

globalpayments

# 4Q and full year 2024 **earnings**



February 13, 2025

# Forward-looking statements

This presentation may contain certain forward-looking statements within the meaning of the “safe-harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements, which are based on current expectations, estimates and projections about the industry and markets in which we operate, and beliefs of and assumptions made by our management, involve risks, uncertainties and assumptions that could significantly affect the financial condition, results of operations, business plans and the future performance of Global Payments. Actual events or results might differ materially from those expressed or forecasted in these forward-looking statements. Accordingly, we cannot guarantee that our plans and expectations will be achieved. Examples of forward-looking statements include, but are not limited to, statements we make regarding future financial and operating results, including revenue, earnings estimates, and liquidity, deleveraging plans, management’s expectations regarding future plans, objectives and goals; market and growth opportunities; capital available for allocation; the effects of general economic conditions on our business; statements about the benefits of acquisitions or dispositions, including future financial and operating results, and the successful integration of acquisitions; statements about the completion of anticipated benefits of strategic or operational initiatives; statements regarding our success and timing in developing and introducing new services and expanding our business; and other statements regarding our future financial performance and Global Payments’ plans, objectives, expectations and intentions. Statements can generally be identified as forward-looking because they include words such as “believes,” “anticipates,” “intends,” “expects,” “could,” “should,” “will,” “would,” or words of similar meaning. Although we believe that the plans and expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our plans and expectations will be attained, and therefore actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements.

In addition to factors previously disclosed in Global Payments’ reports filed with the SEC and those identified elsewhere in this presentation, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: the effects of global economic, political, market, health and social events or other conditions; foreign currency exchange, inflation and rising interest rate risks; difficulties, delays and higher than anticipated costs related to integrating the businesses of acquired companies, including with respect to implementing controls to prevent a material security breach of any internal systems or to successfully manage credit and fraud risks in business units; the effect of a security breach or operational failure on our business; failing to comply with the applicable requirements of Visa, Mastercard or other payment networks or card schemes or changes in those requirements; the ability to maintain Visa and Mastercard registration and financial institution sponsorship; the ability to retain, develop and hire key personnel; the diversion of management’s attention from ongoing business operations; the continued availability of capital and financing; increased competition in the markets in which we operate and our ability to increase our market share in existing markets and expand into new markets; our ability to safeguard our data; risks associated with our indebtedness; the potential effect of climate change including natural disasters; the effects of new or changes in current laws, regulations, credit card association rules or other industry standards on us or our partners and customers, including privacy and cybersecurity laws and regulations; and other events beyond our control, and other factors included in the “Risk Factors” section in our most recent Annual Report on Form 10-K and in other documents that we file with the SEC, which are available at <https://www.sec.gov>.

These cautionary statements qualify all of our forward-looking statements, and you are cautioned not to place undue reliance on these forward-looking statements. Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. While we may elect to update or revise forward-looking statements at some time in the future, we specifically disclaim any obligation to publicly release the results of any revisions to our forward-looking statements, except as required by law.

## Use of Non-GAAP Financial Measures

This presentation will reference certain non-GAAP financial information. Reconciliation of each non-GAAP financial measure to the most directly comparable GAAP measure is included in the Appendix to this presentation and the Investor Relations section of our website at [www.globalpayments.com](http://www.globalpayments.com), 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 the items that are excluded from the non-GAAP outlook measures. The company is unable to address the probable significance of the unavailable information.



# 4Q 2024 highlights

**Delivered** accelerated constant currency ex-disposition growth in Merchant and Issuer businesses consistent with prior outlook

**Completed** sale of AdvancedMD

**Executed** \$650M of share repurchases including accelerated repurchase program

**Produced** strong adjusted free cash flow with 110% conversion rate

**Reduced** net leverage to 3.2x<sup>1</sup>

**Increased** targeted annual operating income benefit from transformation to \$600 million



# 4Q and full year 2024 **financial performance**

Adjusted net  
revenue growth

Adjusted  
operating margin

Adjusted  
EPS

4Q 2024

**\$2.29B**

+5%

**+6.5%** constant currency  
ex-dispositions<sup>1,2</sup>

**45.2%**

+40 bps

**\$2.95**

+11%

**+12%** constant currency<sup>1</sup>

Full year 2024

**\$9.15B**

+6%

**+>6%** constant currency  
ex-dispositions<sup>1,2</sup>

**45.0%**

+40 bps

**\$11.55**

+11%

**+11%** constant currency<sup>1</sup>

<sup>1</sup> Adjusted net revenue growth and adjusted EPS growth on a constant currency basis exclude the estimated impact of foreign currency fluctuations and are calculated using average exchange rates during the same period in 2023.

<sup>2</sup> Adjusted net revenue growth excludes impact of AdvancedMD disposition.

See appendix for information regarding non-GAAP financial measures.

Comparisons are to 4Q 2023 and full year 2023 unless otherwise noted.

# Segment financial performance

## Merchant Solutions



### 4Q 2024

Adjusted net revenue

**\$1.8B** +6%

**+7%** constant currency  
ex-dispositions<sup>1,2</sup>

Adjusted operating margin

**48.3%** +60 bps

### Full year 2024

Adjusted net revenue

**\$7.1B** +9%

**+9%** constant currency  
ex-dispositions<sup>1,2</sup>

Adjusted operating margin

**48.6%** +40 bps

## Issuer Solutions



### 4Q 2024

Adjusted net revenue

**\$542M** +2%

**+3%** constant currency<sup>1</sup>

Adjusted operating margin

**46.9%** -40 bps

### Full year 2024

Adjusted net revenue

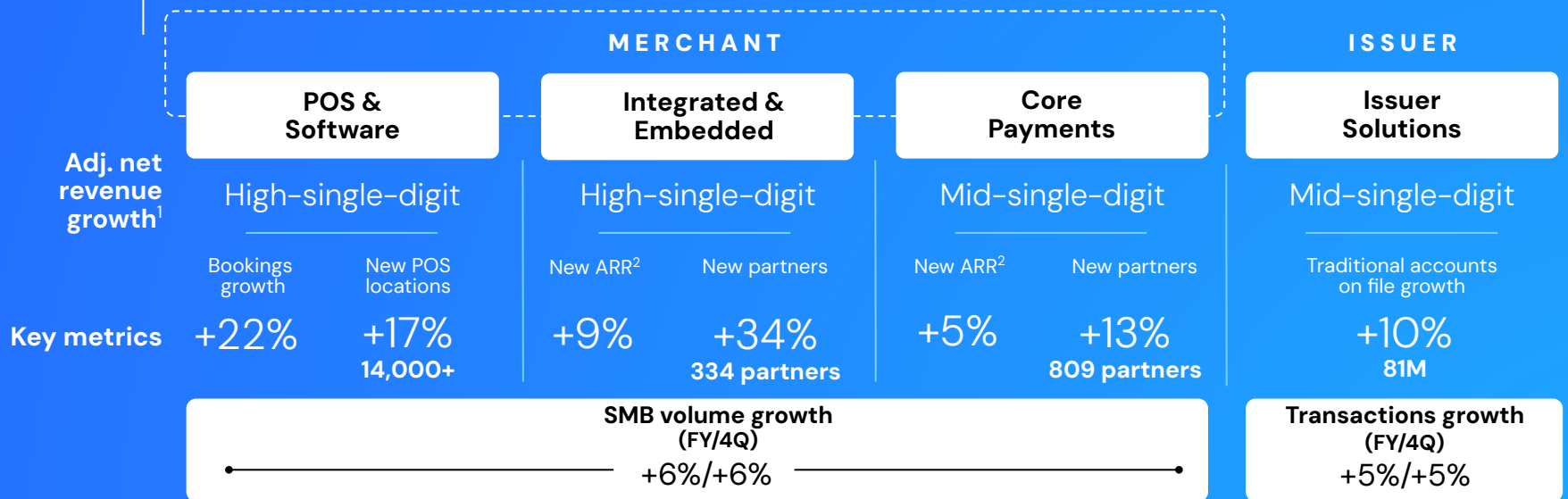
**\$2.1B** +3%

**+4%** constant currency<sup>1</sup>

Adjusted operating margin

**46.5%** +10 bps

# 2024 key metrics



Metrics are for full year 2024 unless otherwise noted.

<sup>1</sup>2024 organic growth excluding dispositions.

<sup>2</sup>New ARR is the rate of growth of estimated annual recurring revenue from new merchant sales.

See appendix for information regarding non-GAAP financial measures.



# 2025 outlook

Adjusted net revenue growth (constant currency ex-dispositions)

**5% to 6%**

Adjusted operating margin expansion (ex-dispositions)

**~50 bps**

Adjusted EPS growth (constant currency)

**10% to 11%**

**90%+**

Adjusted free cash flow  
conversion

**~\$2B**

Return of capital to  
shareholders

# Non-GAAP financial measures

Global Payments supplements revenues, operating income, operating margin, EPS and net operating cash flows determined in accordance with U.S. GAAP by providing these measures with certain adjustments (such measures being non-GAAP financial measures) in this document to assist with evaluating our performance. In addition to GAAP measures, management uses these non-GAAP financial measures to focus on the factors the company believes are pertinent to the daily management of our operations. Management uses these non-GAAP financial measures, together with other metrics, to set goals for and measure the performance of the business and to determine incentive compensation. Adjusted net revenue, adjusted operating income, adjusted operating margin, adjusted EPS and adjusted free cash flow should be considered in addition to, and not as substitutes for, revenues, operating income, EPS and net operating cash flows determined in accordance with GAAP. The non-GAAP financial measures reflect management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

**Adjusted net revenue** excludes gross-up related payments associated with certain lines of business to reflect economic benefits to the company. On a GAAP basis, these payments are presented gross in both revenues and operating expenses. Management believes adjusted net revenue more closely reflects the economic benefits to the company's core business and allows for better comparisons with industry peers.

**Adjusted operating income, adjusted net income and adjusted EPS** exclude acquisition-related amortization expense, share-based compensation expense, acquisition, integration and separation expense, gains or losses on business dispositions, and certain other items specific to each reporting period as more fully described in the accompanying reconciliations. The tax rate used in determining the income tax impact of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment.

**Adjusted operating margin** is derived by dividing adjusted operating income by adjusted net revenue.

**Adjusted free cash flow** is a useful measure of the company's ability to service debt, return capital to shareholders, invest in the business and demonstrate value creation of our underlying operations. Adjusted free cash flow is calculated as net operating cash flows, excluding the impact of changes in settlement processing assets and obligations and customer/client deposits, plus acquisition, integration and separation expenses, plus business transformation and reorganization activities, less capital expenditures and distributions to noncontrolling interests.

**Adjusted free cash flow conversion** is defined as adjusted free cash flow divided by adjusted net income.



# Reconciliation of Non-GAAP Financial Measures

## Consolidated (unaudited)

GLOBAL PAYMENTS INC. AND SUBSIDIARIES  
(In thousands, except per share data)

	Three Months Ended December 31, 2024				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Income Taxes on Adjustments <sup>(3)</sup>	Non-GAAP
Revenues	\$ 2,515,386	\$ (226,371)	\$ —	\$ —	\$ 2,289,015
Operating income	\$ 833,148	\$ 327	\$ 200,573	\$ —	\$ 1,034,048
Net income attributable to Global Payments	\$ 567,173	\$ 327	\$ 203,824	\$ (29,035)	\$ 742,290
Diluted earnings per share attributable to Global Payments	\$ 2.25				\$ 2.95
Diluted weighted average shares outstanding	251,766				251,766

	Three Months Ended December 31, 2023				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Income Taxes on Adjustments <sup>(3)</sup>	Non-GAAP
Revenues	\$ 2,433,812	\$ (247,572)	\$ —	\$ —	\$ 2,186,240
Operating income	\$ 498,715	\$ 510	\$ 479,281	\$ —	\$ 978,506
Net income attributable to Global Payments	\$ 361,296	\$ 510	\$ 478,613	\$ (148,213)	\$ 692,206
Diluted earnings per share attributable to Global Payments	\$ 1.38				\$ 2.65
Diluted weighted average shares outstanding	261,102				261,102

<sup>(1)</sup> Includes adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company. For the three months ended December 31, 2024 and 2023, net revenue adjustments also included \$0.3 million and \$0.5 million, respectively, to eliminate the effect of acquisition accounting fair value adjustments for software-related contract liabilities associated with acquired businesses.

<sup>(2)</sup> For the three months ended December 31, 2024, earnings adjustments to operating income included \$332.8 million in cost of service (COS) and \$140.9 million in selling, general and administrative expenses (SG&A). Adjustments to COS included amortization of acquired intangibles of \$332.6 million and other items of \$0.2 million. Adjustments to SG&A included share-based compensation expense of \$29.9 million, acquisition, integration and separation expenses of \$31.2 million, employee termination benefits of \$4.3 million, facilities exit charges of \$6.8 million, charges for business transformation activities of \$39.9 million, non-cash asset write-offs of \$18.2 million for discontinued initiatives, and other items of \$10.6 million.

For the three months ended December 31, 2024, earnings adjustments to operating income also included the elimination of a \$273.1 million gain on business dispositions.

For the three months ended December 31, 2023, earnings adjustments to operating income included \$332.5 million in COS and \$149.2 million in SG&A. Adjustments to COS consisted of amortization of acquired intangibles of \$332.5 million. Adjustments to SG&A included share-based compensation expense of \$35.7 million, acquisition, integration and separation expenses of \$97.5 million, facilities exit charges of \$3.5 million, employee termination benefits of \$7.9 million, and other items of \$4.6 million. Earnings adjustments to operating income also included a \$2.4 million gain on business dispositions.

<sup>(3)</sup> Income taxes on adjustments reflect the tax effect of earnings adjustments to income before income taxes. The tax rate used in determining the tax effect of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment. In addition, for the three months ended December 31, 2023, income taxes on adjustments include the removal of tax benefits related to corporate restructuring.

Note: Amounts may not sum due to rounding.

# Reconciliation of Non-GAAP Financial Measures

## Consolidated (unaudited)

GLOBAL PAYMENTS INC. AND SUBSIDIARIES  
(In thousands, except per share data)

	Year Ended December 31, 2024				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Income Taxes on Adjustments <sup>(3)</sup>	Non-GAAP
Revenues	\$ 10,105,894	\$ (951,887)	\$ —	\$ —	\$ 9,154,007
Operating income	\$ 2,333,605	\$ 2,205	\$ 1,784,757	\$ —	\$ 4,120,567
Net income attributable to Global Payments	\$ 1,570,365	\$ 2,205	\$ 1,763,230	\$ (393,240)	\$ 2,942,560
Diluted earnings per share attributable to Global Payments	\$ 6.16				\$ 11.55
Diluted weighted average shares outstanding	254,845				254,845

	Year Ended December 31, 2023				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Income Taxes on Adjustments <sup>(3)</sup>	Non-GAAP
Revenues	\$ 9,654,419	\$ (983,454)	\$ —	\$ —	\$ 8,670,965
Operating income	\$ 1,716,386	\$ (17,590)	\$ 2,168,728	\$ —	\$ 3,867,524
Net income attributable to Global Payments	\$ 986,233	\$ (17,590)	\$ 2,186,359	\$ (427,595)	\$ 2,727,407
Diluted earnings per share attributable to Global Payments	\$ 3.77				\$ 10.42
Diluted weighted average shares outstanding	261,698				261,698

<sup>(1)</sup> Includes adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company. For the years ended December 31, 2024 and 2023, net revenue adjustments also included \$2.2 million and \$2.1 million, respectively, to eliminate the effect of acquisition accounting fair value adjustments for software-related contract liabilities associated with acquired businesses. Adjustments for the year ended December 31, 2023, also included a \$19.7 million adjustment to exclude revenues that were associated with certain excluded expenses of our consumer business, which was disposed in April 2023.

<sup>(2)</sup> For the year ended December 31, 2024, earnings adjustments to operating income included \$1,369.1 million in COS and \$688.8 million in SG&A. Adjustments to COS included amortization of acquired intangibles of \$1,369.3 million and other items of \$(0.2) million. Adjustments to SG&A included share-based compensation expense of \$164.2 million, acquisition, integration and separation expenses of \$211.6 million, employee termination benefits of \$80.1 million, facilities exit charges of \$13.4 million, charges for business transformation activities of \$99.1 million, non-cash charges of \$55.8 million for technology assets that will no longer be utilized under a revised technology architecture development strategy, non-cash asset write-offs of \$18.2 million for discontinued initiatives, modernization charges of \$22.9 million, and other items of \$23.5 million.

For the year ended December 31, 2024, earnings adjustments to operating income also included the elimination of a \$273.1 million gain on business dispositions.

For the year ended December 31, 2023, earnings adjustments to operating income included \$1,321.2 million in COS and \$710.8 million in SG&A. Adjustments to COS included amortization of acquired intangibles of \$1,318.5 million and other items of \$2.7 million. Adjustments to SG&A included share-based compensation expense of \$209.0 million, acquisition, integration and separation expenses of \$433.9 million, facilities exit charges of \$18.5 million, employee termination benefits of \$39.4 million, and other items of \$10.0 million. Earnings adjustments to operating income also included a \$136.7 million loss on business dispositions.

Acquisition, integration and separation expenses for the year ended December 31, 2023 included \$93.6 million related to our disposed consumer business. These incremental expenses, which include card and marketing expenses, compensation and benefit expenses, and other expenses, were incurred as a result of contractual obligations with the purchasers of the consumer business and do not reflect the manner in which the company would have operated the business and would not have otherwise been incurred absent the transaction.

Earnings adjustments to net income also included an allowance for current expected credit losses (CECL) of \$15.2 million within interest and other expense related to the seller financing issued in connection with the business dispositions.

<sup>(3)</sup> Income taxes on adjustments reflect the tax effect of earnings adjustments to income before income taxes. The tax rate used in determining the tax effect of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment. In addition, for the year ended December 31, 2023, income taxes on adjustments include the removal of tax expense related to business dispositions and removal of tax benefits related to corporate restructuring.

Note: Amounts may not sum due to rounding.

# Reconciliation of Non-GAAP Financial Measures

## Segment Adjusted Net Revenue and Adjusted Operating Income (unaudited)

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands)

Three Months Ended December 31, 2024				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Non-GAAP
<b>Revenues:</b>				
Merchant Solutions	\$ 1,885,923	\$ (122,910)	\$ —	\$ 1,763,013
Issuer Solutions	646,284	(104,185)	—	542,099
Intersegment Elimination	(16,821)	723	—	(16,098)
	<u>\$ 2,515,386</u>	<u>\$ (226,371)</u>	<u>\$ —</u>	<u>\$ 2,289,015</u>
<b>Operating income:</b>				
Merchant Solutions	\$ 652,406	\$ (84)	\$ 199,709	\$ 852,031
Issuer Solutions	119,925	411	134,104	254,440
Corporate	(212,317)	—	139,894	(72,423)
Net gain on business dispositions	273,134	—	(273,134)	—
	<u>\$ 833,148</u>	<u>\$ 327</u>	<u>\$ 200,573</u>	<u>\$ 1,034,048</u>
Three Months Ended December 31, 2023				
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Non-GAAP
<b>Revenues:</b>				
Merchant Solutions	\$ 1,819,885	\$ (149,403)	\$ —	\$ 1,670,482
Issuer Solutions	629,674	(99,025)	—	530,649
Intersegment Elimination	(15,747)	856	—	(14,891)
	<u>\$ 2,433,812</u>	<u>\$ (247,572)</u>	<u>\$ —</u>	<u>\$ 2,186,240</u>
<b>Operating income:</b>				
Merchant Solutions	\$ 596,633	\$ —	\$ 200,713	\$ 797,346
Issuer Solutions	117,419	510	133,074	251,003
Corporate	(217,688)	—	147,845	(69,843)
Net gain on business dispositions	2,351	—	(2,351)	—
	<u>\$ 498,715</u>	<u>\$ 510</u>	<u>\$ 479,281</u>	<u>\$ 978,506</u>

<sup>(1)</sup> Includes adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company. For the three months ended December 31, 2024 and 2023, net revenue adjustments also included \$0.3 million and \$0.5 million, respectively, to eliminate the effect of acquisition accounting fair value adjustments for software-related contract liabilities associated with acquired businesses.

<sup>(2)</sup> For the three months ended December 31, 2024, earnings adjustments to operating income included \$332.8 million in COS and \$140.9 million in SG&A. Adjustments to COS included amortization of acquired intangibles of \$332.6 million and other items of \$0.2 million. Adjustments to SG&A included share-based compensation expense of \$29.9 million, acquisition, integration and separation expenses of \$31.2 million, employee termination benefits of \$4.3 million, facilities exit charges of \$6.8 million, charges for business transformation activities of \$39.9 million, non-cash asset write-offs of \$18.2 million for discontinued initiatives, and other items of \$10.6 million.

For the three months ended December 31, 2024, earnings adjustments to operating income also included the elimination of a \$273.1 million gain on business dispositions.

For the three months ended December 31, 2023, earnings adjustments to operating income included \$332.5 million in COS and \$149.2 million in SG&A. Adjustments to COS consisted of amortization of acquired intangibles of \$332.5 million. Adjustments to SG&A included share-based compensation expense of \$35.7 million, acquisition, integration and separation expenses of \$97.5 million, facilities exit charges of \$3.5 million, employee termination benefits of \$7.9 million, and other items of \$4.6 million. Earnings adjustments to operating income also included a \$2.4 million gain on business dispositions.

Note: Amounts may not sum due to rounding.

# Reconciliation of Non-GAAP Financial Measures

## Segment Adjusted Net Revenue and Adjusted Operating Income (unaudited)

### GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands)

	Year Ended December 31, 2024			
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Non-GAAP
<b>Revenues:</b>				
Merchant Solutions	\$ 7,688,703	\$ (585,365)	\$ —	\$ 7,103,338
Issuer Solutions	2,483,657	(370,415)	—	2,113,242
Intersegment Elimination	(66,466)	3,893	—	(62,573)
	<u>\$ 10,105,894</u>	<u>\$ (951,887)</u>	<u>\$ —</u>	<u>\$ 9,154,007</u>
<b>Operating income (loss):</b>				
Merchant Solutions	\$ 2,612,915	\$ 476	\$ 835,298	\$ 3,448,689
Issuer Solutions	442,442	1,728	538,678	982,849
Corporate	(994,886)	—	683,915	(310,971)
Net gain on business dispositions	273,134	—	(273,134)	—
	<u>\$ 2,333,605</u>	<u>\$ 2,205</u>	<u>\$ 1,784,757</u>	<u>\$ 4,120,567</u>

	Year Ended December 31, 2023					
	GAAP	Net Revenue Adjustments <sup>(1)</sup>	Earnings Adjustments <sup>(2)</sup>	Non-GAAP	Consumer Business <sup>(3)</sup>	Supplemental Non-GAAP <sup>(3)</sup>
<b>Revenues:</b>						
Merchant Solutions	\$ 7,151,793	\$ (614,827)	\$ —	\$ 6,536,966	\$ —	\$ 6,536,966
Issuer Solutions	2,398,870	(352,987)	—	2,045,883	—	2,045,883
Consumer Solutions	182,740	(19,713)	—	163,027	(163,027)	—
Intersegment Elimination	(78,984)	4,073	—	(74,911)	17,585	(57,326)
	<u>\$ 9,654,419</u>	<u>\$ (983,454)</u>	<u>\$ —</u>	<u>\$ 8,670,965</u>	<u>\$ (145,442)</u>	<u>\$ 8,525,523</u>
<b>Operating income (loss):</b>						
Merchant Solutions	\$ 2,345,255	\$ 23	\$ 803,262	\$ 3,148,540	\$ —	\$ 3,148,540
Issuer Solutions	409,807	2,100	536,892	948,799	—	948,799
Consumer Solutions	(3,908)	(19,713)	96,851	73,230	(73,230)	—
Corporate	(898,024)	—	594,979	(303,045)	—	(303,045)
Net loss on business dispositions	(136,744)	—	136,744	—	—	—
	<u>\$ 1,716,386</u>	<u>\$ (17,590)</u>	<u>\$ 2,168,728</u>	<u>\$ 3,867,524</u>	<u>\$ (73,230)</u>	<u>\$ 3,794,294</u>

<sup>(1)</sup> Includes adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company. For the years ended December 31, 2024 and 2023, net revenue adjustments also included \$2.2 million and \$2.1 million, respectively, to eliminate the effect of acquisition accounting fair value adjustments for software-related contract liabilities associated with acquired businesses. Adjustments for the year ended December 31, 2023, also included a \$19.7 million adjustment to exclude revenues that were associated with certain excluded expenses of our consumer business, which was disposed in April 2023.

<sup>(2)</sup> For the year ended December 31, 2024, earnings adjustments to operating income included \$1,369.1 million in COS and \$688.8 million in SG&A. Adjustments to COS included amortization of acquired intangibles of \$1,369.3 million and other items of \$(0.2) million. Adjustments to SG&A included share-based compensation expense of \$164.2 million, acquisition, integration and separation expenses of \$211.6 million, employee termination benefits of \$80.1 million, facilities exit charges of \$13.4 million, charges for business transformation activities of \$99.1 million, non-cash charges of \$55.8 million for technology assets that will no longer be utilized under a revised technology architecture development strategy, non-cash asset write-offs of \$18.2 million for discontinued initiatives, modernization charges of \$22.9 million, and other items of \$23.5 million.

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Acquisition, integration and separation expenses for the year ended December 31, 2023 included \$93.6 million related to our disposed consumer business. These incremental expenses, which include card and marketing expenses, compensation and benefit expenses, and other expenses, were incurred as a result of contractual obligations with the purchasers of the consumer business and do not reflect the manner in which the company would have operated the business and would not have otherwise been incurred absent the transaction.

Earnings adjustments to net income also included an allowance for CECL of \$15.2 million within interest and other expense related to the seller financing issued in connection with the business dispositions.

<sup>(3)</sup> The supplemental non-GAAP information excludes the results of the consumer business that was disposed in April 2023.

Note: Amounts may not sum due to rounding.

# Reconciliation of Non-GAAP Financial Measures

## Adjusted Free Cash Flow (unaudited)

<i>(In thousands)</i>	Three Months Ended December 31, 2024
Cash flow from operating activities	\$ 653
Changes in settlement/customer assets and obligations, net	451
Changes in customer/client deposits	(208)
Acquisition, integration, and separation expenses	31
Other acquisition and separation adjustments <sup>(1)</sup>	20
Transformation <sup>(2)</sup>	59
Capital expenditures	(184)
Distributions to noncontrolling interests	(9)
<b>Adjusted Free Cash Flow</b>	<b>\$ 814</b>

<sup>(1)</sup> Includes certain cash payments related to the closing of the sale of the AdvancedMD business

<sup>(2)</sup> Includes certain cash payments related to the business transformation and reorganization activities

Note: Amounts may not sum due to rounding

# Reconciliation of Non-GAAP Financial Measures

## 2025 Outlook Summary (unaudited)

### GLOBAL PAYMENTS INC. AND SUBSIDIARIES

	2025 Growth		
<u>Revenues:</u>			
GAAP revenues	0%	to	1%
Adjustments <sup>(1)</sup>	0%		
FX impact	~2%		
Constant currency (CC) adj net revenue	2%	to	3%
Dispositions	~3%		
CC adjusted net revenue excluding dispositions	5%	to	6%
<u>Earnings Per Share:</u>			
GAAP diluted EPS	4%	to	5%
Adjustments <sup>(2)</sup>	~4%		
FX impact	~2%		
Constant currency adjusted EPS	10%	to	11%

<sup>(1)</sup> Includes adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefit to the company. Amounts also included adjustments to eliminate the effect of acquisition accounting fair value adjustments for software-related contract liabilities associated with acquired businesses.

<sup>(2)</sup> Adjustments to 2024 GAAP diluted EPS included the removal of 1) software-related contract liability adjustments described above of \$0.01, 2) acquisition related amortization expense of \$4.13, 3) share-based compensation expense of \$0.50, 4) acquisition, integration, and separation expense of \$0.64, 5) charges for business transformation activities of \$0.30, 6) employee termination benefits of \$0.24, 7) noncash charges for technology assets that will no longer be utilized under a revised technology architecture development strategy of \$0.17, 8) modernization charges of \$0.07, 9) non-cash asset write-offs for discontinued initiatives of \$0.06, 10) facilities exit charges of \$0.04, 11) gain/loss on business dispositions of \$(0.83), 12) other income and expense of \$(0.05), 13) discrete tax items of \$0.06, 14) other items of \$0.04, 15) the effect of noncontrolling interests and income taxes, as applicable.