UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 7, 2019

Commission File Number 0-25346

ACI WORLDWIDE, INC.

(Exact name of registrant as specified in its charter)

47-0772104 (I.R.S. Employer Identification No.)

Delaware 3520 Kraft Rd, Suite 300 Naples, Florida

(Address of Principal Executive Offices)

(Zip Code)

(239) 403-4660

	(Regist	rant's telephone number, including ar	rea code)
Check the appropriate box below if the Form 8-K fil	ng is intended to simultaneously satisfy the filing	obligation of the registrant unde	r any of the following provisions (see General Instruction A.2. b
☐ Written communications pursuant to Rule 425 ur	der the Securities Act (17 CFR 230.425)		
☐ Soliciting material pursuant to Rule 14a-12 unde	the Exchange Act (17 CFR 240.14a-12)		
☐ Pre-commencement communications pursuant to	Rule 14d-2(b) under the Exchange Act (17 CFR 2	240.14d-2(b))	
☐ Pre-commencement communications pursuant to	Rule 13e-4(c) under the Exchange Act (17 CFR 2	40.13e-4(c))	
ecurities registered pursuant to Section 12(b) of the	Act:		
	Title of each class	Trading Symbol(s)	Name of each exchange on which registered
	Common Stock, \$0.005 par value	ACIW	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company \square

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operation and Financial Condition.

On November 7, 2019, ACI Worldwide, Inc. ("the Company") issued a press release announcing its financial results for the three months and year ended September 30, 2019. A copy of this press release is attached hereto as Exhibit 99.1.

The foregoing information (including the exhibits hereto) is being furnished under "Item 2.02- Results of Operations and Financial Condition" and "Item 7.01 – Regulation FD Disclosure." Such information (including the exhibits hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

The filing of this report and the furnishing of this information pursuant to Items 2.02 and 7.01 do not mean that such information is material or that disclosure of such information is required.

Item 7.01. Regulation FD Disclosure.

See "Item 2.02 – Results of Operation and Financial Condition" above.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

- 99.1 Press Release dated November 7, 2019
- 99.2 Investor presentation materials dated November 7, 2019
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ACI WORLDWIDE, INC. (Registrant)

By:

Date: November 7, 2019

/s/ SCOTT W. BEHRENS

Scott W. Behrens

Senior Executive Vice President, Chief Financial Officer and Chief Accounting Officer (Principal Financial Officer)



ACI Worldwide, Inc. Reports Financial Results for the Quarter Ended September 30, 2019

O3 HIGHLIGHTS

- Revenue up 45%
- Net income up 109%
- · Adjusted EBITDA up 66%
- · Repurchased 1.2 million shares for \$35 million

NAPLES, FLA — November 7, 2019 — ACI Worldwide (NASDAQ: ACIW), a leading global provider of real-time electronic payment and banking solutions, today announced financial results for the quarter ended September 30, 2019.

"We are pleased with our results in Q3. ACI revenue increased 45%, or 9% excluding the Speedpay contribution, and exceeded the high end of our guidance range. Also importantly, we signed one of the large contracts that was delayed due to a capital markets transaction. Not only did this customer re-commit to ACI, but the contract is a major expansion in the relationship. Our On Demand segment continues to see strong margin improvement, with net adjusted EBITDA margin in Q3 of 20% compared to 5% last year," commented Phil Heasley, President and CEO, ACI Worldwide. "The integration and contribution of Speedpay is on track and we remain well positioned in the electronic payments

Q3 2019 FINANCIAL SUMMARY

In Q3 2019, revenue was \$355 million, up 45% from \$246 million in Q3 2018. Adjusting for the Speedpay contribution, Q3 revenue grew 9% from last year. Recurring revenue increased 55% in the quarter to \$246 million, or 69% of total revenue, from \$159 million, or 65% of total revenue last year.

Net income in the quarter was \$32 million, up \$17 million from last year. Adjusted EBITDA in Q3 was \$99 million, up 66% from Q3 2018, or up 39% excluding the Speedpay contribution.

In Q3 2019, revenue from ACI's On Demand segment was \$193 million, up 85% from \$105 million last year. On Demand segment net adjusted EBITDA margin improved to 20% from 5% last year. On Demand segment net adjusted EBITDA margins are adjusted for pass through interchange revenue of \$99 million and \$39 million, for Q3 2019 and Q3 2018, respectively.

ACI's On Premise segment revenue was \$162 million, up 15% from \$141 million last year. On Premise segment adjusted EBITDA margin was 61% in Q3 2019 versus 55% in Q3 2018.

ACI ended Q3 2019 with a 12-month backlog of \$1.1 billion and a 60-month backlog of \$5.7 billion. After adjusting for foreign currency fluctuations, our 12-month backlog decreased \$37 million and our 60-month backlog increased \$21 million from Q2 2019.

Cash flows from operating activities in Q3 2019 were \$32 million, versus \$29 million in Q3 2018. ACI ended Q3 2019 with \$122 million in cash on hand and a debt balance of \$1.4 billion. The company repurchased 1.2 million shares for \$35 million, or an average price of \$29.05 per share and has \$141 million remaining on its share repurchase authorization.

CHIDANCE

We continue to expect 2019 total revenue to be between \$1.315 billion and \$1.345 billion and adjusted EBITDA to be in a range of \$360 million to \$380 million. This excludes between \$30 million and \$35 million in significant transaction related expenses.

We continue to expect our 2020 adjusted EBITDA to be in a range of \$425 million to \$445 million.

CONFERENCE CALL TO DISCUSS FINANCIAL RESULTS AND OUTLOOK

Management will host a conference call at 8:30 am ET today to discuss these results as well as 2019 and 2020 guidance. Interested persons may access a real-time audio broadcast of the teleconference at http://investor.aciworldwide.com/or use the following numbers for dial-in participation: US/Canada: (866) 914-7436, international: +1 (817) 385-9117. Please provide your name, the conference name ACI Worldwide, Inc. and conference code 8599063. There will be a replay of the call available for two weeks on (855) 859-2056 for US/Canada callers and +1 (404) 537-3406 for international participants

About ACI Worldwide

ACI Worldwide, the <u>Universal Payments</u> (UP) company, powers <u>electronic payments</u> for more than 5,100 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries, as well as thousands of global merchants, rely on ACI to execute \$14\$ trillion each day in payments and securities. In addition, myriad organizations utilize our <u>electronic bill presentment and payment</u> services. Through our comprehensive suite of software solutions delivered on customers' premises or through ACI's <u>private cloud</u>, we provide real-time, <u>immediate payments</u> capabilities and enable the industry's most complete <u>omni-channel payments</u> experience. To learn more about ACI, please visit <u>www.aciworldwide.com</u>. You can also find us on Twitter <u>@ACI Worldwide.</u>

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For more information contact:

John Kraft, Vice President, Investor Relations & Strategic Analysis ACI Worldwide 239-403-4627 john.kraft@aciworldwide.com

To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tables, which exclude significant transaction-related expenses, as well as other significant non-cash expenses such as depreciation, amortization and stock-based compensation, that we believe are helpful in understanding our past financial performance and our future results. The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP.

We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. Certain non-GAAP measures include:

- Adjusted EBITDA: net income plus income tax expense (benefit), net interest income (expense), net other income (expense), depreciation, amortization and stock-based compensation, as well as significant transaction-related expenses. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income.
- Net Adjusted EBITDA Margin: Adjusted EBITDA divided by revenue net of pass through interchange revenue. Net Adjusted EBITDA Margin should be considered in addition to, rather than as a substitute for, net income

ACI is also presenting adjusted operating free cash flow, which is defined as net cash provided by operating activities and net after-tax payments associated with significant transaction-related expenses, less capital expenditures. Adjusted operating free cash flow is considered a non-GAAP financial measure as defined by SEC Regulation G. We utilize this non-GAAP financial measure, and believe it is useful to investors, as an indicator of cash flow available for debt repayment and other investing activities, such as capital investments and acquisitions. We utilize adjusted operating free cash flow as a further indicator of operating performance and for planning investment activities. Adjusted operating free cash flow should be considered in addition to, rather than as a substitute for, net cash provided by operating activities. A limitation of adjusted operating free cash flow is that it does not represent the total increase or decrease in the cash balance for the period. This measure also does not exclude mandatory debt service obligations and, therefore, does not represent the residual cash flow

available for discretionary expenditures. We believe that adjusted operating free cash flow is useful to investors to provide disclosures of our operating results on the same basis as that used by our management.

ACI backlog includes estimates for SaaS and PaaS, license, maintenance, and services revenue specified in executed contracts but excluded from contracted revenue that will be recognized in future periods, as well as revenue from assumed contract renewals to the extent that we believe recognition of the related revenue will occur within the corresponding backlog period. We have historically included assumed renewals in backlog estimates based upon automatic renewal provisions in the executed contract and our historic experience with customer renewal rates.

Backlog is considered a non-GAAP financial measure as defined by SEC Regulation G. Our 60-month backlog estimates are derived using the following key assumptions:

- License arrangements are assumed to renew at the end of their committed term or under the renewal option stated in the contract at a rate consistent with historical experience. If the license arrangement includes extended payment terms, the renewal estimate is adjusted for the effects of a significant financing component.
- · Maintenance fees are assumed to exist for the duration of the license term for those contracts in which the committed maintenance term is less than the committed license term.
- · SaaS and PaaS arrangements are assumed to renew at the end of their committed term at a rate consistent with our historical experiences.
- · Foreign currency exchange rates are assumed to remain constant over the 60-month backlog period for those contracts stated in currencies other than the U.S. dollar.
- Our pricing policies and practices are assumed to remain constant over the 60-month backlog period.

Estimates of future financial results are inherently unreliable. Our backlog estimates require substantial judgment and are based on a number of assumptions as described above. These assumptions may turn out to be inaccurate or wrong, including, but not limited to, reasons outside of management's control. For example, our customers may attempt to renegotiate or terminate their contracts for a number of reasons, including mergers, changes in their financial condition, or general changes in economic conditions in the customer's industry or geographic location, or we may experience delays in the development or delivery of products or services specified in customer contracts which may cause the actual renewal rates and amounts to differ from historical experiences. Changes in foreign currency exchange rates may also impact the amount of revenue actually recognized in future periods. Accordingly, there can be no assurance that contracts included in backlog estimates will actually generate the specified revenue or that the actual revenue will be generated within the corresponding 60-month period.

Backlog estimates should be considered in addition to, rather than as a substitute for, reported revenue and contracted but not recognized revenue (including deferred revenue).

FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as "believes," "will," "expects," "anticipates," "intends," and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litization Reform Act of 1995

Forward-looking statements in this press release include, but are not limited to, statements regarding: (i) expectations regarding Speedpay integration and contribution; (ii) expectations regarding our positioning in the electronic payments industry; (iii) expectations regarding revenue and adjusted EBITDA in 2019; and (iv) expectations regarding our 2020 adjusted EBITDA target.

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, increased competition, the success of our Universal Payments strategy, demand for our products, restrictions and other financial covenants in our debt agreements, consolidations and failures in the financial services industry, customer reluctance to switch to a new vendor, the accuracy of management's backlog estimates, the maturity of certain products, failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects or inaccurate project completion estimates,

volatility and disruption of the capital and credit markets and adverse changes in the global economy, our existing levels of debt, impairment of our goodwill or intangible assets, litigation, future acquisitions, strategic partnerships and investments, integration of and achieving benefits from the Speedpay acquisition, the complexity of our products and services and the risk that they may contain hidden defects or be subjected to security breaches or viruses, compliance of our products with applicable legislation, governmental regulations and industry standards, our ability to protect customer information from security breaches or attacks, our compliance with privacy regulations, our ability to adequately defend our intellectual property, exposure to credit or operating risks arising from certain payment funding methods, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter, business interruptions or failure of our information technology and communication systems, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, exposure to unknown tax liabilities in our stock price, and potential claims associated with our sale and transition of our CFS assets and liabilities. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

ACI WORLDWIDE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited and in thousands, except share and per share amounts)

ASSET ASSET <th< th=""><th></th><th colspan="2">September 30, 2019</th><th colspan="2">December 31, 2018</th></th<>		September 30, 2019		December 31, 2018	
Base and cash equivalents \$ 12,138 \$ 14,850 Bereivelbier, not of allocances 32,333 34,840 Strimment asses 48,101 \$ 2,256 Peppid equipers 3,105 \$ 1,200 Total contrastes 1,104,200 \$ 5,272 Noncrett assets 1,104,200 \$ 5,272 Noncrett assets 1,104,200 \$ 1,200 Accred evolubles, set 1,92,200 \$ 1,200 Opperey and equipment, set 2,272 \$ 2,200 Striken, set 1,272,205 \$ 9,202 Schmitt, set 1,272,205 \$ 1,202 Oppering the effect asset 1,272,205 \$ 1,202 Schmitt, set 1,272,205 \$ 1,202 Constraint, set 1,272,205 \$ 1,202 Condered to the contract assets 1,202 \$ 2,202 Deferred contract assets 3,34,505 \$ 2,202 Deferred contract assets 3,34,505 \$ 3,202 TOTAL ASSETS \$ 3,300 \$ 3,202 Striken, set assets, set asset as	ASSETS				
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Pepale depenses 20,100 23,277 Obbet current assets 1,004,000 566,477 Nameror assets	Receivables, net of allowances	325,333		348,182	
Ober cument assers 31,715 1,206 Table present assers 1,004,100 566,477 Noncument assers 1 50,000 66,007 Accord forest/vables, net 1,90,200 1,80,000 7,72,72 0,72,72 <	Settlement assets	498,101		32,256	
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Noncurrent assets 190.326 189.010 Acread receivables, net 190.326 189.010 Property and equipment, net 60.80 — Operating lease right-of-use assets 60.80 — Software, of 1278.95 90.961 Intangalise assets, net 62.70 27.048 Other noncer assets 5.33.46 5.21.245 TOTAL ASSETS 5.33.07.50 5.21.245 TOTAL ASSETS 8.30.00 5.21.245 Accounts payable \$ 30.00 3.00 Extellement Liabilities 477.064 31.00 Extellement Liabilities 41.265 38.10 Current Inabilities 47.064 31.00 Extellement Liabilities 76.731 10.04 Ober current Inabilities 76.731 10.04 Total Current Inabilities 76.731 10.06 Total Current Inabilities 76.731 10.06 Total Current Inabilities 10.20 5.00 Deferred incone taxes, net 6.00 5.02 Operating	Other current assets	31,715		14,260	
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Phopery and equipment, net 7.7.79 Operating lease right-of-use assets 60.290 1.77.20 Software, net 235.396 1.37.228 Goodwill 1.78.205 90.060 Intragable assets, net 60.304 60.001 Other nonce taxes, net 62.907 27.048 Other nonceurer assets 7.1966 52.212.455 TANA SSETS 5 3.340.705 5.00.205 TANA STOCKHOLDER' EQUITY 8 3.000 \$ 3.900 Current Inabilities 47.064 3.105 3.015 3.0	Noncurrent assets				
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Software net 235,906 137,228 Goodwill 1,278,65 90,809 Intangible assets, net 363,346 168,127 Deferred income taxes, net 62,970 27,048 Other noncurret assets 71,906 52,142 TOTAL ASSETS 5 3,30,756 5 2,122,455 LIABILITIES AND STOCKHOLDERS' EQUITY Current labilities 73,060 5 3,90,02 3,90,02 3,90,02 3,90,02 3,90,02 3,90,	Property and equipment, net	72,747		72,729	
Godwill 1,278,255 909,691 Intangible assets, net 363,36 168,127 Oberer dincome taxes, net 62,370 27,488 TOTAL ASSETS 5,340,75 5,212,455 TOTAL ASSETS 5,340,75 5,212,455 LARRITIES AND STOCKHOLDERS' EQUITY Total Labilities 477,064 31,005 Settlement labilities 477,064 31,005 Semployee compensation 41,285 36,115 Current portion of long-term debt 34,119 20,767 Deferred revenue 75,311 104,843 Other current labilities 69,573 1,688 Total current labilities 69,573 1,688 Noucrent labilities 69,573 65,089 Deferred revenue 1,373,55 650,989 Deferred income taxes, net 40,240 3,175 Operating lesse labilities 40,261 4,261 Operating lesse labilities 40,261 4,262 Operating lesse labilities 40,261 4,262 Commisents	Operating lease right-of-use assets	60,280		_	
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Deferred income taxes, net 62,976 27,048 Other noncurrent assets 71,965 52,145 TOTIA LASSITS \$ 3,340,756 \$ 2,122,455 LIBILITIES AND STOCKHOLDERS' EQUITY TOTIAL Isabilities Accounts payable \$ 36,002	Goodwill	1,278,265		909,691	
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TOTAL ASSETS \$ 3,340,756 \$ 2,122,455 LINELITIES AND STOCKHOLDERS' EQUIT Current Jobilities Accounts payable \$ 36,002 \$ 39,002 Settlement liabilities 41,005 \$ 31,105 Employee compensation 41,405 \$ 31,105 Employee compensation 34,119 20,767 Deferred revenue 60,679 16,808 Other current liabilities 31,305 45,002 Nourcent liabilities 5 30,002 30,002 Deferred revenue 60,409 51,202 Deferred income taxes, net 42,407 31,315 60,089 Deferred income taxes, net 42,407 3,015 4,022 </td <td>Deferred income taxes, net</td> <td>62,970</td> <td></td> <td>27,048</td>	Deferred income taxes, net	62,970		27,048	
Career Habilities	Other noncurrent assets	71,996		52,145	
Current liabilities \$ 36,002 \$ 39,002 Settlement liabilities 477,044 31,055 Employee compensation 41,285 38,115 Current portion of long-term debt 34,119 20,767 Déterred revenue 69,679 16,888 Other current liabilities 734,880 296,620 Nouvertet liabilities 60,909 51,292 Long-term debt 1,373,555 650,989 Deferred revenue 24,407 31,715 Operating lasse liabilities 48,281 Operating lasse liabilities 40,206 43,608 Operating lasse liabilities 40,206 43,608 Total liabilities 22,81,819 1,074,224 Commitments and contingencies 22,81,819 1,074,224 Stockholders' equity 5 6,023 63,235 Retained earnings 60,605 63,235 Retained earnings 85,544 863,768 Tessury stock 63,212 63,55,877 Accumulated other comprehensive loss 94,6	TOTAL ASSETS	\$ 3,340,756	\$	2,122,455	
Accounts payable \$ 36,002 \$ 39,002 Settlement liabilities 477,064 31,055 Employee compensation 41,265 38,1155 Current portion of long-term debt 34,119 20,767 Deferred revenue 76,311 104,843 Ofter current liabilities 734,800 296,620 Noncurrent liabilities Deferred revenue 60,490 51,292 Long-term debt 1,373,555 65,099 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 40,201 4,306 Other onocurrent liabilities 40,201 4,306 Total liabilities 2,281,819 1,074,224 Stockboffer's equity Preferred stock 7 7 Common stock 702 702 Additional paid-in capital 66,06,53 62,235 Retained carnings 87,344 83,768 Tessury stock 381,219 363,768 Accumulated other comprehensive loss 383,102 35,258	LIABILITIES AND STOCKHOLDERS' EQUITY				
Settlement liabilities 477,064 31,605 Employee compensation 41,285 38,115 Current portion of long-term debt 34,119 20,767 Deferred revenue 76,731 104,843 Other current liabilities 73,880 296,620 Noncurrent liabilities 73,880 51,628 Deferred revenue 60,490 51,292 Long-term debt 1,373,555 650,989 Deferred income taxes, net 2,4407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Committers and contingencies 5 5 Stockholders' equity — — — Preferred stock — — — — Common stock 702 702 702 702 702 702 702 702 702 702 702 702 702 702 702 702 702	Current liabilities				
Employee compensation 41,285 38,115 Current portion of long-term debt 34,119 20,767 104,843 Deferred revenue 69,679 61,688 Total current liabilities 734,880 296,620 Noncurrent liabilities 60,490 51,292 Long-term debt 1,373,555 650,989 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 49,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies 5 5 Stockholders' equity 70 70 Common stock 70 70 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Teasury stock (38,126) (38,126) Accumulated other comprehensive loss (38,126) (32,617) Total stockholders' equity 1,082,31 1,048,	Accounts payable	\$ 36,002	\$	39,602	
Current portion of long-term debt 34,119 20,767 Deferred revenue 76,731 104,843 Other current liabilities 69,679 61,688 Total current liabilities 873,480 296,620 Noncurrent liabilities 60,490 51,292 Long-term debt 1,373,555 650,898 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Comminents and contingencies 2 28,725 Stockholders' equity — — Preferred stock — — Common stock 702 702 Additional paid-in capital 60,653 63,223 Retained earnings 875,344 863,768 Teasury stock 383,106 (35,587) Accumulated other comprehensive loss (39,46) (92,617) Total stockholders' equity 1,064,635 92,617	Settlement liabilities	477,064		31,605	
Deferred revenue 76,731 104,843 Other current liabilities 69,679 61,688 Total Current liabilities 734,880 296,620 Noncurrent labilities 80,490 51,292 Long-term debt 1,373,555 650,989 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies 5 — Stockholders' equity — — Preferred stock — — Common stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Teasury stock 383,126 355,857 Accumulated other comprehensive loss (94,630) (92,617) Total stockholders' equity 1,068,937 1,048,231	Employee compensation	41,285		38,115	
Other current liabilities 69,679 61,688 Total current liabilities 734,880 296,620 Nocurrent liabilities 60,490 51,292 Deferred revenue 60,490 51,292 Long-term debt 1,373,555 650,989 Deferred income taxes, net 24,007 31,715 Operating lease liabilities 40,206 43,608 Total liabilities 40,206 43,608 Commitments and contingencies 2,281,819 1,074,224 Stockholders' equity - - Preferred stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock 383,126 35,857 Accumulated other comprehensive loss 94,630 (95,617) Total stockholders' equity 1,084,231 1,048,231	Current portion of long-term debt	34,119		20,767	
Total current liabilities 734,880 296,620 Noncurrent liabilities Counter of the counter of	Deferred revenue	76,731		104,843	
Noncurrent liabilities Common stock Gos, 23, 23, 23, 23, 23, 23, 23, 23, 23, 23	Other current liabilities	69,679		61,688	
Deferred revenue 60,490 51,292 Long-term debt 1,373,555 650,989 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,006 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies *** — Stockholders' equity — — Preferred stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,587 Treasury stock 333,126 355,857 Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Total current liabilities	734,880		296,620	
Long-term debt 1,373,555 650,989 Deferred income taxes, net 24,407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies *** — Stockholders' equity — — Preferred stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Noncurrent liabilities				
Deferred income taxes, net 24,407 31,715 Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies **** **** Stockholders' equity — — Preferred stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock (38,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Deferred revenue	60,490		51,292	
Operating lease liabilities 48,281 — Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies Stockholders' equity Preferred stock —<	Long-term debt	1,373,555		650,989	
Other noncurrent liabilities 40,206 43,608 Total liabilities 2,281,819 1,074,224 Commitments and contingencies Stockholders' equity Preferred stock — — Common stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock (383,126) (358,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Deferred income taxes, net	24,407		31,715	
Total liabilities 2,281,819 1,074,224 Commitments and contingencies Stockholders' equity Preferred stock -	Operating lease liabilities	48,281		_	
Commitments and contingencies Stockholders' equity Preferred stock — — — Common stock 702 702 702 Additional paid-in capital 660,653 632,235 632,235 Retained earnings 875,344 863,768 483,768 702 702 702 702 702 702 702 702 702 702 702 863,768 863,768 763,768 702 702 702 863,768 863,768 762,857 702	Other noncurrent liabilities	40,206		43,608	
Stockholders' equity Preferred stock —<	Total liabilities	 2,281,819		1,074,224	
Stockholders' equity Preferred stock —<	Commitments and contingencies				
Common stock 702 702 Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231					
Additional paid-in capital 660,653 632,235 Retained earnings 875,344 863,768 Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Preferred stock	_		_	
Retained earnings 875,344 863,768 Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231	Common stock	702		702	
Retained earnings 875,344 863,768 Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231					
Treasury stock (383,126) (355,857) Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231					
Accumulated other comprehensive loss (94,636) (92,617) Total stockholders' equity 1,058,937 1,048,231				(355,857)	
Total stockholders' equity 1,058,937 1,048,231					
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,340,756	\$	2,122,455	

ACI WORLDWIDE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited and in thousands, except per share amounts)

Three Months Ended

Nine Months Ended

September 30, September 30, 2019 2018 2019 2018 \$ 104,519 \$ 474,008 322,399 Software as a service and platform as a service 192,952 \$ \$ 92.058 68,964 165,677 142,565 License Maintenance 52,638 54,373 159,671 166,080 Services 17,253 17,669 59,018 58,786 Total revenues 354,901 245,525 858,374 689,830 Operating expenses Cost of revenue (1) 174,168 102,473 444,349 326,070 Research and development 36,543 36,008 111,972 110,661 Selling and marketing 30,417 28,252 92,809 93,305 General and administrative 29,537 108,122 87.023 27,286 Depreciation and amortization 31,169 20,896 79,779 63,274 Total operating expenses 299,583 217,166 837,031 680,333 Operating income 21,343 55,318 28,359 9,497 Other income (expense) Interest expense (18,987) (12,573) (45,924) (31,655) Interest income 2,988 2,763 9,018 8,249 Other, net (2,369)(1.304)(2,879)(3,036)Total other income (expense) (18,368) (11,114) (39,785) (26,442) Income (loss) before income taxes 36,950 17,245 (18,442) (16,945) Income tax expense (benefit) 5.136 2,012 (30,018)1,824 Net income (loss) \$ 31,814 15,233 11,576 (18,769) Income (loss) per common share \$ Basic 0.27 \$ 0.13 \$ 0.10 \$ (0.16)Diluted 0.27 0.13 0.10 (0.16)Weighted average common shares outstanding Basic 116,169 115,889 116,337 115,615 115,615 Diluted 118,307 117,492 118,460

⁽¹⁾ The cost of revenue excludes charges for depreciation but includes amortization of purchased and developed software for resale.

ACI WORLDWIDE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited and in thousands)

		Three Months Ended September 30,			Nine Months Ended September 30,		
		2019	2018	_	2019	2018	
Cash flows from operating activities:	<u>-</u>						
Net income (loss)	\$	31,814	\$ 15,233	\$	11,576	\$	(18,769)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:							
Depreciation		6,085	6,021		17,916		17,896
Amortization		27,828	17,524		70,627		54,993
Amortization of operating lease right-of-use assets		3,848	_		10,877		_
Amortization of deferred debt issuance costs		1,226	2,436		2,909		3,881
Deferred income taxes		2,008	(4,095)	(39,323)		(7,139
Stock-based compensation expense		9,371	6,575		30,328		20,642
Other		898	1,680		2,431		1,432
Changes in operating assets and liabilities, net of impact of acquisitions:							
Receivables		(53,906)	(9,246)	34,690		58,443
Accounts payable		(9,708)	(559))	(8,414)		(4,217
Accrued employee compensation		2,903	5,897		1,740		92
Current income taxes		(2,902)	(3,186)	(8,536)		(10,429)
Deferred revenue		246	(10,189)	(17,735)		(47
Other current and noncurrent assets and liabilities		12,362	1,260		(20,148)		(16,316
Net cash flows from operating activities		32,073	29,351		88,938		100,462
Cash flows from investing activities:	_						
Purchases of property and equipment		(8,824)	(5,326)	(18,739)		(16,434
Purchases of software and distribution rights		(7,265)	(5,100)	(18,565)		(21,876
Acquisition of businesses, net of cash acquired		1,278	_		(757,268)		_
Other		(18,474)	_		(18,474)		(1,467
Net cash flows from investing activities		(33,285)	(10,426)	(813,046)		(39,777
Cash flows from financing activities:							
Proceeds from issuance of common stock		909	762		2,662		2,326
Proceeds from exercises of stock options		861	3,499		6,677		18,405
Repurchase of restricted share awards and restricted share units for tax withholdings		(13)	_		(2,822)		(2,588
Repurchases of common stock		(34,986)	_		(35,617)		(54,527
Proceeds from senior notes			400,000		_		400,000
Redemption of senior notes		_	(300,000)	_		(300,000
Proceeds from revolving credit facility		30,000	24,000		280,000		109,000
Repayment of revolving credit facility			(27,000)	(15,000)		(111,000
Proceeds from term portion of credit agreement		_	_		500,000		_
Repayment of term portion of credit agreement		(9,738)	(94,957)	(19,162)		(105,332
Payments for debt issuance costs		_	(7,253		(12,830)		(7,253
Payments on other debt		(5,989)	(782		(8,209)		(2,332
Net cash flows from financing activities		(18,956)	(1,731		695,699		(53,301
Effect of exchange rate fluctuations on cash		2,353	115		1,488		(752
Net increase (decrease) in cash and cash equivalents		(17,815)	17,309		(26,921)		6,632
Cash and cash equivalents, beginning of period		139,396	59,033		148,502		69,710
Cash and cash equivalents, beginning of period	9	121 581	\$ 76.342	•		¢	76.342

121,581

76,342

121,581

76,342

Cash and cash equivalents, end of period

Adjusted EBITDA (millions)	Three Months E	nded Septen	iber 30,
	 2019		2018
Net income	\$ 31.8	\$	15.2
Plus:			
Income tax expense	5.1		2.0
Net interest expense	16.0		9.8
Net other expense	2.4		1.3
Depreciation expense	6.1		6.0
Amortization expense	27.8		17.5
Non-cash stock-based compensation expense	9.3		6.6
Adjusted EBITDA before significant transaction-related expenses	\$ 98.5	\$	58.4
Significant transaction-related expenses	0.9		1.5
Adjusted EBITDA	\$ 99.4	\$	59.9
Segment Information (millions)	Three Months I	anded Septen	ıber 30,
	2019		2018
Revenue			
ACI On Premise	\$ 161.9	\$	141.0
ACI On Demand	193.0		104.5
Total	\$ 354.9	\$	245.5
Segment Adjusted EBITDA			
ACI On Premise	\$ 99.6	\$	77.8
ACI On Demand	18.6		3.3

Reconciliation of Adjusted Operating Free Cash Flow (millions)	Three Months Ended September 30,				
	2019			2018	
Net cash flows from operating activities	\$	32.1	\$		29.4
Net after-tax payments associated with significant transaction-related expenses		2.8			1.1
Less: capital expenditures		(16.1)			(10.4)
Adjusted Operating Free Cash Flow	\$	18.8	\$		20.1



Private Securities Litigation Reform Act of 1995 Safe Harbor For Forward-Looking Statements

This presentation contains forward-looking statements based on curre expectations that involve a number of risks and uncertainties. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securitic Litigation Reform Act of 1995. A discussion of these forward-looking statement and risk factors that may affect them is set forth at the end of this presentation. The Company assumes no obligation to update any forward-looking statement this presentation, except as required by law.

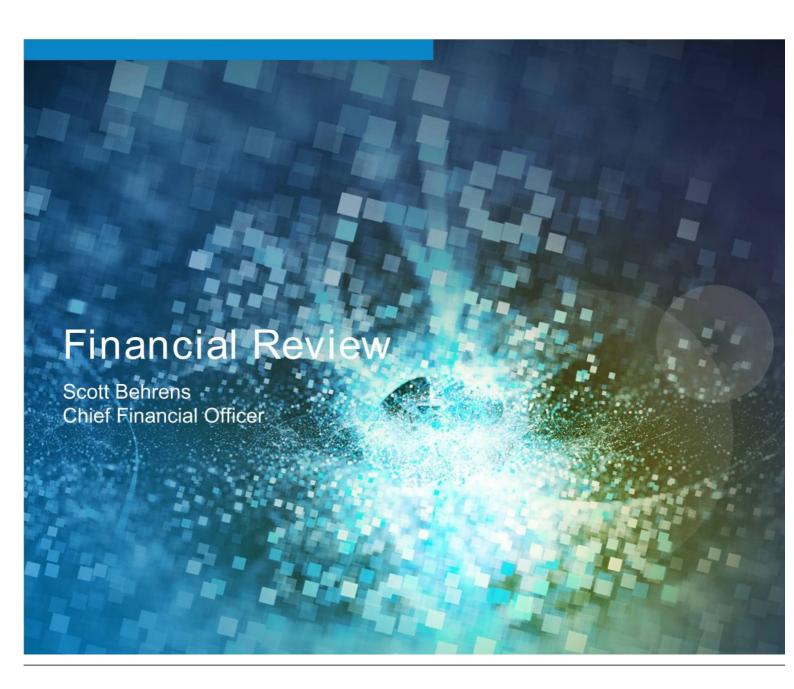




Quarterly Review

- New bookings up 12%
- Q3 revenue grew 45%
- Adjusted EBITDA grew 66%
- ACI On Demand margin improvement continues
- Repurchased 1.2 million shares





Key Takeaways from the Quarter

- New Bookings
 - New bookings were \$140 million, up 12% from Q3 2018
- Backlog*
 - 12-month backlog of \$1.1 billion, down \$37 million from Q2 2019
 - 60-month backlog of \$5.7 billion, up \$21 million from Q2 2019
- Revenue and Adjusted EBITDA
 - On Demand revenue increased 85% from Q3 2018
 - On Demand net adjusted EBITDA margin improved to 20% versus 5% in Q3 2018
 - On Premise revenue increased 15% from Q3 2018
 - On Premise adjusted EBITDA margin improved to 61% versus 55% in Q3 2018
- Debt and Liquidity
 - Cash flow from operating activities was \$32 million, versus \$29 million in Q3 2018
 - Adjusted operating free cash flow was \$19 million, versus \$20 million in Q3 2018
 - Ended Q3 with \$122 million in cash and \$1.4 billion in debt
 - Repurchased 1.2 million shares for \$35 million (\$29.05 per share)
 - \$141 million remaining on share repurchase authorization



*Adjusted for fx

2019 Guidance

11	2019 Guid	lance
	Low	High
Revenue	1,315	1,345
Adjusted EBITDA	360	380

\$'s in millions

- 2019 adjusted operating free cash flow expected to be in the range of \$190 million to \$200 million
- 2019 guidance excludes between \$30 million and \$35 million in one-time significant transaction-related expenses
- 2020 adjusted EBITDA targeted to be in the range of \$425 million to \$445 million





Recurring Revenue

	Th	ree Months En	ded Se	ptember 30,
Recurring Revenue (millions)) (E)	2019	100	2018
SaaS and PaaS fees	\$	193.0	\$	104.5
Maintenance fees	100	52.6		54.4
Recurring Revenue	\$	245.6	\$	158.9



Historic Bookings By Quarter

		Bool	kings Mix by Cate	egory
Quarter-End	Total Bookings	New Accounts / New Applications	Add-on Business inc. Capacity Upgrades & Services	Term Extension
3/31/2017	\$184,492	\$20,759	\$68,044	\$95,689
		11%	37%	52%
6/30/2017	\$206,094	\$53,521	\$83,363	\$69,209
		26%	40%	34%
9/30/2017	\$213,366	\$74,978	\$67,818	\$70,570
		35%	32%	33%
12/31/2017	\$488,900	\$92,364	\$157,857	\$238,678
		19%	32%	49%
3/31/2018	\$265,809	\$142,112	\$72,800	\$50,897
		53%	27%	19%
6/30/2018	\$197,616	\$44,783	\$82,528	\$70,306
		23%	42%	36%
9/30/2018	\$292,470	\$76,716	\$47,600	\$168,155
		26%	16%	57%
12/31/2018	\$506,103	\$129,021	\$161,917	\$215,164
		25%	32%	43%
3/31/2019	\$111,735	\$29,552	\$40,246	\$41,937
5-14-15-14-14-14-14-14-14-14-14-14-14-14-14-14-		26%	36%	38%
6/30/2019	\$300,656	\$65,428	\$63,244	\$171,984
- Committy of the Committy of		22%	21%	57%
9/30/2019	\$222,225	\$62,977	\$76,696	\$82,552
13	A COMMENT OF THE PROPERTY OF T	28%	35%	37%

	Total Bookings	New Accounts / New Applications	Add-on Business inc. Capacity Upgrades & Services	Term Extension
Sep YTD 19	\$634,616	\$157,957	\$180,186	\$296,473
Sep YTD 18	\$755,895	\$263,610	\$202,927	\$289,357
Variance	\$(121,279)	\$(105,653)	\$(22,742)	\$7,116



Adjusted EBITDA and Segmented Data

Adjusted EBITDA (millions)	Three Mo Septe		
	2019	19,51	2018
Net income	\$ 31.8	\$	15.2
Plus:			
Income tax expense	5.1		2.0
Net interest expense	16.0		9.8
Net other expense	2.4		1.3
Depreciation expense	6.1		6.0
Amortization expense	27.8		17.5
Non-cash stock-based compensation expense	9.3		6.6
Adjusted EBITDA before significant transaction-related expenses	\$ 98.5	\$	58.4
Significant transaction-related expenses	 0.9		1.5
Adjusted EBITDA	\$ 99.4	\$	59.9

Segment Information (millions)		ree Montl Septemb	nths Ended nber 30,	
9009 10 10	20	19	2018	
Revenue				
ACI On Premise	\$	161.9 \$	141.0	
ACI On Demand		193.0	104.5	
Total Revenue	\$	354.9 \$	245.5	
Segment Adjusted EBITDA				
ACI On Premise		99.6	77.8	
ACI On Demand		18.6	3.3	



Adjusted Operating Free Cash Flow and 60-Month Backlog

Reconciliation of Adjusted Operating Free Cash Flow (millions)		Three Months Ended September 30,				
		2019		2018		
Net cash flows from operating activities	\$	32.1	\$	29.4		
Net after-tax payments associated with significant transaction-related expenses		2.8		1.1		
Less: capital expenditures		(16.1)		(10.4)		
Adjusted Operating Free Cash Flow	\$	18.8	\$	20.1		

	Three Months Ended								
Backlog 60-Month (millions)	September 30, 2019		June 30, 2019		March 31, 2019		December 31, 2018		
ACI On Premise	\$	1,925	\$	1,880	\$	1,861	\$	1,875	
ACI On Demand		3,756		3,813		2,290		2,299	
Backlog 60-Month	\$	5,681	\$	5,693	\$	4,151	\$	4,174	

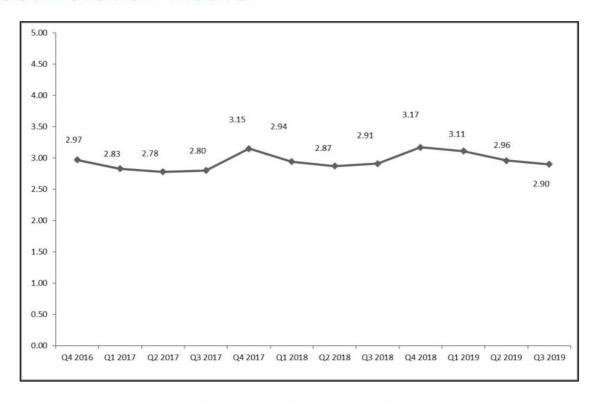


EPS Impact of Non-Cash and Significant Transaction-Related It

EPS impact of non-cash and significant transaction-related items (millions)	Three Months Ended September 30,							
		2	2019		2			
	EPS	Impact		Millions t of Tax)			\$ in Millions (Net of Tax)	
GAAP net income	\$	0.27	\$	31.8	\$	0.13	\$	15.2
Adjusted for:								
Significant transaction-related expenses		0.01		0.7		0.01		1.2
Amortization of acquisition-related intangibles		0.06		7.2		0.03		3.7
Amortization of acquisition-related software		0.07		8.4		0.05		5.4
Non-cash stock-based compensation		0.06		7.1		0.04		5.2
Total adjustments	\$	0.20	\$	23.4	\$	0.13	\$	15.5
Diluted EPS adjusted for non-cash and significant transaction-related items	\$	0.47	\$	55.2	\$	0.26	\$	30.7



Contract Duration Metric



- Represents dollar average remaining contract life (in years) for term license software contracts
- Excludes perpetual contracts (primarily acquired software contracts)
- Excludes all On Demand contracts as both cash and revenue are ratable over the contract term



Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tab which exclude significant transaction related expenses, as well as other significant non-cash expenses such depreciation, amortization, and non-cash compensation, that we believe are helpful in understanding our past finan performance and our future results. The presentation of these non-GAAP financial measures should be considered addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the finan information prepared and presented in accordance with GAAP. Management generally compensates for limitations in use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors wit reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accorda with GAAP. We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operation that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting business. Certain non-GAAP measures include:

- Adjusted EBITDA: net income (loss) plus income tax expense (benefit), net interest income (expense), net other incc
 (expense), depreciation, amortization, and non-cash compensation, as well as significant transaction related expens
 Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income (loss).
- Net Adjusted EBITDA Margin: Adjusted EBITDA divided by revenue net of pass through interchange revenue.
 Adjusted EBITDA Margin should be considered in addition to, rather than as a substitute for, net income (loss).



Non-GAAP Financial Measures

ACI is also presenting adjusted operating free cash flow, which is defined as net cash provided by operating activities plus net after-tax payments associated with employee-related actions and facility closures, plus net after-tax payment associated with significant transaction-related expenses, and less capital expenditures plus European data center and cybersecurity capital expenditures. Adjusted operating free cash flow is considered a non-GAAP financial measure adefined by SEC Regulation G. We utilize this non-GAAP financial measure, and believe it is useful to investors, as a indicator of cash flow available for debt repayment and other investing activities, such as capital investments and acquisitions. We utilize adjusted operating free cash flow as a further indicator of operating performance and for planning investing activities. Adjusted operating free cash flow should be considered in addition to, rather than as substitute for, net cash provided by operating activities. A limitation of adjusted operating free cash flow is that it doe not represent the total increase or decrease in the cash balance for the period. This measure also does not exclude mandatory debt service obligations and, therefore, does not represent the residual cash flow available for discretional expenditures. We believe that adjusted operating free cash flow is useful to investors to provide disclosures of or operating results on the same basis as that used by our management.

ACI also includes backlog estimates, which include all license, maintenance, and services revenue (including SaaS an Platform) specified in executed contracts, as well as revenues from assumed contract renewals to the extent that w believe recognition of the related revenue will occur within the corresponding backlog period. We have historical included assumed renewals in backlog estimates based upon automatic renewal provisions in the executed contract an our historic experience with customer renewal rates.



Non-GAAP Financial Measures

Backlog is considered a non-GAAP financial measure as defined by SEC Regulation G. Our 60-month backlog estim represents expected revenues from existing customers using the following key assumptions:

- Maintenance fees are assumed to exist for the duration of the license term for those contracts in which the commit maintenance term is less than the committed license term.
- License, facilities management, and SaaS and platform arrangements are assumed to renew at the end of the
 committed term at a rate consistent with our historical experiences.
- Non-recurring license arrangements are assumed to renew as recurring revenue streams.
- Foreign currency exchange rates are assumed to remain constant over the 60-month backlog period for those contrastated in currencies other than the U.S. dollar.
- Our pricing policies and practices are assumed to remain constant over the 60-month backlog period.

Estimates of future financial results are inherently unreliable. Our backlog estimates require substantial judgment and based on a number of assumptions as described above. These assumptions may turn out to be inaccurate or wro including, but not limited to, reasons outside of management's control. For example, our customers may attempt renegotiate or terminate their contracts for a number of reasons, including mergers, changes in their financial condition general changes in economic conditions in the customer's industry or geographic location, or we may experience delay the development or delivery of products or services specified in customer contracts which may cause the actual rene rates and amounts to differ from historical experiences. Changes in foreign currency exchange rates may also impact amount of revenue actually recognized in future periods. Accordingly, there can be no assurance that contracts include backlog estimates will actually generate the specified revenues or that the actual revenues will be generated within corresponding 60-month period.

Backlog should be considered in addition to, rather than as a substitute for, reported revenue and deferred revenue.



Forward-Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks an uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as "believes," "will," "expects," "anticipates," "intends," and words and phrases of similar impact The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in this presentation include, but are not limited to, statements regarding:

- 2019 financial guidance related to revenue and adjusted EBITDA;
- Expectations regarding adjusted operating free cash flow in 2019; and
- Expectations regarding 2020 adjusted EBITDA target.



Forward-Looking Statements

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, increased competition, the success of our Universal Payments strategy, demand for our products, restrictions and other financial covenants in our deb agreements, consolidations and failures in the financial services industry, customer reluctance to switch to a new vendor the accuracy of management's backlog estimates, the maturity of certain products, failure to obtain renewals o customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects o inaccurate project completion estimates, volatility and disruption of the capital and credit markets and adverse change: in the global economy, our existing levels of debt, impairment of our goodwill or intangible assets, litigation, future acquisitions, strategic partnerships and investments, integration of and achieving benefits from the Speedpar acquisition, the complexity of our products and services and the risk that they may contain hidden defects or be subjected to security breaches or viruses, compliance of our products with applicable legislation, governmenta regulations and industry standards, our ability to protect customer information from security breaches or attacks, ou compliance with privacy regulations, our ability to adequately defend our intellectual property, exposure to credit o operating risks arising from certain payment funding methods, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter business interruptions or failure of our information technology and communication systems, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, exposure to unknown tax liabilities, volatility in our stock price, and potential claims associated with our sale and transition of ou CFS assets and liabilities. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

