<u>\$ 1.69</u>	<u>\$ 1.32</u>
Diluted weighted average shares outstanding (GAAP)	54,702,459	53,492,835
Effect of conversion of convertible debentures	1,244,122	-
Effect of unrecognized share-based compensation on diluted shares outstanding	<u>225,127</u>	<u>236,325</u>
Adjusted diluted weighted average shares outstanding	<u>56,171,708</u>	<u>53,729,160</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 second quarter 2019 earnings press release.