

Corpay<sup>^</sup>

**Raymond James 45th Annual  
Institutional Investors Conference**

**Tom Panther  
EVP & CFO**

**March 4, 2024**



Note: On March 25, 2024 Fleetcor will rebrand to Corpay, and the ticker will change to “CPAY”

# SAFE HARBOR PROVISION

This presentation contains forward-looking statements within the meaning of the federal securities laws. Statements that are not historical facts, including statements about FLEETCOR's beliefs, assumptions, expectations and future performance, are forward-looking statements. Forward-looking statements can be identified by the use of words such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project" or "expect," "may," "will," "would," "could" or "should," the negative of these terms or other comparable terminology. These forward-looking statements are not a guarantee of performance, and you should not place undue reliance on such statements. We have based these forward-looking statements largely on preliminary information, internal estimates and management assumptions, expectations and plans about future conditions, events and results.

Forward-looking statements are subject to many uncertainties and other variable circumstances, such as the impact of macroeconomic conditions, including any recession that has occurred or may occur in the future, and whether expected trends, including retail fuel prices, fuel price spreads, fuel transaction patterns, electric vehicle, and retail lodging price trends develop as anticipated and we are able to develop successful strategies in light of these trends; our ability to successfully execute our strategic plan, manage our growth and achieve our performance targets; our ability to attract new and retain existing partners, fuel merchants, and lodging providers, their promotion and support of our products, and their financial performance; the failure of management assumptions and estimates, as well as differences in, and changes to, economic, market, interest rate, interchange fees, foreign exchange rates, and credit conditions, including changes in borrowers' credit risks and payment behaviors; the risk of higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to successfully manage our credit risks and the sufficiency of our allowance for expected credit losses; our ability to securitize our trade receivables; the occurrence of fraudulent activity, data breaches or failures of our information security controls or cybersecurity-related incidents that may compromise our systems or customers' information; any disruptions in the operations of our computer systems and data centers; the international operational and political risks and compliance and regulatory risks and costs associated with international operations; the impact of international conflicts, including between Russia and Ukraine, as well as within the Middle East, on the global economy or our business and operations; our ability to develop and implement new technology, products, and services; any alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; the regulation, supervision, and examination of our business by foreign and domestic governmental authorities, as well as litigation and regulatory actions, including the lawsuit filed by the Federal Trade Commission (FTC); the impact of regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering (AML) and anti-terrorism financing laws; changes in our senior management team and our ability to attract, motivate and retain qualified personnel consistent with our strategic plan; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; the risks of mergers, acquisitions and divestitures, including, without limitation, the related time and costs of implementing such transactions, integrating operations as part of these transactions and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions, as well as the other risks and uncertainties identified under the caption "Risk Factors" in FLEETCOR's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission ("SEC") on February 29, 2024 and subsequent filings with the SEC made by us. These factors could cause our actual results and experience to differ materially from any forward-looking statement made herein. The forward-looking statements included in this presentation are made only as of the date hereof and we do not undertake, and specifically disclaim, any obligation to update any such statements as a result of new information, future events or developments, except as specifically stated or to the extent required by law. You may access FLEETCOR's SEC filings for free by visiting the SEC web site at [www.sec.gov](http://www.sec.gov).

This presentation includes non-GAAP financial measures, which are used by the Company as supplemental measures to evaluate its overall operating performance. The Company's definitions of the non-GAAP financial measures used herein may differ from similarly titled measures used by others, including within the Company's industry. By providing these non-GAAP financial measures, together with reconciliations to the most directly comparable GAAP financial measures, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing strategic initiatives. See the appendix for additional information regarding these non-GAAP financial measures and a reconciliation to the most directly comparable GAAP measure.

**CORPAY ENTERPRISE BRAND**

WE'VE LAUNCHED A NEW ENTERPRISE BRAND, CORPAY, WHICH BETTER REFLECTS THE COMPANY'S CURRENT PORTFOLIO OF CORPORATE PAYMENTS SOLUTIONS

# Corpay<sup>^</sup>

**STOP WRITING PAPER CHECKS**

Corpay<sup>^</sup>

**NO NONSENSE REBATES**

Corpay<sup>^</sup>

**No jargon. Just corporate payments made simple.**

It's not complicated, it's Corpay.

**AP AUTOMATION**

Corpay<sup>^</sup>  
The Smarter Corporate Payments Company

We simplify corporate payments for over 800,000 customers

Corpay<sup>^</sup>  
The Smarter Corporate Payments Company

**Corpay<sup>^</sup>**

**Corpay<sup>^</sup>**  
The Smarter Corporate Payments Company

**We take the pain out of paying vendors**

It's not complicated, it's Corpay.

**Corpay<sup>^</sup>**  
The Smarter Corporate Payments Company

**Stop writing checks and automate your AP**

It's not complicated, it's Corpay.

Corpay<sup>^</sup>  
The Smarter Corporate Payments Company

**Corpay<sup>^</sup>**

**Corpay<sup>^</sup>**  
The Smarter Corporate Payments Company

**The ultimate multi-card**

A purchasing, fuel and T&E card all in one.

Corpay<sup>^</sup>  
The Smarter Corporate Payments Company

**AP automation that pays for itself**

Corpay customers earn rebates up to 5x our fees

Corpay<sup>^</sup>  
The Smarter Corporate Payments Company



# CORPAY HELPS COMPANIES MANAGE SPEND AND DELIVER VALUE



## CUSTOMER PROBLEM

*Businesses lack the proper tools to effectively monitor and control what is being purchased*



## OUR SERVICES:



*Allow businesses to enable employees to transact on their behalf*



*Add value through improved spend management and control*



*Simplify mobility and vendor payments, increasing employee efficiency and effectiveness*



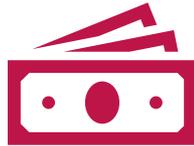
*Monitor real-time performance with integrated reporting & analytics*

COMPANY

CORPAY IS A GLOBAL LEADER IN VEHICLE & MOBILITY AND PAYMENT SOLUTIONS



\$3.8 BILLION  
IN REVENUE<sup>1</sup>



\$1.3 BILLION  
ADJ. NET INCOME<sup>1,2</sup>



150+ COUNTRIES,  
43% INTERNATIONAL<sup>1</sup> REVENUE  
*US 57% Brazil 14% UK 12% Other 17%*



800,000+  
BUSINESS  
CLIENTS



9 MILLION+  
CONSUMER  
CLIENTS



4 MILLION+  
MERCHANTS  
& VENDORS



15+  
PROPRIETARY  
NETWORKS

<sup>1</sup> For the twelve months ended December 31, 2023  
<sup>2</sup> Non-GAAP financial measure. See appendix for reconciliation of non-GAAP measures to GAAP

**BUSINESS SEGMENTS**

CORPAY OPERATES 3 BUSINESSES THAT HELP BUSINESSES & CONSUMERS  
MANAGE EXPENSES AND SPEND LESS

# Corpay<sup>^</sup>

The **smarter** corporate payments company



**CORPORATE  
PAYMENTS**

*Help businesses pay  
other businesses*



**VEHICLE  
PAYMENTS**

*Manage & pay for  
vehicle-related expenses*



**LODGING  
PAYMENTS**

*Book, manage & pay for  
workforce travel*

CORPORATE PAYMENTS BUSINESS

OUR CORPORATE PAYMENTS SOLUTIONS HELP BUSINESSES PAY OTHER BUSINESSES, MANAGE EXPENSES, AND SPEND LESS



CORPORATE PAYMENTS

26% of Revenue<sup>1</sup>

+\$145B Annual Spend **Processed**

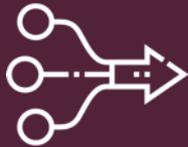
Top 15 general purpose credit card issuer<sup>2</sup>



1 For the twelve months ended December 31, 2023  
2 Nilson Report 12583

# OUR CORPORATE PAYMENTS SOLUTIONS HELP COMPANIES MANAGE EXPENSES ACROSS A VARIETY OF PAYMENT PROCESSES

## Payments Automation



*Electronic workflow for all payment types*

## Multi-card



*All-in-one purchasing, fuel, and T&E cards*

## Invoice & AP Automation



*Streamlined automation for faster processing*

## Procure-to-Pay



*Modular platform customized to your needs*

## Expense Management



*Reduces paper processes and improves visibility*

## Cross-Border



*Global payments & currency risk management*

VEHICLE PAYMENTS BUSINESS

OUR VEHICLE PAYMENT SOLUTIONS HELP BUSINESSES AND CONSUMERS MANAGE & PAY FOR VEHICLE AND MOBILITY-RELATED EXPENSES USING OUR PROPRIETARY NETWORKS



VEHICLE PAYMENTS

53% of Revenue<sup>1</sup>

+11B Annual Fuel Gallons



1 For the twelve months ended December 31, 2023

# OUR FLEET TRANSFORMATION STRATEGY CENTERS AROUND 3 BIG IDEAS...

**1**

**Fleet + Corporate Payments**



## Fuel

*Couple our fleet products with our corporate payments solutions to attract new prospects*

**2**

**EV**



*Help clients manage ICE or EV commercial vehicles and maintain our existing fleet revenues*

**3**

**Consumer Vehicle Payments**



*Create a big, new consumer vehicle payments business using our existing networks ... offer a line of vehicle-related payment solutions (e.g. parking, toll, compliance, insurance, vehicle repair) ... and accelerate overall revenue growth*

FLEETCOR has assembled a unique set of assets to help commercial fleets manage the energy transition ... and to expand our presence with consumers

Assets

Customer Segments

Networks

ICE

EV



**+80k**  
*Proprietary  
Fuel sites*



**+645k<sup>1</sup>**  
*Global EV  
chargepoints*



**Commercial  
Fleets**

- Existing
- New

Solutions



**Fleet Card:** ICE + EV Fuel  
Payment



**Driver Apps + Admin UI:** mapping,  
availability, payment, home charging  
(measure & reimburse)



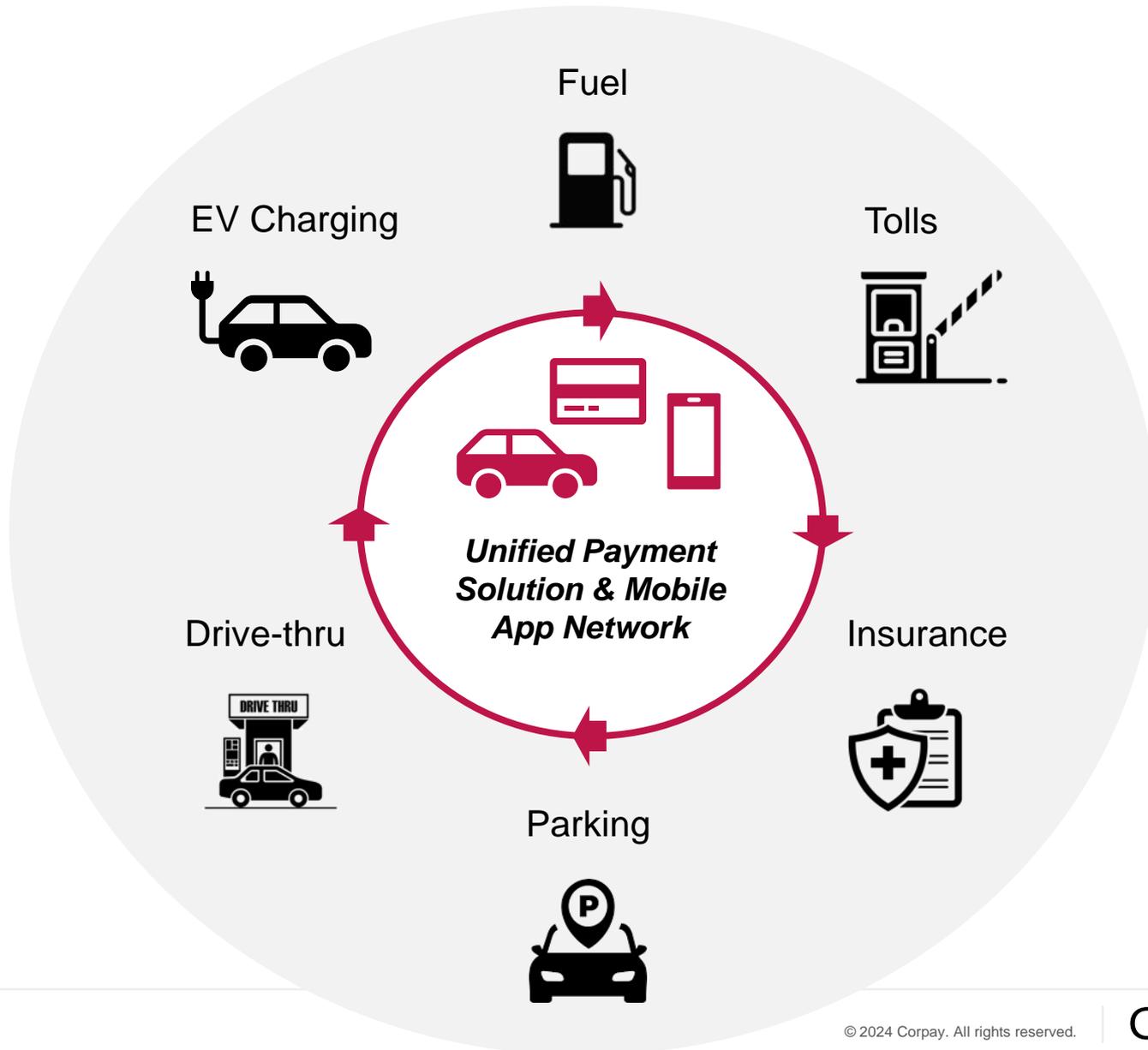
**Issuing system:** single invoice for all  
services



**Consumers**

- Via Partners +  
Commercial  
Fleets
- Direct

OUR VEHICLE SOLUTIONS ENABLE PAYMENT ACROSS A MULTITUDE OF USE-CASES



## EV STRATEGY

OUR BRAZIL BUSINESS IS A CASE STUDY OF OUR CONSUMER VISION – WE STARTED SOLELY AS A TOLL PAYMENTS BUSINESS AND HAVE SUCCESSFULLY TRANSFORMED IT INTO A BROADER VEHICLE PAYMENTS BUSINESS

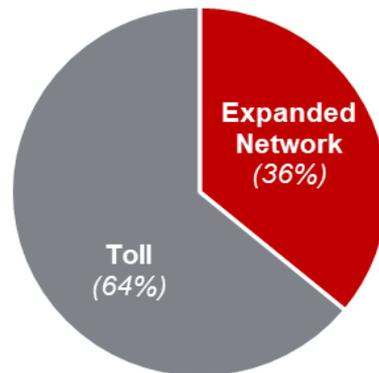
## Expanded Network: Vehicle Payment Solutions

Approximately 60% use 2 or more

### # Products Used – Q4

	Active Users #	%
1	1.9M	42%
2	2.0M	46%
3+	0.6M	12%
	<b>4.5M</b>	<b>100%</b>

Brazil Spend YTD '23  
(100% = \$1.3B)



### Fuel



### Parking



### Drive-Thru



### Insurance



Expanding our product suite helped drive **+13% revenue CAGR** over the last 3 years

We are integrating our EV offering with new digital parking capabilities, each of which have a consistent user experience ... find → route → park → charge → pay

## Future Product Vision

### Traditional fuel



### EV On Road Charging



### Chargepass® 4-in-1



### EV Home charging



### Parking



 paybyphone acquired in  
September 2023

**One integrated app UI + account  
for all parking & fueling (ICE +  
EV) needs**

OUR WE'VE LAUNCHED CHARGEPASS, OUR UK-LEADING 3 IN 1 COMMERCIAL FLEET SOLUTION, HELPING CLIENTS MANAGE THEIR FLEETS DURING THE ENERGY TRANSITION, REGARDLESS OF THE TYPE OF VEHICLES IN THEIR FLEET

## Chargepass®



Fuel Purchases

7,000 gas stations



On Road EV Charging

20,000+ public EV chargepoints  
>60% coverage by 12/31  
3K+ B2B Accounts up >150%



At Home EV Charging

Compatible with +80% of Homecharge Hardware  
~600 B2B Accounts up >300%



Single Card



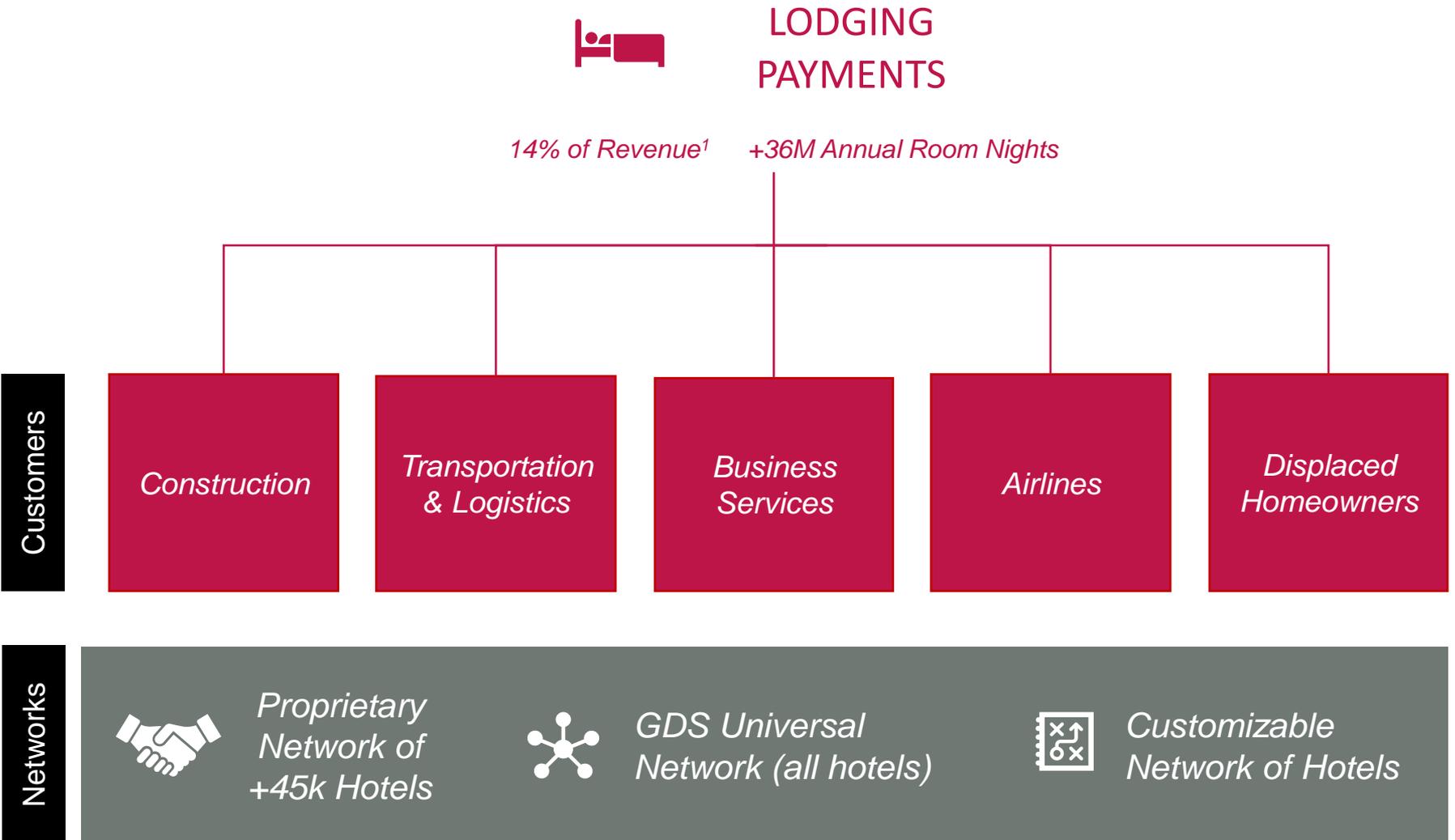
Single UI/Report



Single Account

**LODGING PAYMENTS BUSINESS**

OUR LODGING SOLUTIONS SERVE MULTIPLE CUSTOMER VERTICALS WITH A COMPREHENSIVE NETWORK OF HOTELS



1 For the twelve months ended December 31, 2023

## LODGING PAYMENTS BUSINESS

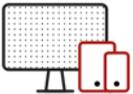
OUR LODGING BUSINESS PROVIDES DISCOUNTED HOTELS AND SPECIALIZED TRAVEL SOLUTIONS FOR BUSINESSES WITHIN THE WORKFORCE, AIRLINE, AND INSURANCE INDUSTRIES



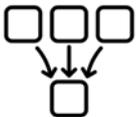
Network of ~45,000 discounted hotels with the most competitive savings in the industry (9 out of 10 times cheapest rate in industry), as well an expanded network of hotels and temporary housing solutions



A closed loop payment solution that provides specialized controls and limits unauthorized purchases



Full suite of technology solutions to book, bill, and pay for rooms in multiple ways

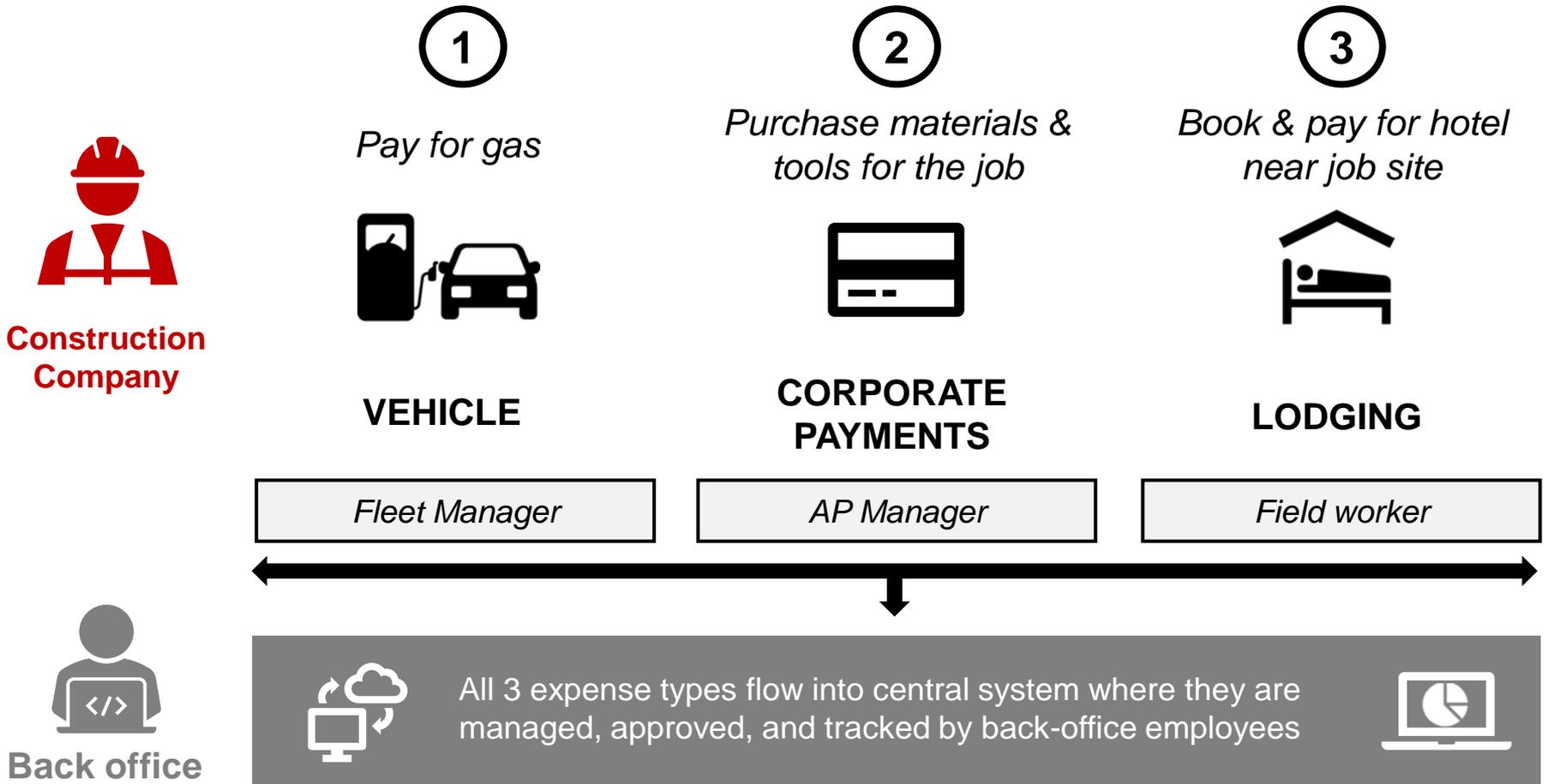


Single consolidated lodging invoicing designed specifically for companies, saving businesses time reconciling multiple reports

CUSTOMER RELATEDNESS

MANY OF OUR CUSTOMERS HAVE PAYMENT NEEDS ACROSS ALL 3 LINES OF BUSINESS

**EXAMPLE DAY IN THE LIFE OF A CORPAY CUSTOMER**



## GROWTH OBJECTIVES

CORPAY'S MIDTERM GROWTH OBJECTIVES ARE TO GROW REVENUE ORGANICALLY +10% & CASH EPS FASTER AT 15% - 20%

CONCEPT	OBJECTIVE	REASON TO BELIEVE
Organic Revenue	+10%	Large TAM, efficient selling system, high revenue retention, stable same store sales
EBITDA <sup>1</sup>	Low-mid teens	High margins, favorable operating leverage
Capital Deployment	+\$1.3B annually	Cash flow utilized for accretive M&A, buybacks, and debt paydown
Adj. Net Income per Share <sup>1</sup>	+15% – 20%	10+ year history of delivering significant earnings growth

<sup>1</sup> Non-GAAP financial measure. See appendix for reconciliation of non-GAAP measures to GAAP

## SALES GROWTH

CORPAY WILL CONTINUE GROWING SALES BY INVESTING MORE IN PROVEN SALES & MARKETING CHANNELS AND BRINGING MORE PROSPECTS INTO THE FUNNEL

### Brand Awareness + Lead Generation



Digital



Media



Print



Outbound



Partners

Corpay utilizes a **full suite of marketing & lead gen capabilities**

### Engagement



Inside sales



Specialized experts



Field reps



E2E e-commerce

Corpay employs a **diverse set of sales channels** to win business

### Conversion



Sales 'closers'



Account management

Corpay cultivates **client relationships** at both the point of onboarding & beyond

### Retention



Retain



Cross-sell

Corpay **grows revenue per account by cross-selling** additional offerings to its base

**92%<sup>1</sup>**

Customer retention

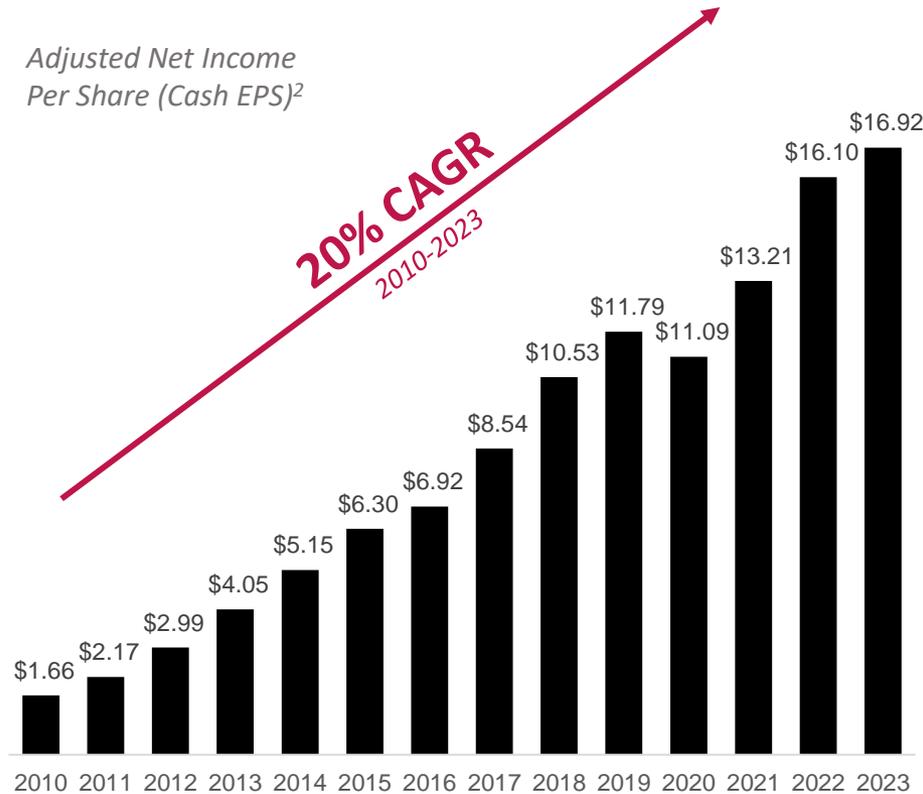
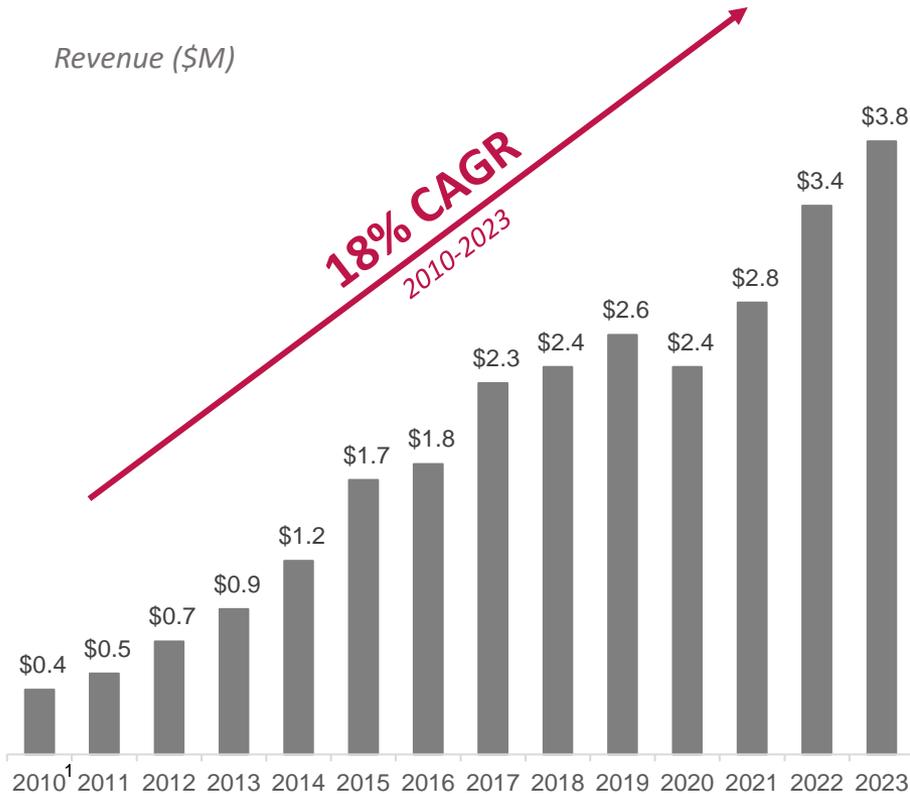
**+20%**

Annual Sales Bookings

# CORPAY HAS A CONSISTENT TRACK RECORD OF STRONG GROWTH

**REVENUE HAS GROWN AT 18% CAGR**

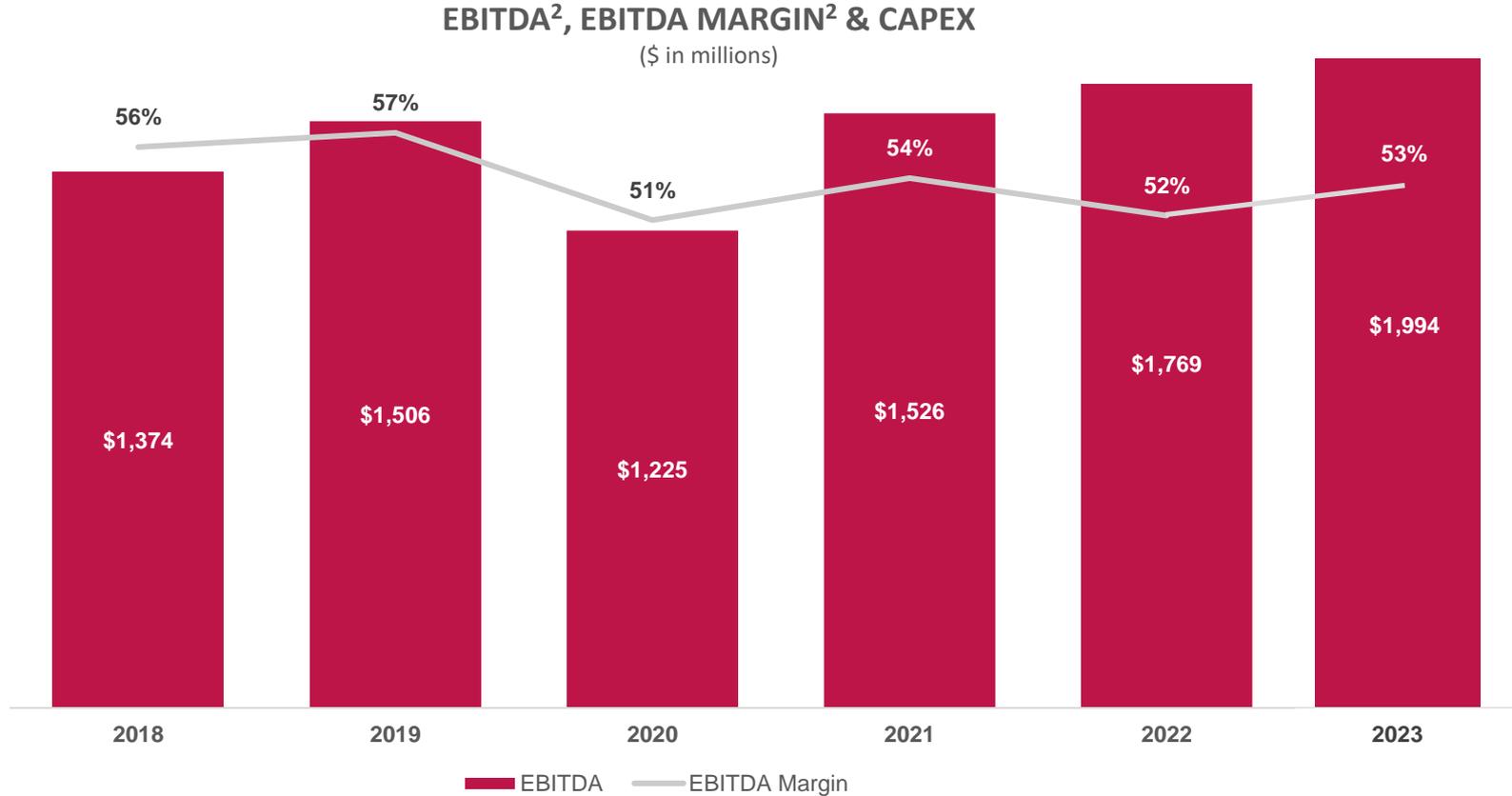
**CASH EPS HAS GROWN AT 20% CAGR**



1 2010PF: Non-GAAP metric; reconciliation provided in appendix  
 2 Non-GAAP financial measure. See appendix for reconciliation of non-GAAP measures to GAAP

**PROFITABILITY**

**CORPAY'S OPERATING LEVERAGE DELIVERS HIGH EBITDA MARGINS, & LOW CAPEX REQUIREMENTS DRIVE HIGH FREE CASH FLOW CONVERSION**



Capex as % of Revenue	3.3%	2.8%	3.3%	3.9%	4.4%	4.4%
FCF Conversion <sup>1</sup>	92%	91%	98%	95%	94%	85%

<sup>1</sup> FCF Conversion = Cash PBT/EBITDA

<sup>2</sup> Non-GAAP financial measure. See appendix for reconciliation of non-GAAP measures to GAAP

Note: CORPAY refers to adjusted net income per diluted share as cash EPS and uses this metric as a proxy for free cash flow.

## ACQUISITIONS & BUYBACKS

# CORPAY USES FREE CASH FLOW TO ACQUIRE BUSINESSES & REPURCHASE SHARES, WHICH ACCELERATES PROFIT GROWTH & MAINTAINS LOW LEVERAGE

\$ in millions	Adjusted Net Income <sup>1</sup>	Capital Deployed for M&A and Buybacks	ACQUISITIONS		BUYBACKS			Leverage at Year-End
			Invested in M&A	% of Capital Deployed	Shares Repurchased (\$ in M)	% of Capital Deployed	Shares Repurchased (shares in '000)	
2017	799	1,107	705	64%	402	36%	2,855	2.4x
2018	970	980	21	2%	959	98%	4,911	2.4x
2019	1,062	1,143	448	39%	695	61%	2,270	2.4x
2020	962	931	81	9%	850	91%	3,322	2.7x
2021	1,110	1,958	602	31%	1,356	69%	5,451	2.7x
2022	1,237	1,622	217	13%	1,405	87%	6,212	2.8x
2023	1,259	1,235	545	44%	690	56%	2,598	2.4x
<b>Total</b>	<b>7,399</b>	<b>8,976</b>	<b>2,619</b>	<b>29%</b>	<b>6,357</b>	<b>71%</b>	<b>27,619</b>	

1. Non-GAAP financial measure. See appendix for reconciliation of non-GAAP measures to GAAP  
 Note: Capital deployed based on actual dollars funded (M&A invested capital based on date the acquisition was closed)

## INVESTMENT THESIS

CORPAY IS A HIGHLY PROFITABLE, FAST GROWING, ACQUISITIVE COMPANY THAT OFFERS PROPRIETY CAPABILITIES TO LARGE ADDRESSABLE MARKETS

# Corpay<sup>^</sup>



## Business Opportunity

- ✓ Help businesses spend less ... by enabling & controlling employee expenses & vendor payments
- ✓ Incredibly large, growing +\$125T TAM<sup>2</sup>
- ✓ Leveraging leading market products to win in the marketplace
- ✓ Specialized sales, proprietary networks, & specialized IT provide a competitive advantage



## Financial Growth

- ✓ Growing sales + high revenue retention = +10% organic revenue growth
- ✓ Scalable fixed cost base drives improving profit margins over time
- ✓ +\$1.3B annual capital deployment to attractive acquisitions and lower share count
- ✓ Strong operating metrics + thoughtful capital allocation drives +15-20% profit per share growth



## Delivering Shareholder Value

1. Compound annual growth rate from 2010 to 2022. See page 23 for additional details.  
2. Based on 2022 Credit Suisse Payments, Processors, & Fintech Report

# NON-GAAP RECONCILIATIONS



# APPENDIX NON-GAAP TO GAAP RECONCILIATIONS

## ABOUT NON-GAAP FINANCIAL MEASURES

This presentation includes certain measures described below that are non-GAAP financial measures. Adjusted net income is calculated as net income, adjusted to eliminate (a) non-cash stock based compensation expense related to share based compensation awards, (b) amortization of deferred financing costs, discounts and intangible assets, amortization of the premium recognized on the purchase of receivables, and our proportionate share of amortization of intangible assets at our equity method investment, (c) integration and deal related costs, and (d) other non-recurring items, including unusual credit losses occurring due largely to COVID-19, the impact of discrete tax items, impairment charges, asset write-offs, restructuring costs, gains due to disposition of assets and a business, loss on extinguishment of debt, and legal settlements. We calculate adjusted net income to eliminate the effect of items that we do not consider indicative of our core operating performance. Adjusted net income is a supplemental measure of operating performance that does not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by U.S. generally accepted accounting principles, or U.S. GAAP, and our calculation thereof may not be comparable to that reported by other companies. We believe it is useful to exclude non-cash stock-based compensation expense from adjusted net income because non-cash equity grants made at a certain price and point in time do not necessarily reflect how our business is performing at any particular time and share based compensation expense is not a key measure of our core operating performance. We also believe that amortization expense can vary substantially from company to company and from period to period depending upon their financing and accounting methods, the fair value and average expected life of their acquired intangible assets, their capital structures and the method by which their assets were acquired; therefore, we have excluded amortization expense from our adjusted net income. We also believe that integration and deal related costs and one-time non-recurring expenses, gains, losses, and impairment charges do not necessarily reflect how our investments and business are performing. We adjust net income for the tax effect of each of these non-tax items.

EBITDA is calculated as net income in the current period adjusted for the impacts interest income and expense, provision for tax expense, depreciation and amortization, other operating, net, loss on extinguishment of debt and investment loss (gain). EBITDA is a supplemental measure of operating performance that does not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by U.S. generally accepted accounting principles, or U.S. GAAP, and our calculation thereof may not be comparable to that reported by other companies. We believe that EBITDA and related growth is useful to investors for understanding the performance of CORPAY.

Organic revenue growth is calculated as revenue growth in the current period adjusted for the impact of changes in the macroeconomic environment (to include fuel price, fuel price spreads and changes in foreign exchange rates) over revenue in the comparable prior period adjusted to include/remove the impact of acquisitions and/or divestitures and non-recurring items that have occurred subsequent to that period. We believe that organic revenue growth on a macro-neutral, one-time items, and consistent acquisition/divestiture/non-recurring item basis is useful to investors for understanding the performance of CORPAY.

Management uses adjusted net income, adjusted net income per diluted share, EBITDA and organic revenue growth :

- as a measurement of operating performance because it assists us in comparing performance on a consistent basis;
- for planning purposes including the preparation of internal annual operating budget;
- to allocate resources to enhance the financial performance of our business; and
- to evaluate the performance and effectiveness of operational strategies

We believe adjusted net income, adjusted net income per diluted share, EBITDA and organic revenue growth are key measures used by the Company and investors as supplemental measures to evaluate the overall operating performance of companies in our industry. By providing these non-GAAP financial measures, together with reconciliations, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing strategic initiatives.

Reconciliations of GAAP results to non-GAAP results are provided in the attached Appendix.

# RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME

(\$ in millions, except per share amounts)

	Year Ended December 31, <sup>1</sup>												
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Net income	\$954	\$839	\$704	\$895	\$811	\$740	\$452	\$362	\$369	\$285	\$216	\$147	\$108
Net income per diluted share	\$12.42	\$9.99	\$8.12	\$9.94	\$8.81	\$7.91	\$4.75	\$3.85	\$4.24	\$3.36	\$2.52	\$1.76	\$1.34
Adjustments:													
Stock-based compensation expense	121	80	43	61	70	93	64	90	38	27	19	22	27
Amortization <sup>6</sup>	238	215	196	217	227	233	184	181	100	56	38	25	22
Net gain on disposition of assets/business	—	—	—	—	(153)	(109)	—	—	—	—	—	—	—
Investment (gains) losses	—	—	(30)	3	7	45	36	40	—	—	—	—	—
Loss on write-off of fixed assets	—	—	—	2	9	—	—	—	—	—	—	—	—
Integration and deal related costs <sup>4</sup>	19	31	12	—	—	—	—	—	—	—	—	—	—
Loss on extinguishment of debt	2	16	—	—	2	3	—	—	16	—	—	3	—
Non recurring net gain at equity method investment	—	—	—	—	—	—	(11)	—	—	—	—	—	—
Legal settlements/litigation	6	6	—	6	6	11	—	—	—	—	—	—	—
Restructuring and related costs	7	(2)	4	3	5	1	—	—	—	—	—	—	—
Unauthorized access impact	—	—	—	—	2	—	—	—	—	—	—	—	—
Write-off of customer receivable <sup>5</sup>	—	—	90	—	—	—	—	—	—	—	—	—	—
Other non-cash adjustments	—	—	—	—	—	2	—	—	(29)	—	—	—	—
Total pre-tax adjustments	393	346	316	291	175	279	274	311	125	83	57	49	49
Income taxes <sup>3</sup>	(111)	(76)	(68)	(62)	(39)	(93)	(67)	(81)	(46)	(24)	(17)	(15)	(14)
Impact of investment sale, other discrete item and tax reform <sup>2</sup>	—	—	10	(62)	23	(127)	—	—	—	—	—	—	—
Adjusted net income	\$1,237	\$1,110	\$962	\$1,062	\$970	\$799	\$659	\$593	\$448	\$343	\$256	\$182	\$143
Adjusted net income per diluted share	\$16.10	\$13.21	\$11.09	\$11.79	\$10.53	\$8.54	\$6.92	\$6.30	\$5.15	\$4.05	\$2.99	\$2.17	\$1.77
Diluted Shares Outstanding	76.9	84.1	86.7	90.1	92.2	93.6	95.2	94.1	87.0	84.7	85.7	83.7	80.8

1. The sums of pre-tax adjustments and adjusted net income may not equal the totals presented due to rounding.

2. Represents the impact to taxes from the reversal of a valuation allowance related to the disposition of our investment in Masternaut of \$65.7 million in 2019, and impact of tax reform adjustments included in our effective tax rate of \$22.7 million in 2018. Also, includes the impact of a discrete tax item for a Section 199 adjustment related to a prior tax year in 2019 results of \$1.8 million.

3. 2022 year includes \$9.0 million adjustment for tax benefit of certain income determined to be permanently invested. 2021 year includes remeasurement of deferreds due to the increase in UK corporate tax rate from 19% to 25% of \$6.5 million. 2020 year includes a tax reserve adjustment related to prior year tax positions of \$9.8 million. 2019 year includes discrete tax effect of non-cash investment gain. 2019 also excludes the results of the Company's Masternaut investment on our effective tax rate, as results were reported on a post-tax basis and no tax-over-book outside basis difference prior to disposition. 2017 year excludes the net gain realized upon our disposition of Nextraq, representing a pretax gain of \$175.0 million and tax on gain of \$65.8 million. 2014 through 2017 years exclude the results of our equity method investment on our effective tax rate, as results from our equity method investment are reported within the Consolidated Income Statements on a post-tax basis and no tax-over-book outside basis differences related to our equity method investment are expected to reverse.

4. Beginning in 2020, the Company included integration and deal related costs in its definition to calculate adjusted net income and adjusted net income per diluted share. Prior period amounts were immaterial.

5. Represents a bad debt loss in the first quarter of 2020 from a large client in our Cambridge business entering voluntary bankruptcy due to the extraordinary impact of the COVID-19 pandemic.

6. Includes amortization related to intangible assets, premium on receivables, deferred financing costs and debt discounts.

# RECONCILIATION OF NET INCOME TO PRO FORMA ADJUSTED NET INCOME

(\$M)	<u>Year Ended 2010</u>	<u>2011 Changes*</u>	<u>Pro forma 2010</u>
Income before income taxes	\$ 151.3	\$ 0.7	\$ 152.0
Provision for income taxes	<u>43.4</u>	<u>2.4</u>	<u>45.8</u>
Net income	107.9	(1.7)	106.2
Net income per diluted share	\$1.34	\$(0.02)	\$1.32
Stock based compensation	26.7	(5.0)	21.7
Amortization of intangible assets, premium on receivables, deferred financing costs and discounts	22.5	-	22.5
Loss on extinguishment of debt	-	2.7	2.7
Total pre-tax adjustments	<u>49.2</u>	<u>(2.3)</u>	<u>46.9</u>
Income tax impact of pre-tax adjustments at the effective tax rate	(14.1)	-	(14.1)
Adjusted net income	<u>\$ 143.0</u>	<u>\$ (4.0)</u>	<u>\$ 139.0</u>
Adjusted net income per diluted share	\$1.77	\$(0.11)	\$1.66
Diluted shares outstanding	80.8	2.9	83.7

\*2011 changes include approximately \$2.0 million in incremental cash operating costs for public company expenses, \$2.7 million in losses on the extinguishment of debt, \$18.0 million of non-cash compensation expenses associated with our stock plan, \$23.0 million of non-cash compensation expense associated with our IPO, and a 1.4% increase in our effective tax rate from 28.7% in 2010 to 30.1% in 2011. Additionally, 2011 reflects an increase of 2.9 million diluted shares outstanding, from 80.8 million at in 2010 to 83.7 million in 2011.

# RECONCILIATION OF NET INCOME TO EBITDA

(\$ in millions, except per share amounts and percentages)

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Net income	\$954	\$839	\$704	\$895	\$811
Provision for Income Taxes	321	269	178	183	284
Interest Expense, Net	165	114	130	150	138
Other Expense (Income)	3	4	(10)	—	(152)
Depreciation and Amortization	322	284	255	274	275
Investment Loss	1	—	(30)	3	7
Loss on extinguishment	2	16	—	—	2
Other operating, net	—	(1)	(2)	1	9
<b>EBITDA</b>	<b>\$1,769</b>	<b>\$1,526</b>	<b>\$1,225</b>	<b>\$1,506</b>	<b>\$1,374</b>
Revenue	\$3,427	\$2,834	\$2,389	\$2,649	\$2,433
<b>EBITDA MARGIN</b>	<b>51.6%</b>	<b>53.9%</b>	<b>51.3%</b>	<b>56.9%</b>	<b>56.5%</b>

\* The sum of EBITDA may not equal the totals presented due to rounding

\*\* Revenues dating before 2018 are presented pre-adoption of ASC 606