UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-4879

Diebold Nixdorf, Incorporated
(Exact name of registrant as specified in its charter)

Ohio	**34-0183970**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification Number)**
50 Executive Parkway, P.O. Box 2520 Hudson Ohio	**44236**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (330) 490-4000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common shares, $1.25 par value per share	**DBD**	**New York Stock Exchange**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock outstanding as of November 4, 2022 was 79,078,063.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
Form 10-Q

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Part I – Financial Information

Item 1: Financial Statements

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in millions, except share and per share amounts)

	September 30, 2022	December 31, 2021
	(Unaudited)	
ASSETS		
Current assets		
Cash, cash equivalents, and restricted cash	$ 128.4	$ 388.9
Short-term investments	14.6	34.3
Trade receivables, less allowances for doubtful accounts of $35.3 and $35.3, respectively	537.6	595.2
Inventories	666.2	544.2
Prepaid expenses	46.6	48.2
Current assets held for sale	59.0	73.4
Other current assets	224.9	203.1
Total current assets	1,677.3	1,887.3
Securities and other investments	7.2	11.0
Property, plant and equipment, net of accumulated depreciation and amortization of $452.9 and $494.3, respectively	112.3	138.1
Goodwill	649.6	743.6
Deferred income taxes	—	95.7
Customer relationships, net	211.3	301.7
Other assets	249.7	329.8
Total assets	$ 2,907.4	$ 3,507.2
LIABILITIES AND EQUITY		
Current liabilities		
Notes payable	$ 2,435.6	$ 47.1
Accounts payable	623.8	706.3
Deferred revenue	316.1	322.4
Payroll and other benefits liabilities	116.2	186.5
Current liabilities held for sale	6.5	20.3
Other current liabilities	402.7	466.8
Total current liabilities	3,900.9	1,749.4
Long-term debt	—	2,245.6
Pensions, post-retirement and other benefits	89.3	104.2
Deferred income taxes	114.8	105.5
Other liabilities	120.1	139.5
Equity		
Diebold Nixdorf, Incorporated shareholders' equity		
Preferred shares, no par value, 1,000,000 authorized shares, none issued	—	—
Common shares, $1.25 par value, 125,000,000 authorized shares, 95,722,344 and 94,599,742 issued shares, 79,065,985 and 78,352,333 outstanding shares, respectively	119.7	118.3
Additional capital	827.7	819.6
Retained earnings (accumulated deficit)	(1,254.5)	(822.4)
Treasury shares, at cost (16,656,359 and 16,247,409 shares, respectively)	(585.5)	(582.1)
Accumulated other comprehensive loss	(436.8)	(378.5)
Total Diebold Nixdorf, Incorporated shareholders' equity	(1,329.4)	(845.1)
Noncontrolling interests	11.7	8.1
Total equity	(1,317.7)	(837.0)
Total liabilities and equity	$ 2,907.4	$ 3,507.2

See accompanying notes to condensed consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(unaudited)
(in millions, except per share amounts)

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Net sales				
Services	$ 514.3	$ 561.7	$ 1,565.9	$ 1,722.0
Products	296.1	396.5	926.0	1,123.6
	810.4	958.2	2,491.9	2,845.6
Cost of sales				
Services	356.7	382.5	1,106.0	1,182.0
Products	259.9	315.6	846.0	878.4
	616.6	698.1	1,952.0	2,060.4
Gross profit	193.8	260.1	539.9	785.2
Selling and administrative expense	163.1	195.5	557.9	603.7
Research, development and engineering expense	26.7	25.6	92.1	95.3
(Gain) loss on sale of assets, net	(5.6)	—	(5.4)	(1.9)
Impairment of assets	4.1	0.3	64.7	0.3
	188.3	221.4	709.3	697.4
Operating profit (loss)	5.5	38.7	(169.4)	87.8
Other income (expense)				
Interest income	3.6	1.0	5.9	5.0
Interest expense	(50.7)	(51.3)	(148.4)	(149.7)
Foreign exchange gain (loss), net	5.3	4.4	2.9	0.9
Miscellaneous, net	(9.7)	4.6	(2.5)	6.6
Loss before taxes	(46.0)	(2.6)	(311.5)	(49.4)
Income tax expense (benefit)	3.9	(1.1)	119.0	(11.1)
Equity in loss of unconsolidated subsidiaries	(0.6)	(0.5)	(3.0)	(2.1)
Net loss	(50.5)	(2.0)	(433.5)	(40.4)
Net income (loss) attributable to noncontrolling interests	(0.7)	0.1	(1.4)	0.1
Net loss attributable to Diebold Nixdorf, Incorporated	$ (49.8)	$ (2.1)	$ (432.1)	$ (40.5)
Basic and diluted weighted-average shares outstanding	79.1	78.3	78.9	78.2
Net loss attributable to Diebold Nixdorf, Incorporated				
Basic and diluted loss per share	$ (0.63)	$ (0.03)	$ (5.48)	$ (0.52)

See accompanying notes to condensed consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss)
(unaudited)
(in millions)

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Net loss	$ (50.5)	$ (2.0)	$ (433.5)	$ (40.4)
Other comprehensive income (loss), net of tax				
Translation adjustment	(36.2)	(28.3)	(72.3)	(41.8)
Foreign currency hedges (net of tax of $0.0, $0.0, $0.0, and $0.0, respectively)	0.1	0.6	—	0.9
Interest rate hedges				
Net income (loss) recognized in other comprehensive income (net of tax of $0.0, $0.9, $0.6, and $1.7, respectively)	0.5	2.0	5.2	6.1
Reclassification adjustment for amounts recognized in net income	—	(0.4)	(0.6)	(1.2)
	0.5	1.6	4.6	4.9
Pension and other post-retirement benefits				
Net actuarial (loss) gain amortized (net of tax of $(0.6), $0.5, $(1.0), and $1.4 respectively)	(1.4)	2.6	(0.6)	6.4
Net actuarial losses recognized due to settlement (net of tax of $0.0, $0.0, $0.0 and $0.0, respectively)	14.3	—	14.3	—
Other	—	—	0.7	(0.9)
Other comprehensive loss, net of tax	(22.7)	(23.5)	(53.3)	(30.5)
Comprehensive loss	(73.2)	(25.5)	(486.8)	(70.9)
Less: Comprehensive income (loss) attributable to noncontrolling interests	1.2	0.1	3.6	0.7
Comprehensive loss attributable to Diebold Nixdorf, Incorporated	$ (74.4)	$ (25.6)	$ (490.4)	$ (71.6)

See accompanying notes to condensed consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(unaudited)
(in millions)

	Nine months ended September 30	
	2022	**2021**
Cash flow from operating activities		
Net loss	$ (433.5)	$ (40.4)
Adjustments to reconcile net loss to cash flow used by operating activities:		
Depreciation and amortization	42.3	55.2
Amortization of Wincor Nixdorf purchase accounting intangible assets	52.8	59.3
Amortization of deferred financing costs into interest expense	12.0	13.0
Share-based compensation	9.6	12.7
(Gain) loss on sale of assets, net	(5.4)	(1.9)
Net pension settlements	14.3	—
Impairment of assets	64.7	0.3
Deferred income taxes	112.8	(21.6)
Other	2.7	—
Changes in certain assets and liabilities		
Trade receivables	(2.5)	(50.9)
Inventories	(186.5)	(150.3)
Accounts payable	(18.9)	95.6
Deferred revenue	14.5	(87.2)
Sales tax and net value added tax	(24.9)	(35.7)
Income taxes	(34.7)	(25.5)
Accrued salaries, wages and commissions	(59.1)	1.5
Restructuring accrual	21.2	(22.4)
Warranty liability	(5.2)	(1.4)
Pension and post retirement benefits	(13.4)	(5.8)
Certain other assets and liabilities	(45.6)	(86.1)
Net cash used by operating activities	(482.8)	(291.6)
Cash flow from investing activities		
Capital expenditures	(13.8)	(11.1)
Capitalized software development	(24.0)	(21.6)
Proceeds from divestitures, net of cash divested	10.5	5.8
Proceeds from maturities of investments	368.6	222.6
Payments for purchases of investments	(345.6)	(202.0)
Proceeds from sale of assets	3.5	1.7
Net cash provided (used) by investing activities	(0.8)	(4.6)
Cash flow from financing activities		
Revolving credit facility borrowings, net	240.0	187.9
Other debt borrowings	12.4	9.9
Other debt repayments	(12.3)	(13.6)
Contributions from noncontrolling interest holders	—	12.7
Other	(6.6)	(7.1)
Net cash provided by financing activities	233.5	189.8
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(12.5)	(4.3)
Change in cash, cash equivalents and restricted cash	(262.6)	(110.7)
Add: Cash included in assets held for sale at beginning of period	3.1	2.7
Less: Cash included in assets held for sale at end of period	1.0	0.6
Cash, cash equivalents and restricted cash at the beginning of the period	388.9	324.5
Cash, cash equivalents and restricted cash at the end of the period	$ 128.4	$ 215.9

See accompanying notes to condensed consolidated financial statements.

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
FORM 10-Q as of September 30, 2022
Notes to Condensed Consolidated Financial Statements
(unaudited)
(in millions, except per share amounts)

Note 1: Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Diebold Nixdorf, Incorporated and its subsidiaries (collectively, the Company) have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States (U.S. GAAP); however, such information reflects all adjustments (consisting solely of normal recurring adjustments) that are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented.

The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021. In addition, some of the Company’s statements in this Quarterly Report on Form 10-Q may involve risks and uncertainties that could significantly impact expected future results. The results of operations for the three and nine months ended September 30, 2022 are not necessarily indicative of results to be expected for the full year.

The Company has reclassified the presentation of certain prior-year information to conform to the current presentation.

Recently Issued Accounting Guidance

The Company considers the applicability and impact of all Accounting Standards Updates (ASUs) issued by the Financial Accounting Standards Board (FASB).

In March 2020, the FASB issued guidance that provides optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships, and other transactions affected by the transition away from reference rates expected to be discontinued to alternative reference rates. The guidance was effective upon issuance and may be applied prospectively to contract modifications made and hedging relationships entered into on or before December 31, 2022. The standard does not materially impact the Company's consolidated financial statements.

Although there are other new accounting pronouncements issued by the FASB, the Company does not believe these will have a material impact on its consolidated financial statements.

Note 2: Earnings (Loss) Per Share

Basic earnings (loss) per share is based on the weighted-average number of common shares outstanding. Diluted earnings (loss) per share includes the dilutive effect of potential common shares outstanding. Under the two-class method of computing earnings (loss) per share, non-vested share-based payment awards that contain rights to receive non-forfeitable dividends are considered participating securities. The Company’s participating securities include restricted stock units (RSUs), director deferred shares and shares that vested but were deferred by employees. The Company calculated basic and diluted earnings (loss) per share under both the treasury stock method and the two-class method. For the three and nine months ended September 30, 2022 and 2021, there were no differences in the earnings (loss) per share amounts calculated using the two methods. Accordingly, the treasury stock method is disclosed below; however, because the Company is in a net loss position, dilutive shares of 1.8 and 1.2 for the three months ended September 30, 2022 and 2021, respectively, and 1.4 and 1.2 for the nine months ended September 30, 2022 and 2021, respectively, are excluded from the shares used in the computation of diluted earnings (loss) per share.

(in millions, except per share amounts)

The following table represents amounts used in computing earnings (loss) per share and the effect on the weighted-average number of shares of dilutive potential common shares:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Numerator				
Income (loss) used in basic and diluted loss per share				
Net loss	$ (50.5)	$ (2.0)	$ (433.5)	$ (40.4)
Net income (loss) attributable to noncontrolling interests	(0.7)	0.1	(1.4)	0.1
Net loss attributable to Diebold Nixdorf, Incorporated	$ (49.8)	$ (2.1)	$ (432.1)	$ (40.5)
Denominator				
Weighted-average number of common shares used in basic and diluted loss per share [1]	79.1	78.3	78.9	78.2
Net loss attributable to Diebold Nixdorf, Incorporated				
Basic and diluted loss per share	$ (0.63)	$ (0.03)	$ (5.48)	$ (0.52)

[1] Shares of 4.1 and 4.0 for the three months ended September 30, 2022 and 2021, respectively, and 4.2 and 3.5 for the nine months ended September 30, 2022 and 2021, respectively, are excluded from the computation of diluted earnings per share because the effects are anti-dilutive, irrespective of the net loss position.

Note 3: Income Taxes

The effective tax rate on the loss from continuing operations was (8.5) percent and (38.2) percent for the three and nine months ended September 30, 2022, respectively. The tax provision for the three months ended September 30, 2022 was attributable to current quarter pre-tax income and losses, and discrete tax adjustments for current tax expense related to tax return to provision differences. The tax provision for the nine months ended September 30, 2022 was primarily attributable to the jurisdictional mix of year to date income and loss, and the valuation allowance due to the Company's going concern assessment. Consistent with the second quarter of 2022, the Company calculated income tax expense using the actual effective tax rate year to date, as opposed to the estimated annual effective tax rate, as provided in Accounting Standards Codification (ASC) 740-270-30-18. See Note 9 for further details regarding the refinancing and going concern assessment.

The effective tax rate on the loss from continuing operations was 35.5 percent and 21.6 percent for the three and nine months ended September 30, 2021, respectively. The tax benefit for the three months ended September 30, 2021 was attributable to pre-tax losses in excess of discrete adjustments for tax return to provision differences in such period. The tax benefit for the nine months ended September 30, 2021 was primarily attributable to the jurisdictional mix of income and loss, valuation allowance on certain interest expense carryforwards, partially offset by discrete tax adjustments for tax return to provision differences, expired stock compensation, and uncertain tax positions.

Note 4: Inventories

Major classes of inventories are summarized as follows:

	September 30, 2022	December 31, 2021
Raw materials and work in process	$ 254.8	$ 194.1
Finished goods	254.2	180.3
Total product inventories	509.0	374.4
Service parts	157.2	169.8
Total inventories	$ 666.2	$ 544.2

(in millions, except per share amounts)

Note 5: Investments

The Company's investments, primarily in Brazil, consist of certificates of deposit that are recorded at fair value based upon quoted market prices. Changes in fair value are recognized in interest income, determined using the specific identification method, and were minimal. There were no gains from the sale of securities or proceeds from the sale of securities prior to the maturity date for the three and nine months ended September 30, 2022 and 2021.

The Company has deferred compensation plans that enable certain employees to defer receipt of a portion of their cash, 401(k) or share-based compensation and enable non-employee directors to defer receipt of director fees at the participants' discretion.
For deferred cash-based compensation, the Company established rabbi trusts (refer to Note 15), which are recorded at fair value of the underlying securities within securities and other investments. The related deferred compensation liability is recorded at fair value within other long-term liabilities. Realized and unrealized gains and losses on marketable securities in the rabbi trusts are recognized in interest income.

The Company's investments subject to fair value measurement consist of the following:

	Cost Basis	Unrealized Gain / (Loss)	Fair Value
As of September 30, 2022			
Short-term investments			
Certificates of deposit	$ 14.6	$ —	$ 14.6
Long-term investments			
Assets held in a rabbi trust	$ 4.5		$ 4.5
As of December 31, 2021			
Short-term investments			
Certificates of deposit	$ 34.3	$ —	$ 34.3
Long-term investments			
Assets held in a rabbi trust	$ 5.4	$ 1.6	$ 7.0

Securities and other investments also includes cash surrender value of insurance contracts of $2.7 and $4.0 as of September 30, 2022 and December 31, 2021, respectively.

The Company has certain non-consolidated joint ventures that are not significant subsidiaries and are accounted for under the equity method of accounting. The Company owns 48.1 percent of Inspur Financial Information System Co., Ltd. (Inspur JV) and 49.0 percent of Aisino-Wincor Retail & Banking Systems (Shanghai) Co., Ltd. (Aisino JV). The Company engages in transactions in the ordinary course of business with the respective joint ventures. As of September 30, 2022, the Company had accounts receivable and accounts payable balances with these joint ventures of $3.7 and $33.6, respectively, which are included in trade receivables, less allowances for doubtful accounts and accounts payable on the condensed consolidated balance sheets.

Note 6: Goodwill and Other Assets

In the second quarter of 2022, the Company reorganized its reportable segments in connection with the new and simplified operating model implemented by the recently appointed Chief Executive Officer. This organizational change is described in further detail in Note 19, and is consistent with how the Chief Executive Officer, the chief operating decision maker (CODM), makes key operating decisions, allocates resources, and assesses the performance of the business.

Prior to reorganization, the Company had four reporting units: Eurasia Banking, Americas Banking, EMEA Retail, and Rest of World Retail. The Company's new reporting units, determined in accordance with ASC 350, "*Intangibles - goodwill and other*", are the same as the operating and reportable segments, which are global Banking and global Retail. The Banking reporting unit is the summation of the legacy Eurasia Banking and Americas Banking reporting units and Retail is the summation of the legacy EMEA Retail and Rest of World Retail reporting units.

(in millions, except per share amounts)

The new segmentation aligns with the Company's focus on standard and centralized global product and service offerings that support our customer base, which is largely comprised of global financial institutions and retailers. Further the simplified organization does not have regional leaders reporting to the CODM, and operating metrics other than net sales will not be allocated or analyzed on a regional basis largely due to the centralization of our manufacturing and procurement functions.

As of April 30, 2022 and as a result of the reporting unit change, we performed an interim quantitative goodwill impairment test for both our old and new reporting units using a combination of the income valuation and market approach methodology. The determination of the fair value of the reporting unit requires significant estimates and assumptions, including significant unobservable inputs. The key inputs included, but were not limited to, discount rates, terminal growth rates, market multiple data from selected guideline public companies, management's internal forecasts which include numerous assumptions such as projected net sales, gross profit, sales mix, operating and capital expenditures and earnings before interest and taxes margins, among others. No impairment resulted from the quantitative interim goodwill impairment test under either the legacy or new reporting unit structure.

Management determined that the fair value of Eurasia Banking had a cushion of approximately 10 percent when compared to its carrying amounts prior to the change. The other legacy reporting units had significant excess fair value or cushion when compared to its carrying amount. Under the new reporting unit structure, Banking had a cushion of approximately 130 percent and Retail had a cushion of approximately 110 percent.

Changes in certain assumptions or the Company's failure to execute on the current plan could have a significant impact to the estimated fair value of the reporting units.

In addition to the quantitative goodwill impairment test, the Company also performed a reassignment of the goodwill to the new reporting units using a relative fair value allocation approach required by ASC 350. The results of that reassignment are included in the summary below.

	Legacy Reporting Units		New Reporting Unit		
	Eurasia Banking	Americas Banking	Banking	Retail	Total
Goodwill	$ 590.4	$ 444.7	$ —	$ 236.2	$ 1,271.3
Accumulated impairment	(291.7)	(122.0)	—	(57.2)	(470.9)
Balance at January 1, 2021	$ 298.7	$ 322.7	$ —	$ 179.0	$ 800.4
Divestitures	—	—	—	(3.3)	(3.3)
Currency translation adjustment	(29.0)	(4.6)	—	(19.9)	(53.5)
Goodwill	$ 561.4	$ 440.1	$ —	$ 213.0	$ 1,214.5
Accumulated impairment	(291.7)	(122.0)	—	(57.2)	(470.9)
Balance at December 31, 2021	$ 269.7	$ 318.1	$ —	$ 155.8	$ 743.6
Currency translation adjustment	(6.3)	(1.0)	—	(4.4)	(11.7)
Goodwill	$ 555.1	$ 439.1	$ —	$ 208.6	$ 1,202.8
Currency translation adjustment	—	—	(55.4)	(26.9)	(82.3)
Goodwill reassignment	(555.1)	(439.1)	922.2	72.0	—
Goodwill	$ —	$ —	$ 866.8	$ 253.7	$ 1,120.5
Accumulated impairment reassignment	291.7	122.0	(413.7)	—	—
Accumulated impairment	$ —	$ —	$ (413.7)	$ (57.2)	$ (470.9)
Balance at September 30, 2022	$ —	$ —	$ 453.1	$ 196.5	$ 649.6

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
FORM 10-Q as of September 30, 2022
Notes to Condensed Consolidated Financial Statements (continued)
(unaudited)
(in millions, except per share amounts)

The following summarizes information on intangible assets by major category:

		September 30, 2022			December 31, 2021		
	Weighted-average remaining useful lives	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships, net	3.4 years	$ 605.3	$ (394.0)	$ 211.3	$ 703.3	$ (401.6)	$ 301.7
Capitalized Software Development	1.9 years	227.9	(189.4)	38.5	228.1	(184.9)	43.2
Development costs non-software	0.8 years	46.3	(44.0)	2.3	51.8	(51.6)	0.2
Other intangibles	5.2 years	46.1	(44.0)	2.1	50.8	(48.4)	2.4
Other intangible assets, net		320.3	(277.4)	42.9	330.7	(284.9)	45.8
Total		$ 925.6	$ (671.4)	$ 254.2	$ 1,034.0	$ (686.5)	$ 347.5

Costs incurred for the development of external-use software that will be sold, leased or otherwise marketed are capitalized when technological feasibility has been established. These costs are included within other assets and are amortized on a straight-line basis over the estimated useful lives ranging from three to five years. Amortization begins when the product is available for general release. Costs capitalized include direct labor and related overhead costs. Costs incurred prior to technological feasibility or after general release are expensed as incurred. The Company performs periodic reviews to ensure that unamortized program costs remain recoverable from future revenue. If future revenue does not support the unamortized program costs, the amount by which the unamortized capitalized cost of a software product exceeds the net realizable value is impaired.

The following table identifies the activity relating to total capitalized software development:

	2022	2021
Beginning balance as of January 1	$ 43.2	$ 38.0
Capitalization	24.0	21.6
Amortization	(19.7)	(17.7)
CTA, transferred to held-for-sale, impaired, other	(9.0)	(0.4)
Ending balance as of September 30	$ 38.5	$ 41.5

The Company's total amortization expense, excluding that related to deferred financing costs, was $72.1 and $78.1 for the nine months ended September 30, 2022 and 2021, respectively. The Company's total amortization expense, excluding that related to deferred financing costs, was $23.2 and $26.0 for the three months ended September 30, 2022 and 2021, respectively.

Note 7: Product Warranties

The Company provides its customers a standard manufacturer’s warranty and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. Estimated future obligations due to warranty claims are based upon historical factors such as labor rates, average repair time, travel time, number of service calls per machine and cost of replacement parts.

Changes in the Company’s warranty liability balance are illustrated in the following table:

	2022	2021
Beginning balance as of January 1	$ 36.3	$ 38.6
Current period accruals	12.2	16.1
Current period settlements	(17.0)	(17.5)
Currency translation adjustment	(2.6)	(2.4)
Ending balance as of September 30	$ 28.9	$ 34.8

(in millions, except per share amounts)

Note 8: Restructuring

In the fourth quarter of 2021, the Company completed the execution of a multi-year restructuring and transformation program called DN Now. On a cumulative basis, $218.9 of expenses were incurred through December 31, 2021. These costs consisted primarily of severance charges, costs of personnel transitioning out of the organization, and consulting fees paid to third-party organizations who assisted with our transition to a shared service model.

In the second quarter of 2022, the Company announced a new initiative to streamline operations, drive efficiencies and digitize processes, targeting annualized cost savings of more than $150.0 by the end of 2023. During the three and nine month periods ended September 30, 2022, the Company incurred $20.7 and $98.9, respectively, of restructuring and transformation costs. The most significant of these costs was $54.9, all recorded in the second quarter of 2022, that was accrued for future severance payments under an ongoing severance benefit program. No severance accruals were recorded in the third quarter of 2022. Consistent with DN Now, other than severance, the remainder of the expenses incurred in both the three and nine-month periods primarily relate to transitioning personnel and consultant fees in relation to the transformation process.

In connection with the latest restructuring initiative, several facilities have been identified for closure, which resulted in a $5.4 impairment of right-of-use assets and related leasehold improvements and furniture and fixtures recorded during the second quarter of 2022. In connection with the organizational simplification and related portfolio optimization, $4.1 of German capitalized software was impaired in the third quarter.

The following table summarizes the impact of the Company's restructuring and transformation charges on the consolidated statements of operations:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Cost of sales – services	$ 3.0	$ —	$ 7.4	$ 10.1
Cost of sales – products	1.3	—	10.0	1.6
Selling and administrative expense	13.9	—	71.7	11.7
Research, development and engineering expense	2.5	—	9.8	(0.3)
Total	$ 20.7	$ —	$ 98.9	$ 23.1

The following table summarizes the Company's severance accrual balance and related activity:

	2022	2021
Beginning balance as of January 1	$ 35.3	$ 62.9
Severance Accruals	54.9	10.3
Payouts/Settlements	(35.6)	(29.5)
Other	(0.3)	(4.9)
Ending balance as of September 30	$ 54.3	$ 38.8

(in millions, except per share amounts)

Note 9: Debt

Outstanding debt balances were as follows:

	September 30, 2022		December 31, 2021	
Notes payable (maturities between September 30, 2022 and September 30, 2023)				
Uncommitted lines of credit	$	9.2	$	1.6
2023 Revolving Facility		300.9		35.9
2023 Term Loan B Facility - USD		4.8		4.8
2023 Term Loan B Facility - Euro		4.0		4.7
Other		0.2		0.3
	$	319.1	$	47.3
Short-term deferred financing fees		(0.6)		(0.2)
	$	318.5	$	47.1
Debt with maturities subsequent to September 30, 2023; classified as current for the period ended September 30, 2022 (*refer to discussion below*)				
2023 Revolving Facility	$	—	$	25.0
2023 Term Loan B Facility - USD		376.8		381.0
2023 Term Loan B Facility - Euro		319.8		375.6
2024 Senior Notes		400.0		400.0
2025 Senior Secured Notes - USD		700.0		700.0
2025 Senior Secured Notes - EUR		341.2		396.4
Other		3.8		4.2
	$	2,141.6	$	2,282.2
Deferred financing fees		(24.5)		(36.6)
	$	2,117.1	$	2,245.6

Senior and Senior Secured Notes

On July 20, 2020, Diebold Nixdorf, Incorporated issued $700.0 aggregate principal amount of 9.375 percent Senior Secured Notes due 2025 (the 2025 Senior Secured Notes - USD) and its wholly-owned subsidiary, Diebold Nixdorf Dutch Holding B.V., issued €350.0 aggregate principal amount of 9.0 percent Senior Secured Notes due 2025 (the 2025 Senior Secured Notes - EUR and, together with the 2025 Senior Secured Notes - USD, the 2025 Senior Secured Notes) in private offerings exempt from registration under the Securities Act of 1933. The 2025 Senior Secured Notes - USD were issued at a price of 99.031 percent of their principal amount, and the 2025 Senior Secured Notes - EUR were issued at a price of 99.511 percent of their principal amount.

The 2025 Senior Secured Notes are or will be, as applicable, guaranteed on a senior secured basis by (i) all of Diebold Nixdorf, Incorporated's existing and future direct and indirect U.S. subsidiaries that guarantee the obligations under the credit agreement (the Credit Agreement) governing the Company's revolving credit facility (the Revolving Facility) and (ii) all of Diebold Nixdorf, Incorporated's existing, future, direct and indirect U.S. subsidiaries (other than securitization subsidiaries, immaterial subsidiaries and certain other subsidiaries) that guarantee any of the Diebold Nixdorf Dutch Holding B.V.'s, Diebold Nixdorf, Incorporated's or its subsidiary guarantors' indebtedness for borrowed money (collectively, the U.S. subsidiary guarantors). Additionally, the 2025 Senior Secured Notes - USD and the 2025 Senior Secured Notes - EUR are guaranteed on a senior secured basis by Diebold Nixdorf Dutch Holdings B.V. and Diebold Nixdorf, Incorporated, respectively. The 2025 Senior Secured Notes are secured by first-priority liens on substantially all of the tangible and intangible assets of Diebold Nixdorf, Incorporated, Diebold Nixdorf Dutch Holding B.V. and the U.S. subsidiary guarantors, in each case subject to permitted liens and certain exceptions. The first-priority liens on the collateral securing the 2025 Senior Secured Notes - USD and the related guarantees and the 2025 Senior Secured Notes - EUR and the related guarantees are shared ratably among the 2025 Senior Secured Notes and the obligations under the Credit Agreement.

The net proceeds from the offerings of the 2025 Senior Secured Notes, along with cash on hand, were used to repay a portion of the amounts outstanding under the Credit Agreement, including all amounts outstanding under the Term Loan A Facility and Term Loan A-1 Facility and $193.8 of revolving credit loans, including all of the revolving credit loans due in December 2020, and for the payment of all related fees and expenses.

The Company also has an outstanding $400.0 aggregate principal amount of 8.5 percent Senior Notes due 2024 (the 2024 Senior Notes). The 2024 Senior Notes were issued by Diebold Nixdorf, Incorporated and are guaranteed by the U.S. subsidiary, and mature in April 2024.

Credit Agreement - Term Loan and Revolving Facilities

On March 11, 2022, the Company entered into the eleventh and most recent amendment to the credit agreement (the Credit Agreement) governing its revolving facility (the Revolving Facility) and the term loan facilities (the Term Loan Facilities) to amend the financial covenants with respect to its "Total Net Leverage Ratio" (as defined in the Credit Agreement). As a result, the Company incurred approximately $1.1 of amendment fees that are classified within Other of the Financing section of the Consolidated Statement of Cash Flows. The fees will be amortized to interest expense over the remaining life of the Agreement. Prior to the eleventh amendment, the Company terminated its 2022 revolving commitments that were scheduled to mature in April 2022.

As of September 30, 2022, the Term Loan Facilities and Revolving Facility under the Credit Agreement were secured by substantially all assets of Diebold Nixdorf, Incorporated and its domestic subsidiaries that are borrowers or guarantors under the Credit Agreement, subject to certain exceptions and permitted liens.

Transaction Support Agreement - 2022 Refinancing

The Company has been in discussions with a group (the “Term Lender Group”) of certain creditors holding primarily term loans (the “Existing Term Loans”) under the Credit Agreement and a group (the “Ad Hoc Group”) of certain creditors holding primarily 2024 Senior Notes and/or 2025 Senior Secured Notes as well as Existing Term Loans concerning potential financing and/or recapitalization transactions involving the Company (the “Transaction Discussions”). As a result of the Transaction Discussions, the Company, the Term Lender Group and the Ad Hoc Group have agreed on the principal terms of a new money financing and recapitalization and exchanges that address certain near-term maturities (the “Transaction”).

Accordingly, the Company, certain of its subsidiaries and members of the Term Lender Group and the Ad Hoc Group (such members collectively, the “Initial Consenting Holders”) have entered into a transaction support agreement (together with all exhibits, annexes and schedules thereto, the “Transaction Support Agreement”), dated October 20, 2022. The Transaction Support Agreement sets forth the terms agreed between the Company and holders of approximately 78.8% of the aggregate principal amount of the Existing Term Loans, approximately 59.3% of the aggregate principal amount of the 2024 Senior Notes, approximately 91.8% of the aggregate principal amount of the 2025 USD Senior Notes and approximately 85.4% of the aggregate principal amount of the 2025 Senior Secured Notes - EUR.

Following execution of the Transaction Support Agreement, additional eligible creditors have executed joinders thereto as permitted by its terms. As a result, the percentage of the Company’s term loans held by holders who are party to the Transaction Support Agreement has increased to approximately 97% as of November 9, 2022, and the percentage of the Company’s 2024 senior notes that are held by holders who are party to the Transaction Support Agreement has increased to approximately 83% as of November 9, 2022.

The Transaction Support Agreement contemplates, among other things, that:

- The Company and certain of its subsidiaries will obtain a new $250 million asset-based credit facility (the “ABL Facility”), which will mature in July 2026, subject to a springing maturity to a date that is 91 days prior to the maturity of certain indebtedness of the Company or its subsidiaries above a certain threshold. The ABL Facility is expected to be provided by, and replace the commitments of, the Company’s existing revolving credit lenders under the Credit Agreement.

- Diebold Nixdorf Holding Germany GmbH (the “German Borrower”), a wholly-owned subsidiary of the Company, will obtain a new $400 million super-senior term loan credit facility (the “Super Senior Facility”), which will mature in July 2025. Certain current participating lenders who have signed the Transaction Support Agreement have provided commitments subject to satisfaction of the conditions specified therein, totaling the full $400 million with respect to the Super Senior Facility. The Super Senior Facility will provide additional liquidity to the German Borrower, the Company and its subsidiaries. A portion of the proceeds of the Super Senior Facility will be applied on the closing date to prepay the Extended Term Loans in an amount equal to 15.0% of the principal amount of the Company's existing term loans (the "Existing Term Loans") that elect to exchange into Extended Term Loans (as defined herein).
- Holders of Existing Term Loans will be offered the opportunity to exchange such Existing Term Loans at par into extended term loans (the “Extended Term Loans”), which will mature in July 2025. As described above, 15.0% of the Extended Term Loans will be prepaid on the closing date. In addition, the Company will be required to prepay the Extended Term Loans on December 31, 2023 in an amount equal to 5.0% of the principal amount of Existing Term Loans exchanged into Extended Term Loans subject to satisfaction of a specified minimum liquidity threshold. If such minimum liquidity threshold is not satisfied on December 31, 2023, such prepayment will instead be required on December 31, 2024 subject to satisfaction of the same condition. Holders of Existing Term Loans who have signed the Transaction Support Agreement by October 27, 2022 (the "Joinder Date") will receive, on the closing date, a transaction premium of 3.0% of Extended Term Loans received in exchange for Existing Term Loans, paid in the form of Extended Term Loans.
- Holders of 2024 Senior Notes will be offered the opportunity to exchange such 2024 Senior Notes (i) at 95.0% of par into new secured notes issued by the Company (the “2L Notes”), which will mature in October 2026, and (ii) into a ratable amount of penny warrants (the “Warrants”) exercisable for common shares in the Company, the total amount of which will represent 19.99% of the outstanding common shares of the Company. The Warrants will be non-detachable and not exercisable until April 2024 subject to certain exceptions. The Company will also solicit consents from holders of the 2024 Senior Notes to amend the 2024 Senior Notes indenture as necessary to, among other things, allow the transactions contemplated by the Transaction Support Agreement (the "Transaction"), remove substantially all negative covenants and mandatory prepayments (to the extent permitted, including under applicable law), and to extend the grace period under the 2024 Senior Notes indenture applicable with respect to defaults in payment of interest to run until the maturity date of the 2024 Senior Notes. Holders of 2024 Senior Notes who have signed the Transaction Support Agreement by the Joinder Date will receive, on the closing date, a transaction premium of 5.0% of the principal amount of such 2024 Senior Notes, paid in the form of 2L Notes.
- The Company will also solicit consents from holders of the 2025 Senior Secured Notes, to amend 2025 Senior Secured Notes indentures and related documentation as necessary to, among other things, allow the Transaction and provide the 2025 Senior Secured Notes with certain covenant, collateral and guarantee enhancements. Holders of 2025 Senior Secured Notes who have signed the Transaction Support Agreement by the Joinder Date will receive, on the closing date, a transaction premium of 3.0% of such 2025 Senior Secured Notes, paid in the form of 2025 Senior Secured Notes.
- The Company will also solicit consents from lenders under the Credit Agreement to amend the Credit Agreement as necessary to, among other things, permit the Transaction, remove substantially all negative covenants and mandatory prepayments, and to direct the Administrative Agent to release the liens on certain collateral securing the Company’s and the existing subsidiary guarantors’ obligations under the Credit Agreement (in each case, to the extent permitted including under applicable law).

Upon fulfillment of closing conditions and consummation of the transactions contemplated by the Transaction Support Agreement, we will have extended our near-term debt maturities and obtained additional liquidity. While the Company believes the transactions contemplated by the Transaction Support Agreement will be consummated, there can be no assurance that such conditions will be satisfied.

Uncommitted Line of Credit

As of September 30, 2022, the Company had various international short-term uncommitted lines of credit with borrowing limits aggregating to $52.9. The weighted-average interest rate on outstanding borrowings on the short-term uncommitted lines of credit as of September 30, 2022 and December 31, 2021 was 17.11 percent and 3.24 percent, respectively, and primarily relate to higher interest rate, short-term uncommitted lines of credit in Columbia and Brazil. Short-term uncommitted lines mature in less than one year. The remaining amount available under the short-term uncommitted lines at September 30, 2022 was $43.7.

(in millions, except per share amounts)

The cash flows related to debt borrowings and repayments were as follows:

	Nine months ended September 30	
	2022	2021
Revolving credit facility borrowings	$ 512.0	$ 468.0
Revolving credit facility repayments	$ (272.0)	$ (280.1)
Other debt borrowings		
International short-term uncommitted lines of credit borrowings	$ 12.4	$ 9.9
Other debt repayments		
Payments on Term Loan B Facility - USD under the Credit Agreement	$ (4.2)	$ (3.5)
Payments on Term Loan B Facility - Euro under the Credit Agreement	(3.8)	(3.5)
International short-term uncommitted lines of credit and other repayments	(4.3)	(6.6)
	$ (12.3)	$ (13.6)

The interest rates with respect to the Revolving Facility are based on, at the Company's option, adjusted LIBOR or an alternative base rate, plus an applicable margin tied to the Company's then applicable total net leverage ratio. Such applicable margins range from, LIBOR-based Revolving Loans, 1.25 percent to 4.25 percent, and for base-rate Revolving Loans, 1.00 percent less than in the case of LIBOR-based loans.

Below is a summary of financing and replacement facilities information:

Financing and Replacement Facilities	Interest Rate Index and Margin	Maturity/Termination Dates	Initial Term (Years)
Credit Agreement facilities			
2023 Revolving Facility[ii, iv]	LIBOR + 4.50%	July 2023	3.0
Term Loan B Facility - USD[i]	LIBOR + 2.75%	November 2023	7.5
Term Loan B Facility - Euro[iii]	EURIBOR + 3.00%	November 2023	7.5
2024 Senior Notes	8.5%	April 2024	8
2025 Senior Secured Notes - USD	9.375%	July 2025	5
2025 Senior Secured Notes - EUR	9.0%	July 2025	5

(i) LIBOR with a floor of 0.0%
(ii) LIBOR with a floor of 0.5%
(iii) EURIBOR with a floor of 0.0%
(iv) The 2023 Revolving Facility margin remains at the LIBOR + 4.25% for a single creditor.

The Company's current debt agreements contain various financial covenants, including net debt to adjusted EBITDA and net interest coverage ratio, along with certain negative covenants that, among other things, limit dividends, acquisitions and the use of proceeds from divestitures. The Credit Agreement financial ratios are as follows:

- a maximum allowable total net debt to adjusted EBITDA leverage ratio of 6.50 to 1.00 for the quarter ended September 30, 2022 (decreasing to 5.50 for the quarter ending December 31, 2022, and 5.25 for the quarter ending March 31, 2023); and
- a minimum adjusted EBITDA to net interest expense coverage ratio of not less than 1.625 to 1.00 for the quarter ended September 30, 2022 (increasing to 1.75 for the quarter ending December 31, 2022 and thereafter).

(in millions, except per share amounts)

As of September 30, 2022, the Company was not in compliance with the net leverage ratio within the Credit Agreement. The Company has obtained a waiver with respect to such covenant with an expiration of December 31, 2022, which waives any failure of the Company to be in compliance with such financial covenant. Prior to expiration of the waiver on December 31, 2022, the Company expects to have consummated the Transaction, at which point it will no longer be subject to the covenants of the Credit Agreement.

Going Concern Assessment and Current Classification of Debt

Pursuant to the requirements of ASC Topic 205-40, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, management must evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year from the date the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q are issued. This evaluation does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented or are not within control of the Company as of the date the condensed consolidated financial statements are issued.

The Revolving Facility is due on July 20, 2023 and the Term Loan Facility is due on November 6, 2023, both less than one year from the filing of this Quarterly Report on Form 10-Q. Refinancing the components of our debt arrangements that have near-term maturities, inclusive of the Revolving Facility and Term Loan B Facility, has been a top priority and culminated in the signing of the Transaction Support Agreement. Pursuant to the Transaction Support Agreement, the closing of the Transaction is subject to the satisfaction of certain conditions, including execution and delivery of definitive documentation with respect to the Transaction, receipt of all necessary consents to the consummation of the Transaction, including obtaining certain minimum consent and exchange thresholds under the Credit Agreement and the 2024 Senior Notes indenture and certain consent thresholds under the 2025 Senior Secured Notes indentures, and other customary closing conditions. While the Company believes the transactions contemplated by the Transaction Support Agreement will be consummated, there can be no assurance that such conditions will be satisfied.

Albeit unlikely, if the Company is unable to consummate the Transaction prior to December 31, 2022 or future reporting periods, and is also unable to obtain a waiver extension with respect to the net leverage ratio covenant under the Credit Agreement, certain debt could become due and immediately payable (absent additional waivers), for which sufficient cash would not be available. As such, all debt has been classified as a current liability as of September 30, 2022, and is presented within the notes payable caption of the condensed consolidated balance sheet.

As a result of the closing conditions of the Transaction Support Agreement, and as disclosed in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022, substantial doubt exists regarding our ability to continue as a going concern. The Company expects the Transaction will be consummated and substantial doubt will be alleviated prior to December 31, 2022. The condensed consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets, liabilities, and reported expenses that may be necessary if the Company were unable to continue as a going concern.

Note 10: Redeemable Noncontrolling Interests

Changes in redeemable noncontrolling interests were as follows:

	2022	2021
Beginning balance as of January 1	$ —	$ 19.2
Redemption value adjustment	—	—
Termination of put option	—	(19.2)
Ending balance as of September 30	$ —	$ —

During the first quarter of 2021, the Company entered into an agreement whereby its ownership percentage in a certain consolidated but non-wholly owned subsidiary in Europe was reduced by means of capital contributions from noncontrolling shareholders totaling $12.7. Following the agreement, the Company maintains a controlling interest in the subsidiary. As part of this agreement, the put option that could have required the Company to acquire the noncontrolling shares was irrevocably waived, reducing the redeemable noncontrolling interest to zero.

(in millions, except per share amounts)

Note 11: Equity

The following tables present changes in shareholders' equity attributable to Diebold Nixdorf, Incorporated and the noncontrolling interests:

	Common Shares	Additional Capital	Accumulated Deficit	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Total Diebold Nixdorf, Incorporated Shareholders' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2021	$ 118.3	$ 819.6	$ (822.4)	$ (582.1)	$ (378.5)	$ (845.1)	$ 8.1	$ (837.0)
Net loss	—	—	(183.1)	—	—	(183.1)	(0.8)	(183.9)
Other comprehensive loss	—	—	—	—	13.1	13.1	0.8	13.9
Share-based compensation issued	1.2	(1.2)	—	—	—	—	—	—
Share-based compensation expense	—	1.7	—	—	—	1.7	—	1.7
Treasury shares	—	—	—	(3.3)	—	(3.3)	—	(3.3)
Balance, March 31, 2022	$ 119.5	$ 820.1	$ (1,005.5)	$ (585.4)	$ (365.4)	$ (1,016.7)	$ 8.1	$ (1,008.6)
Net loss	—	—	(199.2)	—	—	(199.2)	0.1	(199.1)
Other comprehensive loss	—	—	—	—	(46.8)	(46.8)	2.3	(44.5)
Share-based compensation issued	0.1	(0.3)	—	—	—	(0.2)	—	(0.2)
Share-based compensation expense	—	5.2	—	—	—	5.2	—	5.2
Treasury shares	—	—	—	—	—	—	—	—
Balance, June 30, 2022	$ 119.6	$ 825.0	$ (1,204.7)	$ (585.4)	$ (412.2)	$ (1,257.7)	$ 10.5	$ (1,247.2)
Net loss	—	—	(49.8)	—	—	(49.8)	(0.7)	$ (50.5)
Other comprehensive loss	—	—	—	—	(24.6)	(24.6)	1.9	$ (22.7)
Share-based compensation issued	0.1	—	—	—	—	0.1	—	$ 0.1
Share-based compensation expense	—	2.7	—	—	—	2.7	—	$ 2.7
Treasury shares	—	—	—	(0.1)	—	(0.1)	—	$ (0.1)
Balance, September 30, 2022	$ 119.7	$ 827.7	$ (1,254.5)	$ (585.5)	$ (436.8)	$ (1,329.4)	$ 11.7	$ (1,317.7)

(in millions, except per share amounts)

	Common Shares	Additional Capital	Accumulated Deficit	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Total Diebold Nixdorf, Incorporated Shareholders' Equity	Non-controlling Interests	Total Equity
Balance, December 31, 2020	$ 116.9	$ 787.9	$ (742.3)	$ (576.7)	$ (412.9)	$ (827.1)	$ (4.6)	$ (831.7)
Net income (loss)	—	—	(8.1)	—	—	(8.1)	—	(8.1)
Other comprehensive loss	—	—	—	—	(30.9)	(30.9)	0.5	(30.4)
Share-based compensation issued	1.1	(1.1)	—	—	—	—	—	—
Share-based compensation expense	—	3.5	—	—	—	3.5	—	3.5
Treasury shares	—	—	—	(5.2)	—	(5.2)	—	(5.2)
Reclassifications of redeemable noncontrolling interest	—	19.2	—	—	—	19.2	12.7	31.9
Balance, March 31, 2021	$ 118.0	$ 809.5	$ (750.4)	$ (581.9)	$ (443.8)	$ (848.6)	$ 8.6	$ (840.0)
Net income (loss)	—	—	(30.3)	—	—	(30.3)	—	(30.3)
Other comprehensive loss	—	—	—	—	23.3	23.3	0.1	23.4
Share-based compensation issued	0.2	(0.2)	—	—	—	—	—	—
Share-based compensation expense	—	4.5	—	—	—	4.5	—	4.5
Treasury shares	—	—	—	(0.2)	—	(0.2)	—	(0.2)
Balance, June 30, 2021	$ 118.2	$ 813.8	$ (780.7)	$ (582.1)	$ (420.5)	$ (851.3)	$ 8.7	$ (842.6)
Net income (loss)	—	—	(2.1)	—	—	(2.1)	0.1	$ (2.0)
Other comprehensive loss	—	—	—	—	(23.5)	(23.5)	—	$ (23.5)
Share-based compensation issued	—	—	—	—	—	—	—	$ —
Share-based compensation expense	—	4.6	—	—	—	4.6	—	$ 4.6
Treasury shares	—	—	—	—	—	—	—	$ —
Balance, September 30, 2021	$ 118.2	$ 818.4	$ (782.8)	$ (582.1)	$ (444.0)	$ (872.3)	$ 8.8	$ (863.5)

Note 12: Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in the Company’s AOCI, net of tax, by component for the three months ended September 30, 2022:

	Translation	Foreign Currency Hedges	Interest Rate Hedges	Pension and Other Post-retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance at June 30, 2022	` $ (350.1)	$ (2.0)	$ 4.5	$ (63.8)	$ (0.8)	$ (412.2)
Other comprehensive income (loss) before reclassifications [(1)]	(38.1)	0.1	0.5	—	—	(37.5)
Amounts reclassified from AOCI	—	—	—	12.9	—	12.9
Net current-period other comprehensive income (loss)	(38.1)	0.1	0.5	12.9	—	(24.6)
Balance at September 30, 2022	$ (388.2)	$ (1.9)	$ 5.0	$ (50.9)	$ (0.8)	$ (436.8)

[(1)] Other comprehensive income (loss) before reclassifications within the translation component excludes $(1.9) of translation attributable to noncontrolling interests.

(in millions, except per share amounts)

The following table summarizes the changes in the Company's AOCI, net of tax, by component for the three months ended September 30, 2021:

	Translation	Foreign Currency Hedges	Interest Rate Hedges	Pension and Other Post-retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance at June 30, 2021	$ (270.8)	$ (2.3)	$ (2.8)	$ (143.1)	$ (1.5)	$ (420.5)
Other comprehensive income (loss) before reclassifications [(1)]	(28.3)	0.6	2.0	—	—	(25.7)
Amounts reclassified from AOCI	—	—	(0.4)	2.6	—	2.2
Net current-period other comprehensive income (loss)	(28.3)	0.6	1.6	2.6	—	(23.5)
Balance at September 30, 2021	$ (299.1)	$ (1.7)	$ (1.2)	$ (140.5)	$ (1.5)	$ (444.0)

[(1)] Other comprehensive income (loss) before reclassifications within the translation component excludes nominal of translation attributable to noncontrolling interests.

The following table summarizes the changes in the Company's AOCI, net of tax, by component for the nine months ended September 30, 2022:

	Translation	Foreign Currency Hedges	Interest Rate Hedges	Pension and Other Post-retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance at January 1, 2022	$ (310.9)	$ (1.9)	$ 0.4	$ (64.6)	$ (1.5)	$ (378.5)
Other comprehensive income (loss) before reclassifications [(1)]	(77.3)	—	5.2	—	0.7	(71.4)
Amounts reclassified from AOCI	—	—	(0.6)	13.7	—	13.1
Net current-period other comprehensive income (loss)	(77.3)	—	4.6	13.7	0.7	(58.3)
Balance at September 30, 2022	$ (388.2)	$ (1.9)	$ 5.0	$ (50.9)	$ (0.8)	$ (436.8)

[(1)] Other comprehensive income (loss) before reclassifications within the translation component excludes $(5.0) of translation attributable to noncontrolling interests.

The following table summarizes the changes in the Company's AOCI, net of tax, by component for the nine months ended September 30, 2021:

	Translation	Foreign Currency Hedges	Interest Rate Hedges	Pension and Other Post-retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance at January 1, 2021	$ (256.7)	$ (2.6)	$ (6.1)	$ (146.9)	$ (0.6)	$ (412.9)
Other comprehensive income (loss) before reclassifications [(1)]	(42.4)	0.9	6.1	—	(0.9)	(36.3)
Amounts reclassified from AOCI	—	—	(1.2)	6.4	—	5.2
Net current-period other comprehensive income (loss)	(42.4)	0.9	4.9	6.4	(0.9)	(31.1)
Balance at September 30, 2021	$ (299.1)	$ (1.7)	$ (1.2)	$ (140.5)	$ (1.5)	$ (444.0)

[(1)] Other comprehensive income (loss) before reclassifications within the translation component excludes $(0.6) of translation attributable to noncontrolling interests.

(in millions, except per share amounts)

The following table summarizes the details about the amounts reclassified from AOCI:

	Three months ended September 30		Nine months ended September 30		Affected Line Item on the Statement of Operations
	2022	2021	2022	2021	
Interest rate hedge gain/(loss)	$ —	$ (0.4)	$ (0.6)	$ (1.2)	Interest expense
Pension and post-retirement benefits:					
Net actuarial (loss) gain amortized (net of tax of $(0.6), $0.5, $(1.0), and $1.4 respectively)	(1.4)	2.6	(0.6)	6.4	Miscellaneous, net
Net actuarial losses recognized due to settlement (net of tax of $0.0, $0.0, $0.0 and $0.0, respectively)	14.3	—	14.3	—	Miscellaneous, net
Total reclassifications for the period	$ 12.9	$ 2.2	$ 13.1	$ 5.2	

Note 13: Benefit Plans

Qualified Retirement Benefits. The Company has a qualified retirement plan covering certain U.S. employees that has been closed to new participants since 2003 and frozen since December 2013.

The Company has a number of non-U.S. defined benefit plans covering eligible employees located predominately in Europe, the most significant of which are German plans. Benefits for these plans are based primarily on each employee's final salary, with annual adjustments for inflation. The obligations in Germany consist of employer funded pension plans and deferred compensation plans. The employer funded pension plans are based upon direct performance-related commitments in terms of defined contribution plans. Each beneficiary receives, depending on individual pay-scale grouping, contractual classification, or income level, different yearly contributions. The contribution is multiplied by an age factor appropriate to the respective pension plan and credited to the individual retirement account of the employee. The retirement accounts may be used up at retirement by either a one-time lump-sum payout or payments of up to ten years.

The Company has other defined benefit plans outside the U.S., which have not been mentioned here due to materiality.

Supplemental Executive Retirement Benefits. The Company has non-qualified pension plans in the U.S. to provide supplemental retirement benefits to certain officers, which have also been frozen since December 2013. Benefits are payable at retirement based upon a percentage of the participant’s compensation, as defined.

Other Benefits. In addition to providing retirement benefits, the Company provides post-retirement healthcare and life insurance benefits (referred to as other benefits) for certain retired employees. Retired eligible employees in the U.S. may be entitled to these benefits based upon years of service with the Company, age at retirement and collective bargaining agreements. There are no plan assets and the Company funds the benefits as the claims are paid. The post-retirement benefit obligation was determined by application of the terms of medical and life insurance plans together with relevant actuarial assumptions and healthcare cost trend rates.

(in millions, except per share amounts)

The following tables set forth the change in benefit obligation, change in plan assets, funded status, consolidated balance sheet presentation and net periodic benefit cost for the Company's defined benefit pension plans and other benefits at and for the three and nine months ended September 30, 2022 and September 30, 2021, respectively:

	Three months ended Pension Benefits					
	U.S. Plans		Non-U.S. Plans		Other Benefits	
	2022	2021	2022	2021	2022	2021
Components of net periodic benefit cost						
Service cost	$ —	$ 0.8	$ 2.4	$ 2.5	$ —	$ 0.1
Interest cost	4.5	4.0	1.1	0.7	0.1	0.1
Expected return on plan assets	(4.3)	(6.4)	(3.8)	(3.8)	—	—
Recognized net actuarial loss (gain)	0.2	2.2	(0.4)	0.8	(0.1)	0.1
Amortization of prior service cost	—	—	(0.1)	(0.1)	—	—
Settlement (gain) / loss recognized	14.3	—	—	—	—	—
Net periodic pension benefit cost	$ 14.7	$ 0.6	$ (0.8)	$ 0.1	$ —	$ 0.3

	Nine months ended Pension Benefits					
	U.S. Plans		Non-U.S. Plans		Other Benefits	
	2022	2021	2022	2021	2022	2021
Components of net periodic benefit cost						
Service cost	$ —	$ 2.4	$ 7.1	$ 7.6	$ —	$ 0.1
Interest cost	13.0	11.9	3.3	2.2	0.2	0.5
Expected return on plan assets	(15.9)	(19.1)	(11.6)	(11.3)	—	—
Recognized net actuarial loss (gain)	3.3	6.7	(1.3)	0.9	(0.3)	0.2
Amortization of prior service cost	—	—	(0.3)	(0.1)	—	—
Settlement (gain) / loss recognized	14.3	—	—	—	—	—
Net periodic pension benefit cost	$ 14.7	$ 1.9	$ (2.8)	$ (0.7)	$ (0.1)	$ 0.8

Contributions

For the nine months ended September 30, 2022 and September 30, 2021, contributions of $27.6 and $23.6, respectively, were made to the qualified and non-qualified pension plans. The Company received reimbursements of $17.0 and $16.4 for certain benefits paid from its German plan trustee during May 2022 and June 2021, respectively.

Settlements

In the third quarter of 2022, the U.S. Pension Plan executed a settlement agreement, reducing benefit obligations by $82.4. As a result of the settlement, the Company recognized a non-cash expense of $14.3 which is reported in miscellaneous, net on the condensed consolidated statement of operations.

(in millions, except per share amounts)

Note 14: Derivative Instruments and Hedging Activities

The Company is exposed to certain risks arising from both its business operations and economic conditions and manages certain economic risks, including interest rate and foreign exchange rate risk, through the use of derivative financial instruments. The Company's interest rate derivatives are used to manage interest expense on variable interest rate borrowings.

The following table summarizes the gain (loss) recognized on derivative instruments:

Derivative instrument	Classification on condensed consolidated statements of operations	Three months ended September 30		Nine months ended September 30	
		2022	2021	2022	2021
Interest rate swaps and non-designated hedges	Interest expense	$ (0.5)	$ (2.1)	$ (4.1)	$ (6.2)
Foreign exchange forward contracts and cash flow hedges	Net sales	(0.1)	—	(0.1)	—
Foreign exchange forward contracts and cash flow hedges	Cost of sales	(0.2)	0.3	(0.6)	0.3
Foreign exchange forward contracts and cash flow hedges	Foreign exchange gain (loss), net	—	(0.4)	—	(4.5)
Total		$ (0.8)	$ (2.2)	$ (4.8)	$ (10.4)

Foreign Exchange

Non-Designated Hedges A substantial portion of the Company’s operations and revenues are international. As a result, changes in foreign exchange rates can create substantial foreign exchange gains and losses from the revaluation of non-functional currency monetary assets and liabilities. The Company’s policy allows the use of foreign exchange forward contracts with maturities of up to 24 months to mitigate the impact of currency fluctuations on those foreign currency asset and liability balances. The Company elected not to apply hedge accounting to its foreign exchange forward contracts. Thus, spot-based gains/losses offset revaluation gains/losses within foreign exchange loss, net and forward-based gains/losses represent interest expense or income.

Interest Rate

Cash Flow Hedges The Company’s objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. Amounts reported in AOCI related to derivatives will be reclassified to interest expense as interest payments are made on the Company’s variable-rate debt. The Company estimates that a minimal amount will be reclassified as a decrease to interest expense over the next year.

In March 2020 and September 2019, the Company entered into multiple pay-fixed receive-variable interest rate swaps with aggregate notional amounts of $250.0 and $500.0, respectively. The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in AOCI and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portion of the changes in fair value of the derivatives is recognized directly in earnings.

As a result of the Company's refinancing activities in July 2020 (refer to Note 9), the Company terminated $625.0 of interest rate hedges resulting in a termination payout of $6.2.

The Company does not use derivatives for trading or speculative purposes and currently does not have any additional derivatives that are not designated as hedges.

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Notes to Condensed Consolidated Financial Statements (continued)
(unaudited)
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Note 15: Fair Value of Assets and Liabilities

Assets and Liabilities Recorded at Fair Value

Assets and liabilities subject to fair value measurement by fair value level and recorded as follows:

		September 30, 2022			December 31, 2021		
			Fair Value Measurements Using			Fair Value Measurements Using	
	Classification on condensed consolidated Balance Sheets	Fair Value	Level 1	Level 2	Fair Value	Level 1	Level 2
Assets							
Short-term investments							
Certificates of deposit	Short-term investments	$ 14.6	$ 14.6	$ —	$ 34.3	$ 34.3	$ —
Assets held in rabbi trusts	Securities and other investments	4.5	4.5	—	7.0	7.0	—
Foreign exchange forward contracts	Other current assets	—	—	—	0.1	—	0.1
Total		$ 19.1	$ 19.1	$ —	$ 41.4	$ 41.3	$ 0.1
Liabilities							
Foreign exchange forward contracts	Other current liabilities	$ —	$ —	$ —	$ 0.1	$ —	$ 0.1
Interest rate swaps - short term	Other current liabilities	—	—	—	2.8	—	2.8
Deferred compensation	Other liabilities	4.5	4.5	—	7.0	7.0	—
Total		$ 4.5	$ 4.5	$ —	$ 9.9	$ 7.0	$ 2.9

The Company uses the end of period when determining the timing of transfers between levels. During each of the nine months ended September 30, 2022 and 2021, there were no transfers between levels.

The fair value and carrying value of the Company's debt instruments are summarized as follows:

	September 30, 2022		December 31, 2021	
	Fair Value	Carrying Value	Fair Value	Carrying Value
2023 Term Loan B Facility - USD	$ 309.8	$ 381.6	$ 381.9	385.8
2023 Term Loan B Facilty - EUR	$ 264.3	$ 323.8	$ 375.2	380.3
2024 Senior Notes	$ 230.0	$ 400.0	$ 401.0	$ 400.0
2025 Senior Secured Notes - USD	$ 532.0	$ 700.0	$ 745.5	$ 700.0
2025 Senior Secured Notes - EUR	$ 262.7	$ 341.2	$ 423.7	$ 396.4

Refer to Note 9 for further details surrounding the Company's debt as of September 30, 2022 compared to December 31, 2021. Additionally, the Company would remeasure certain assets at fair value, using Level 3 measurements, as a result of the occurrence of triggering events.

Note 16: Commitments and Contingencies

Indirect Tax Contingencies

The Company accrues for indirect tax matters when management believes that a loss is probable and the amounts can be reasonably estimated, while contingent gains are recognized only when realized. In the event any losses are sustained in excess of accruals, they are charged against income. In evaluating indirect tax matters, management takes into consideration factors such as historical experience with matters of similar nature, specific facts and circumstances and the likelihood of prevailing. Management evaluates and updates accruals as matters progress over time. It is reasonably possible that some of the matters for which accruals have not been established could be decided unfavorably to the Company and could require recognizing future expenditures. Also, statutes of limitations could expire without the Company paying the taxes for matters for which accruals have been established, which could result in the recognition of future gains upon reversal of accruals at that time.

At September 30, 2022, the Company was a party to several routine indirect tax claims from various taxing authorities globally that were incurred in the normal course of business, which neither individually nor in the aggregate are considered material by management in relation to the Company’s financial position or results of operations. In management’s opinion, the condensed consolidated financial statements would not be materially affected by the outcome of these indirect tax claims and/or proceedings or asserted claims.

A loss contingency is reasonably possible if it has a more than remote but less than probable chance of occurring. Although management believes the Company has valid defenses with respect to its indirect tax positions, it is reasonably possible that a loss could occur in excess of the estimated liabilities. The Company estimated the aggregate risk at September 30, 2022 to be up to $51.4 for its material indirect tax matters. The aggregate risk related to indirect taxes is adjusted as the applicable statutes of limitations expire.

Legal Contingencies

At September 30, 2022, the Company was a party to several lawsuits that were incurred in the normal course of business, which neither individually nor in the aggregate were considered material by management in relation to the Company’s financial position or results of operations. In management’s opinion, the Company's condensed consolidated financial statements would not be materially affected by the outcome of these legal proceedings or asserted claims.

In addition to these normal course of business litigation matters, the Company is a party to the proceedings described below:

Diebold Nixdorf Holding Germany GmbH, formerly Diebold Nixdorf Holding Germany Inc. & Co. KGaA (Diebold KGaA), is a party to two separate appraisal proceedings (Spruchverfahren) in connection with the purchase of all shares in its former listed subsidiary, Diebold Nixdorf AG. Both proceedings are pending at the same Chamber for Commercial Matters (Kammer für Handelssachen) at the District Court (Landgericht) of Dortmund (Germany). The first appraisal proceeding relates to the Domination and Profit Loss Transfer Agreement (DPLTA) entered into by Diebold KGaA and former Diebold Nixdorf AG, which became effective on February 17, 2017. The DPLTA appraisal proceeding was filed by minority shareholders of Diebold Nixdorf AG challenging the adequacy of both the cash exit compensation of €55.02 per Diebold Nixdorf AG share (of which 6.9 million shares were then outstanding) and the annual recurring compensation of €2.82 per Diebold Nixdorf AG share offered in connection with the DPLTA.

The second appraisal proceeding relates to the cash merger squeeze-out of minority shareholders of Diebold Nixdorf AG in 2019. The squeeze-out appraisal proceeding was filed by minority shareholders of Diebold Nixdorf AG challenging the adequacy of the cash exit compensation of €54.80 per Diebold Nixdorf AG share (of which 1.4 million shares were then outstanding) in connection with the merger squeeze-out.

In both appraisal proceedings, a court ruling would apply to all Diebold Nixdorf AG shares outstanding at the time when the DPLTA or the merger squeeze-out, respectively, became effective. Any cash compensation received by former Diebold Nixdorf AG shareholders in connection with the merger squeeze-out would be netted with any higher cash compensation such shareholder may still claim in connection with the DPLTA appraisal proceeding.

(in millions, except per share amounts)

In the second quarter of 2022, the District Court of Dortmund dismissed all claims to increase the cash compensation in the DPLTA appraisal proceedings. This first instance decision, however, is not final as some of the plaintiffs filed appeals. The Company believes that the compensation offered in connection with the DPLTA and the merger squeeze-out was in both cases fair and that the decision of the District Court of Dortmund in the DPLTA appraisal proceedings validates its position. German courts often adjudicate increases of the cash compensation to plaintiffs in varying amounts in connection with German appraisal proceedings. Therefore, the Company cannot rule out that a court may increase the cash compensation in these appraisal proceedings. The Company, however, is convinced that its defense in both appraisal proceedings is supported by strong sets of facts and the Company will continue to vigorously defend itself in these matters.

Bank Guarantees, Standby Letters of Credit, and Surety Bonds

In the ordinary course of business, the Company may issue performance guarantees on behalf of its subsidiaries to certain customers and other parties. Some of those guarantees may be backed by standby letters of credit, surety bonds, or similar instruments. In general, under the guarantees, the Company would be obligated to perform, or cause performance, over the term of the underlying contract in the event of an unexcused, uncured breach by its subsidiary, or some other specified triggering event, in each case as defined by the applicable guarantee. At September 30, 2022, the maximum future contractual obligations relative to these various guarantees totaled $161.8, of which $24.0 represented standby letters of credit to insurance providers, and no associated liability was recorded. At December 31, 2021, the maximum future payment obligations relative to these various guarantees totaled $155.6, of which $24.0 represented standby letters of credit to insurance providers, and no associated liability was recorded.

Note 17: Revenue Recognition

A performance obligation is a contractual promise to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and is recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied. The following table represents the percentage of revenue recognized either at a point in time or over time:

	Nine months ended September 30	
Timing of revenue recognition	**2022**	**2021**
Products transferred at a point in time	37 %	39 %
Products and services transferred over time	63 %	61 %
Net sales	100 %	100 %

Contract balances

Contract assets are the rights to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditional on something other than the passage of time. Contract assets of the Company primarily relate to the Company's rights to consideration for goods shipped and services provided but not contractually billable at the reporting date.

The contract assets are reclassified into the receivables balance when the rights to receive payment become unconditional. Contract liabilities are recorded for any services billed to customers and not yet recognizable if the contract period has commenced or for the amount collected from customers in advance of the contract period commencing. In addition, contract liabilities are recorded as advanced payments for products and other deliverables that are billed to and collected from customers prior to revenue being recognizable. Contract assets are minimal for the periods presented.

(in millions, except per share amounts)

The following table provides information about receivables and deferred revenue, which represent contract liabilities from contracts with customers:

Contract balance information	Trade receivables	Contract liabilities
Balance at December 31, 2021	$ 595.2	$ 322.4
Balance at September 30, 2022	$ 537.6	$ 316.1

There have been $15.5 and $9.3 during the nine months ended September 30, 2022 and 2021, respectively, of impairment losses recognized as bad debt related to receivables or contract assets arising from the Company's contracts with customers.

As of December 31, 2021, the Company had $322.4 of unrecognized deferred revenue constituting the remaining performance obligations that are unsatisfied (or partially unsatisfied). During the nine months ended September 30, 2022, the Company recognized revenue of $201.6 related to the Company's deferred revenue balance at December 31, 2021.

Transaction price allocated to the remaining performance obligations

As of September 30, 2022, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately $1,400. The Company generally expects to recognize revenue on the remaining performance obligations over the next twelve months. The Company enters into service agreements with cancellable terms after a certain period without penalty. Unsatisfied obligations reflect only the obligation during the initial term. The Company applies the practical expedient in ASC paragraph 606-10-50-14 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

(in millions, except per share amounts)

Note 18: Finance Lease Receivables

Under certain circumstances, the Company provides financing arrangements to customers that are largely classified and accounted for as sales-type leases. The Company records interest income and any fees or costs related to financing receivables using the effective interest method over the term of the lease.

The following table presents the components of finance lease receivables:

	September 30, 2022	December 31, 2021
Gross minimum lease receivables	$ 28.7	$ 39.5
Allowance for credit losses	(0.2)	(0.3)
Estimated unguaranteed residual values	—	0.1
	28.5	39.3
Less:		
Unearned interest income	(1.6)	(1.2)
Total	$ 26.9	$ 38.1

Future minimum payments due from customers under finance lease receivables as of September 30, 2022 are as follows:

2022	$ 2.7
2023	8.7
2024	4.3
2025	4.6
2026	4.1
Thereafter	4.3
	$ 28.7

There were no significant changes in provision for credit losses, recoveries and write-offs during the nine months ended September 30, 2022 or 2021.

Note 19: Segment Information

During the second quarter of 2022, the Company appointed a new Chief Executive Officer and announced an organizational simplification initiative. In connection with those events, the Company's reportable segments are no longer Americas Banking, Eurasia Banking and Retail, and instead the reportable operating segments are the following: Banking and Retail. Under the simplified organization and related restructuring discussed in Note 8, the Company does not have regionally focused direct reports to the CODM, and the CODM analyzes Banking and Retail on a global basis and not based on regional profitability metrics.

The Company's new reportable segment information below directly aligns with how the recently appointed Chief Executive Officer, who is also the CODM, regularly reviews results to make decisions, allocate resources and assess performance. The new Banking segment's sales and cost of sales are the summation of the legacy Americas Banking and Eurasia Banking's sales and cost of sales. The Company will continually consider its operating structure and the information subject to regular review.

Segment operating profit (loss) as disclosed herein is consistent with the segment profit or loss measure used by the CODM and does not include corporate charges, amortization of acquired intangible assets, asset impairment, restructuring and transformation charges, the results of the held-for-sale European retail business, or other non-routine, unusual or infrequently occurring items, as the CODM does not regularly review and use such financial measures to make decisions, allocate resources and assess performance.

Segment revenue represents revenues from sales to external customers. Segment operating profit is defined as revenues less expenses directly attributable to the segments. The Company does not allocate to its segments certain operating expenses which are managed at the headquarters level; that are not used in the management of the segments, not segment-specific, and impractical to allocate. In some cases the allocation of corporate charges has changed from the legacy structure to the new structure, but prior periods have been recast to conform to the new presentation. Segment operating profit reconciles to consolidated income (loss) before income taxes by deducting items that are not attributed to the segments and which are managed independently of segment results. Assets are not allocated to segments, and thus are not included in the assessment of segment performance, and consequently, we do not disclose total assets and depreciation and amortization expense by reportable operating segment.

(in millions, except per share amounts)

The following tables present information regarding the Company's segment performance and provide a reconciliation between segment operating profit and the consolidated income (loss) before income taxes:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Net sales summary by segment				
Banking	$ 580.3	$ 670.1	$ 1,733.3	$ 1,948.1
Retail	225.0	288.1	742.4	897.5
Held for sale non-core European retail business[7]	5.1	—	16.2	—
Total revenue	$ 810.4	$ 958.2	$ 2,491.9	$ 2,845.6
Segment operating profit				
Banking	$ 83.1	$ 109.6	$ 209.4	$ 320.3
Retail	31.1	43.6	90.0	124.9
Total segment operating profit	114.2	153.2	299.4	445.2
Corporate charges not allocated to segments [1]	(54.2)	(71.9)	(188.0)	(221.9)
Impairment of assets [2]	(4.1)	(0.3)	(64.7)	(0.3)
Amortization of Wincor Nixdorf purchase accounting intangible assets[3]	(16.6)	(19.5)	(52.8)	(59.3)
Restructuring and transformation expenses[4]	(20.7)	(20.9)	(98.9)	(74.4)
Refinancing related costs[5]	(13.4)	—	(13.4)	—
Net non-routine expense[6]	5.3	(1.9)	(34.3)	(1.5)
Held for sale non-core European retail business[7]	(5.0)	—	(16.7)	—
	(108.7)	(114.5)	(468.8)	(357.4)
Operating profit (loss)	5.5	38.7	(169.4)	87.8
Other income (expense)	(51.5)	(41.3)	(142.1)	(137.2)
Loss before taxes	$ (46.0)	$ (2.6)	$ (311.5)	$ (49.4)

(1) Corporate charges not allocated to segments include headquarter-based costs associated primarily with human resources, finance, IT and legal that are not directly attributable to a particular segment and are separately assessed by the CODM for purposes of making decisions, assessing performance and allocating resources.

(2) Refer to Notes 20 and 21 for further information on the impairment charges taken in the first and second quarters of 2022. During the third quarter of 2022, and in connection with the organizational simplification, $4.1 of German capitalized software was identified as impaired.

(3) The amortization of purchase accounting intangible assets is not included in the segment results used by the CODM to make decisions, allocate resources or assess performance.

(4) Refer to Note 8: Restructuring for further information. Consistent with the historical reportable segment structure, restructuring and transformation costs are not assigned to the segments, and are separately analyzed by the CODM.

(5) Refinancing related costs are fees earned by our advisors and the advisors of our potential lenders. As these costs were incurred prior to September 30, 2022, at which point an agreement with respect to a debt refinancing remained under negotiation and subject to material changes, these costs are not considered directly attributable to the Transaction Support Agreement and thus are accounted for as period expense.

(6) Net non-routine expense consists of items that the Company has determined are non-routine in nature and not allocated to the reportable operating segments as they are not included in the measure used by the CODM to make decisions, allocate resources and assess performance. Net non-routine expense for the three months ended September 30, 2022 related primarily to gains made on divestitures of certain assets. Net non-routine expense for the nine months ended September 30, 2022 primarily consisted of inventory charges related to legacy product of $34.4 which management determined would no longer be sold as part of a product portfolio consolidation connected with the organizational simplification. Also included in net non-routine expense are charges related to the wind-down of our operations in Russia and Ukraine as discuss in Note 21 and charges related to mergers, acquisitions and divestitures.

(7) Held for sale non-core European retail business represents the revenue and operating profit of a business that has been classified as held for sale for all of the periods presented, but which was removed in 2022 from the retail segment's information used by the CODM to make decisions, assess performance and allocate resources, and now is individually analyzed. This change and timing thereof aligns with the build-out of a data center that makes the entity capable of operating autonomously and is consistent with material provided in connection with our refinancing effort which are exclusive of this entity. The presentation in the periods ended September 30, 2022 and 2021 is consistent with management reporting. Total revenue generated by this business was $5.1 and $16.2 in the three and nine month periods ended September 30, 2022, compared to $4.6 and $18.1 for the three and nine month periods ended September 30, 2021. Operating loss generated by this business was $5.0 and $16.7 in the three and nine month periods ended September 30, 2022, compared to $2.8 and $10.3 for the three and nine month periods ended September 30, 2021.

(in millions, except per share amounts)

The following table presents information regarding the Company’s segment net sales by service and product solution:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Segments				
Banking				
Services	$ 379.9	$ 414.6	$ 1,152.9	$ 1,255.9
Products	200.4	255.5	580.4	692.2
Total Banking	580.3	670.1	1,733.3	1,948.1
Retail				
Services	130.4	147.1	405.6	466.1
Products	94.6	141.0	336.8	431.4
Total Retail	225.0	288.1	742.4	897.5
Held for sale non-core European retail business				
Services	4.0	—	7.4	—
Products	1.1	—	8.8	—
Total revenue	$ 810.4	$ 958.2	$ 2,491.9	$ 2,845.6

Note 20: Cloud Implementation

At December 31, 2021, the Company had capitalized $50.7 of cloud implementation costs, which are presented in the Other assets caption of the condensed consolidated balance sheet. During the first quarter of 2022, the Company impaired $38.4 of capitalized cloud implementation costs related to a cloud-based North American enterprise resource planning (ERP) system, which was intended to replace the on premise ERP currently in use. In connection with the executive transition that took place in the first quarter of 2022 and the culmination of related process optimization workshops in March 2022, the Company made the decision to indefinitely suspend the cloud-based North America ERP implementation, which was going to require significant additional investment before it could function as well as our current North America ERP, and to instead focus the Company's ERP implementation efforts on the distribution subsidiaries, which can better leverage the standardization and simplification initiatives connected with the cloud-based implementation. As a result of the completed process optimization walkthroughs, the Company determined that the customizations already built for the North America ERP should not be leveraged at the distribution subsidiaries which require more streamlined and scalable process flows.

At September 30, 2022, the Company had a net book value of capitalized cloud implementation costs of $18.9, which relates to a combination of the distribution subsidiary ERP and corporate tools to support business operations.

Amortization of cloud implementation fees totaled $0.6 and $1.6 in the three and nine months ended September 30, 2022, respectively, and $0.3 and $0.5 in the three and nine months ended September 30, 2021, respectively. These fees are expensed over the term of the cloud computing arrangement, and the expense is required to be recognized in the same line item in the income statement as the associated hosting service expenses.

Note 21: War in Ukraine

The Company has a Russian distribution subsidiary that generated approximately $45.0 in revenue and $5.0 in operating profit in 2021. Due to the economic sanctions levied on and developing economic conditions in Russia, the Company is making progress towards liquidating the distribution subsidiary.

Additionally, the Company has distribution partners in Russia, Ukraine and Belarus that generated approximately $35.0 in revenue and $5.0 in gross profit in 2021. Due to the Russian incursion into Ukraine and the related economic sanctions, the prospect of re-establishing revenue from these relationships is currently uncertain.

Based on the circumstances outlined above, the Company recorded an impairment charge of $16.8 in the first quarter of 2022, inclusive of trade receivables from customers in the region that are doubtful of being collected, inventory specifically for customers in the region and various other assets that are not recoverable.

The war in Ukraine has had implication on logistic routes, which is one of several macroeconomic conditions that is negatively impacting our supply chain. We are not particularly reliant on specific suppliers based in the affected areas, but circumvention has impacted lead times of inbound product. Management has identified elevated cybersecurity risk related to the matter, and has implemented mitigation strategies. The net cost of these risks in addition to the aforementioned liquidation, management of economic sanctions, humanitarian efforts and other related expenditures offset with certain recoveries was not material during the three and nine month periods ended September 30, 2022.

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Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Management’s discussion and analysis of financial condition and results of operations should be read in conjunction with the condensed consolidated financial statements and accompanying notes that appear within this Quarterly Report on Form 10-Q.

Introduction
The Company automates, digitizes and transforms the way people bank and shop. The Company’s integrated solutions connect digital and physical channels conveniently, securely and efficiently for millions of consumers every day. As an innovation partner for a majority of the world's top 100 financial institutions and top 25 global retailers, the Company delivers unparalleled services and technology that power the daily operations and consumer experience of banks and retailers around the world. The Company has a presence in more than 100 countries with approximately 22,000 employees worldwide.

Strategy
The Company is focused on consistently innovating its solutions to support a better transaction experience for consumers at bank and retail locations while simultaneously streamlining cost structures and business processes through the integration of hardware, software and services.

Organizational Simplification Initiative - Reportable Segment Update

In the second quarter of 2022, we reorganized our reportable segments in connection with a new and simplified operating model. We believe the new segmentation aligns with our focus on standard and centralized global product and service offerings that support our customer base, which is largely comprised of global financial institutions and retailers. Our new reporting units, determined in accordance with ASC 350, "*Intangibles - goodwill and other*", are the same as the operating and reportable segments, which are global Banking and global Retail.

The reorganization of our operating model was considered a triggering event indicating a test for goodwill impairment was required on the effective date of the change. As of April 30, 2022, we performed an interim quantitative goodwill impairment test for both our old and new reporting units using a combination of the income valuation and market approach methodology. The determination of the fair value of the reporting unit requires significant estimates and assumptions, including significant unobservable inputs. The key inputs included, but were not limited to, discount rates, terminal growth rates, market multiple data from selected guideline public companies, management’s internal forecasts which include numerous assumptions such as projected net sales, gross profit, sales mix, operating and capital expenditures and earnings before interest and taxes margins, among others. No impairment resulted from the quantitative interim goodwill impairment test under either the legacy or new reporting unit structure.

We determined that the fair value of Eurasia Banking had a cushion of approximately 10 percent when compared to with carrying amounts prior to the change. The other legacy reporting units had significant excess fair value or cushion when compared to their carrying amount. Under the new reporting unit structure, Banking had a cushion of approximately 130 percent and Retail had a cushion of approximately 110 percent.

While we believe our estimates regarding the fair value of our reporting units are appropriate, changes in certain assumptions or our failure to execute on the current plan could have a significant impact to the estimated fair value and may result in material non-cash impairment charges. We will continue to monitor our reporting units for changes to the overall business environment that could ultimately impact their estimated fair value.

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Pandemic-related impacts
The Company continues to focus on the stability of its operations, suppliers and supply chain to help manage any potential difficulties stemming from the COVID-19 pandemic. The Company's financial performance continues to be impacted by longer lead times – both inbound and outbound – as well as non-billable inflationary pressures associated with pandemic-related headwinds. While it will take time, we look forward to moving past the global macroeconomic challenges we have faced over the past two years by utilizing various mitigation strategies (e.g., supply chain optimization and price increases) to deliver for our customers and shareholders. We believe the Company is well-positioned to capitalize on the strong demand for our products and solutions as customers continue to desire our market-leading devices, services and software, as the market increasingly moves toward a self-service automation focus driven by the evolving behavior of consumers.

Given the measure of uncertainty surrounding the COVID-19 pandemic, the impacts it may have on our business and continued, related effects on our operations; we cannot reasonably estimate the ultimate impact to our business, results of operations, cash flows and financial position that the COVID-19 pandemic may have, but such impact could be material.

SERVICES AND PRODUCT SOLUTIONS

The Company offers a broad portfolio of solutions designed to automate, digitize and transform the way people bank and shop. As a result, the Company's operating structure is focused on its two customer segments — Banking and Retail. Leveraging a broad portfolio of solutions, the Company offers customers the flexibility to purchase the combination of services and products embedded with software that drive the most value to their businesses.

Banking

The Company provides integrated solutions for financial institutions of all sizes designed to help drive operational efficiencies, differentiate the consumer experience, grow revenue and manage risk.

Banking Services

Services represents the largest operational component of the Company and includes product-related services, implementation services and managed services. Product-related services incidents are managed through remote service capabilities or an on-site visit. The portfolio includes contracted maintenance, preventive maintenance, "on-demand" maintenance and total implementation services. Implementation services help our customers effectively respond to changing customer demands and includes scalable solutions based on globally standardized processes and tools, a single point of contact and reliable local expertise. Managed services and outsourcing consist of managing end-to-end business processes and technology integration. Our integrated business solutions include self-service fleet management, branch life-cycle management and ATM as-a-service capabilities which can facilitate millions of transactions via ATMs, kiosks, and other self-service devices, as well as via online and mobile digital channels. An important enabler of the Company's offerings is the professional service employees who provide systems integration, customization, project management and consulting. This team collaborates with customers to refine the end-user experience, improve business processes, refine existing staffing models and deploy technology to automate both branches and stores.

In 2020, the Company launched the AllConnect Data Engine (ACDE), which enables a more data-driven and predictive approach to services. As of September 30, 2022, more than 158,000 devices were connected to ACDE. As the number of connected devices continues to increase, the Company expects to benefit from more efficient and cost-effective operations.

Banking Products

The banking portfolio of products consists of cash recyclers and dispensers, intelligent deposit terminals, teller automation, and kiosk technologies. As financial institutions seek to expand the self-service transaction set and reduce operating costs by shrinking their physical branch footprint, the Company offers the DN Series™ family of self-service solutions.

DN Series is the culmination of several years of investment in consumer research, design and engineering resources. Key benefits and features of DN Series include:

- superior availability and performance;
- next-generation cash recycling technology;
- full integration with the DN Vynamic™ software suite;
- a modular and upgradeable design, which enables customers to respond more quickly to changing customer demands;
- higher note capacity and processing power;
- improved security safeguards to protect customers against emerging physical, data and cyber threats;
- a streamlined physical footprint, which is up to 40% less than both legacy models and certain competing ATMs;
- made of recycled and recyclable materials and is 25% lighter than most traditional ATMs, reducing CO_2 emissions both in the manufacturing and transportation of components and terminals;
- uses LED technology and highly efficient electrical systems, resulting in up to 50% power savings versus traditional ATMs; and
- increased branding options for financial institutions.

Retail

The Company’s comprehensive portfolio of retail services and products improves the checkout process for retailers while enhancing shopping experiences for consumers.

Retail Services

DN AllConnect Services® for retailers includes maintenance and availability services to continuously optimize the performance and total cost of ownership of retail touchpoints, such as checkout, self-service and mobile devices, as well as critical store infrastructure. The solutions portfolio includes: implementation services to expand, modernize or upgrade store concepts; maintenance services for on-site incident resolution and restoration of multi-vendor solutions; support services for on-demand service desk support; operations services for remote monitoring of stationary and mobile endpoint hardware; as well as application services for remote monitoring of multi-vendor software and planned software deployments and data moves. As a single point of contact, service personnel plan and supervise store openings, renewals and transformation projects, with attention to local details and customers’ global IT infrastructure.

The DN Vynamic software services suite for retailers provides a comprehensive, modular and open solution ranging from the in-store check-out solution to solutions across multiple channels that improve end-to-end store processes and facilitate continuous consumer engagements in support of a digital ecosystem. This includes click & collect, reserve & collect, in-store ordering and return-to-store processes across the retailers' physical and digital sales channels. Operational data from a number of sources, such as enterprise resource planning (ERP), point of sale (POS), store systems and customer relationship management systems (CRM), may be integrated across all customer connection points to create seamless and differentiated consumer experiences.

In addition to services for retailers, the Company provides installation, management, and delivery services for electric vehicle (EV) charging stations. The Company delivers this service primarily for EV charging station deployers and dealers through its DN AllConnect Services℠ offering, helping clients maintain the highest uptime at the lowest total cost of ownership for their EV charging networks.

Retail Products

The retail product portfolio includes modular and integrated, "all-in-one" POS and self-service terminals that meet changing consumer shopping journeys, as well as retailers' and store staff's automation requirements. The Company's self-checkout (SCO) products and ordering kiosks facilitate a seamless and efficient transaction experience. The BEETLE®/iSCAN EASY eXpress™, hybrid products, can alternate from attended operation to SCO with the press of a button. The K-two Kiosk automates routine tasks and in-store transactions, offers order-taking abilities, particularly at quick service restaurants (QSRs) and fast casual restaurants and presents functionality that furthers store automation and digitalization. Supplementing the POS system is a broad range of peripherals, including printers, scales and mobile scanners, as well as the cash management portfolio, which offers a wide range of banknote and coin processing systems.

Business Drivers

The business drivers of the Company's future performance include, but are not limited to:

- demand for self-service and automation from Banking and Retail customers driven by the evolution of consumer behavior;
- demand for cost efficiencies and better usage of real estate for bank branches and retail stores as they transform their businesses to meet the needs of their customers while facing macro-economic challenges;
- demand for services on distributed IT assets such as ATMs, POS and SCO, including managed services and professional services;
- timing of product upgrades and/or replacement cycles for ATMs, POS and SCO;
- demand for software products and professional services;
- demand for security products and services for the financial, retail and commercial sectors; and
- demand for innovative technology in connection with the Company's strategy.

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Results of Operations

The following discussion of the Company's financial condition and results of operations provides information that will assist in understanding the financial statements and the changes in certain key items in those financial statements. The following discussion should be read in conjunction with the condensed consolidated financial statements and the accompanying notes that appear elsewhere in this Quarterly Report on Form 10-Q.

Net Sales

The following tables represent information regarding the Company's net sales:

	Three months ended September 30				Percent of Total Net Sales for the Three months ended September 30	
	2022	2021	% Change	% Change in CC [1]	2022	2021
Segments						
Banking						
Services	$ 379.9	$ 414.6	(8.4)	(3.2)	46.9	43.3
Products	200.4	255.5	(21.6)	(15.4)	24.7	26.7
Total Banking	580.3	670.1	(13.4)	(7.8)	71.6	70.0
Retail						
Services	134.4	147.1	(8.6)	4.7	16.6	15.3
Products	95.7	141.0	(32.1)	(23.0)	11.8	14.7
Total Retail	230.1	288.1	(20.1)	(8.9)	28.4	30.0
Total Net Sales	$ 810.4	$ 958.2	(15.4)	(8.1)	100.0	100.0

[1] The Company calculates constant currency by translating the prior-year period results at the current year exchange rate.

Three months ended September 30, 2022 compared with the three months ended September 30, 2021

Net sales decreased $147.8, or 15.4 percent, including a net unfavorable currency impact of $76.3 primarily related to the euro. After excluding the unfavorable currency impact and $31.9 of net sales generated during the three months ended September 30, 2021 from divested businesses, net sales decreased by $39.6.

Segments

- Banking net sales decreased $89.8, including a net unfavorable currency impact of $40.8, related primarily to the euro. After excluding the unfavorable currency impact and $16.2 of net sales generated by divested businesses, net sales decreased $32.8, which was driven by unplanned reductions in installation activity, including delays resulting from global supply chain disruptions and the Company's initiative to reduce low margin service contracts.

- Retail net sales decreased $58.0, including a net unfavorable currency impact of $35.5 primarily related to the euro. After excluding the unfavorable currency impact and $15.7 of sales generated by divested businesses, net sales decreased $6.8 primarily from reduced POS and SCO installation volume and related services in Europe. The reduced volume is primarily attributable to supply chain disruptions.

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	Nine months ended September 30				Percent of Total Net Sales for the Nine months ended September 30	
	2022	2021	% Change	% Change in CC [1]	2022	2021
Segments						
Banking						
Services	$ 1,152.9	$ 1,255.9	(8.2)	(4.5)	46.3	44.1
Products	580.4	692.2	(16.2)	(11.1)	23.2	24.4
Total Banking	1,733.3	1,948.1	(11.0)	(6.8)	69.5	68.5
Retail						
Services	413.0	466.1	(11.4)	(2.2)	16.6	16.4
Products	345.6	431.4	(19.9)	(12.2)	13.9	15.1
Total Retail	758.6	897.5	(15.5)	(7.0)	30.5	31.5
Total net sales	$ 2,491.9	$ 2,845.6	(12.4)	(6.9)	100.0	100.0

[1] The Company calculates constant currency by translating the prior-year period results at the current year exchange rate.

Nine months ended September 30, 2022 compared with nine months ended September 30, 2021

Net sales decreased $353.6, or 12.4 percent, including a net unfavorable currency impact of $169.4 primarily related to the euro. After excluding the unfavorable currency impact and $91.9 of net sales generated during the nine months ended September 30, 2022 from divested businesses, net sales decreased by $92.3.

Segments

- Banking net sales decreased $214.8, including a net unfavorable currency impact of $87.8, related primarily to the euro, and the impact of divestitures of $45.9. Excluding the impact of currency and divestitures, net sales decreased $81.1 driven by unplanned reductions in installation activity, including delays resulting from global supply chain disruptions and the Company's initiative to reduce low margin service contracts.

- Retail net sales decreased $138.8, including a net unfavorable currency impact of $81.8 primarily related to the euro, and the impact of divestitures of $46.0. Excluding the impact of currency and divestitures, net sales decreased $11.0 primarily from reduced POS and SCO installation volume and related services in Europe. The reduced volume in both the three and nine month periods ended September 30, 2022 is largely attributable to supply chain disruptions, with the non-recurrence of prior-year rollouts in response to the pandemic also contributing to the decrease on a year-to-date basis.

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Gross Profit

The following table represents information regarding the Company's gross profit:

	Three months ended September 30			Nine months ended September 30		
	2022	2021	% Change	2022	2021	% Change
Gross profit - services	$ 157.6	$ 179.2	(12.1)	$ 459.9	$ 540.0	(14.8)
Gross profit - products	36.2	80.9	(55.3)	80.0	245.2	(67.4)
Total gross profit	$ 193.8	$ 260.1	(25.5)	$ 539.9	$ 785.2	(31.2)
Gross margin - services	30.6 %	31.9 %		29.4 %	31.4 %	
Gross margin - products	12.2 %	20.4 %		8.6 %	21.8 %	
Total gross margin	23.9 %	27.1 %		21.7 %	27.6 %	

Services gross margin decreased 130 and 200 basis points in the three and nine months ended September 30, 2022, respectively, as a result of inflationary internal labor costs, higher third-party labor costs, reduced high-margin installation activity and lower fixed cost absorption due to the sales decline. Additionally, certain low-margin contracts were entered into within growing Eurasia markets in the interest of growing the Company's geographical footprint.

Product gross margin decreased 820 basis points and 1,320 basis points in the three and nine months ended September 30, 2022, respectively. Excluding restructuring, transformation and other non-routine items, as well as the second quarter 2022 write-off of $34.4 of legacy product inventory that is no longer being marketed or produced as a result of a product portfolio optimization, product gross margin decreased 690 and 850 basis points in the three and nine months ended September 30, 2022, respectively. The decline in product gross margins is the result of material price inflation, higher inbound and outbound logistics costs and manufacturing inefficiencies resulting from supply chain disruption.

Operating Expenses

The following table represents information regarding the Company's operating expenses:

	Three months ended September 30			Nine months ended September 30		
	2022	2021	% Change	2022	2021	% Change
Selling and administrative expense	$ 163.1	$ 195.5	(16.6)	$ 557.9	$ 603.7	(7.6)
Research, development and engineering expense	26.7	25.6	4.3	92.1	95.3	(3.4)
(Gain) loss on sale of assets, net	(5.6)	—	N/M	(5.4)	(1.9)	(184.2)
Impairment of assets	4.1	0.3	N/M	64.7	0.3	N/M
Total operating expenses	$ 188.3	$ 221.4	(15.0)	$ 709.3	$ 697.4	1.7
Percent of net sales	23.2 %	23.1 %		28.5 %	24.5 %	

Selling and administrative expense decreased $32.4 in the three months ended September 30, 2022 and decreased $45.8 in the nine months ended September 30, 2022, respectively, compared to the corresponding periods in 2021. Included in selling and administrative expense for the nine month period ended September 30, 2022 are $39.8 of severance charges for exiting employees resulting from the organizational simplification. Excluding the severance charge, selling and administrative expense has decreased from each of the three and nine month periods ended September 30, 2021 primarily as a result of decreased incentive compensation in connection with the decline in revenues, profitability and cash flows. Also contributing to the decrease are reductions in base payroll expenses and indirect spending resulting from the organizational simplification and related cost savings program. Depreciation and amortization have also decreased, resulting from consecutive years of reduced capital spending.

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During the third quarter of 2022, the Company sold IP addresses with no remaining net book value and received proceeds of $3.5. Also during the third quarter of 2022, the Company sold a European facility with a net book value of $0.5 for $2.0, which will be received during the fourth quarter of 2022.

As discussed in Note 20 of the condensed consolidated financial statements, and in the first quarter of 2022, the Company recorded a $38.4 impairment of capitalized cloud-based North America ERP costs.

Also during the first quarter of 2022 and as a result of the Russian incursion into Ukraine and the related economic sanctions, the Company impaired $16.8 of assets connected with the Company's operations in Russia, Ukraine and Belarus.

In connection with the streamlining of the Company's product portfolio, $3.6 of capitalized software projects was impaired during the third quarter of 2022 in connection with internally-developed software which will no longer be sold or marketed.

Operating Profit (Loss)

The following table represents information regarding the Company's operating profit (loss):

	Three months ended September 30			Nine months ended September 30		
	2022	2021	% Change	2022	2021	% Change
Operating profit (loss)	$ 5.5	$ 38.7	(85.8)	$ (169.4)	$ 87.8	N/M
Operating margin	0.7 %	4.0 %		(6.8)%	3.1 %	

Operating profit decreased by $33.2 in the three months ended September 30, 2022 and decreased $257.2 in the nine months ended September 30, 2022, compared to the prior-year periods. The decrease in operating profit is the result of the decrease in gross profit and impairment charges discussed above, partially offset by the reduction in selling, general and administrative charges.

Other Income (Expense)

The following table represents information regarding the Company's other income (expense), net:

	Three months ended September 30			Nine months ended September 30		
	2022	2021	% Change	2022	2021	% Change
Interest income	$ 3.6	$ 1.0	N/M	$ 5.9	$ 5.0	18.0
Interest expense	(50.7)	(51.3)	(1.2)	(148.4)	(149.7)	(0.9)
Foreign exchange gain (loss), net	5.3	4.4	20.5	2.9	0.9	222.2
Miscellaneous, net	(9.7)	4.6	N/M	(2.5)	6.6	N/M
Other income (expense), net	$ (51.5)	$ (41.3)	24.7	$ (142.1)	$ (137.2)	3.6

Interest income and expense remained materially consistent for the three and nine month periods ended September 30, 2022 and 2021 as there were no substantial changes to the Company's debt agreements prior to the signing of the Transaction Support Agreement on October 20, 2022.

Foreign exchange gain (loss), net, includes realized gains and losses, primarily related to euro real foreign currency exposure, which was favorable during all periods presented.

Miscellaneous, net for the three and nine months ended September 30, 2022 is unfavorable to the three and nine month periods ended September 30, 2021 due to the $14.3 pension settlement loss recorded in the third quarter of 2022 and further discussed in Note 13. Excluding the pension settlement loss, Miscellaneous, net is in a gain position for the three and nine months ended September 30, 2022 and 2021, primarily due to the recognition of non-service pension plan actuarial benefits, the most significant of which is in Germany.

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Net Loss

The following table represents information regarding the Company's net loss:

	Three months ended September 30			Nine months ended September 30		
	2022	2021	% Change	2022	2021	% Change
Net loss	$ (50.5)	$ (2.0)	N/M	$ (433.5)	$ (40.4)	N/M
Percent of net sales	(6.2)%	(0.2)%		(17.4)%	(1.4)%	
Effective tax rate	(8.5)%	35.5 %		(38.2)%	21.6 %	

Changes in net loss are a result of the fluctuations outlined in the previous sections. The change in net loss is also impacted by an increase in income tax expense for the three and nine months ended September 30, 2022, most notably resulting from a $127.4 valuation allowance recorded in the second quarter of 2022, related to the deferred tax assets of all entities in a net deferred tax asset position in connection with management's going concern assessment discussed in Note 9.

Segment Operating Profit Summary

The following tables represent information regarding the segment operating profit metrics, which exclude the impact of restructuring, non-routine charges, and held for sale non-core European retail business. Refer to Note 19 for further details regarding the determination of reportable segments and the reconciliation between segment operating profit and consolidated operating profit.

	Three months ended September 30			Nine months ended September 30		
Banking:	2022	2021	% Change	2022	2021	% Change
Net sales	$ 580.3	$ 670.1	(13.4)	$ 1,733.3	$ 1,948.1	(11.0)
Segment operating profit	$ 83.1	$ 109.6	(24.2)	$ 209.4	$ 320.3	(34.6)
Segment operating profit margin	14.3 %	16.4 %		12.1 %	16.4 %	

Banking segment operating profit decreased $26.5 in the three months ended September 30, 2022 and decreased $110.9 in the nine months ended September 30, 2022, as compared to the prior-year periods due to the gross profit decline which is the result of the sales decline, raw material price inflation and higher inbound and outbound logistics costs. Operating expenses decreased in comparison to the prior-year periods, which is the result of cost reductions connected to the organizational simplification, lower incentive compensation expense and foreign currency translation.

	Three months ended September 30			Nine months ended September 30		
Retail:	2022	2021	% Change	2022	2021	% Change
Net sales	$ 225.0	$ 288.1	(21.9)	$ 742.4	$ 897.5	(17.3)
Segment operating profit	$ 31.1	$ 43.6	(28.7)	$ 90.0	$ 124.9	(27.9)
Segment operating profit margin	13.8 %	15.1 %		12.1 %	13.9 %	

Retail segment operating profit decreased $12.5 in the three months ended September 30, 2022 and decreased $34.9 in the nine months ended September 30, 2022, as compared to the prior-year periods, largely as a result of decreased net sales. Gross margin percentage decreased albeit largely due to lower fixed cost absorption due to the revenue decline. Operating expenses decreased in comparison to the prior-year periods for the same reasons as discussed in the Banking section above.

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	Three months ended September 30			Nine months ended September 30		
Corporate:	**2022**	**2021**	**% Change**	**2022**	**2021**	**% Change**
Charges not allocated to segments	$ 54.2	$ 71.9	(24.6)	$ 188.0	$ 221.9	(15.3)

Corporate does not represent a reportable segment, but the table above includes charges not allocated to segments as they are not directly attributable and are managed independently by the CODM. These include include headquarter-based costs associated primarily with human resources, finance, IT and legal. The decreases in cost from the prior year period are a result of incentive compensation expense declines in combination with this category of costs being among the most impacted by the current restructuring program.

Liquidity and Capital Resources

The Company's total cash and cash availability as of September 30, 2022 and December 31, 2021 was as follows:

	September 30, 2022	December 31, 2021
Cash, cash equivalents and restricted cash	$ 128.4	$ 388.9
Less: Restricted cash	(0.5)	—
Additional cash availability from:		
Cash included in assets held for sale	1.0	3.1
Uncommitted lines of credit	43.7	27.5
Revolving Facility	0.1	284.0
Short-term investments	14.6	34.3
Total cash and cash availability	$ 187.3	$ 737.8

Capital resources are obtained from income retained in the business, borrowings under the Company’s senior notes, committed and uncommitted credit facilities and operating and capital leasing arrangements. The Company had $0.5 and $0.0 of restricted cash at September 30, 2022 and December 31, 2021, respectively. The balance in restricted cash relates to the Company's liability to a transaction-processing customer for transactions where we have received funds from transacting parties and must pass those funds to the end customer.

As of September 30, 2022, the Company had a revolving facility provided by the Company's credit agreement (the Credit Agreement) of up to $330.0 (the Revolving Facility) which is due on July 20, 2023. The weighted-average interest rate on outstanding Revolving Facility borrowings as of September 30, 2022 and December 31, 2021 were 7.31 percent and 4.75 percent, respectively which are variable based on the London Interbank Offered Rate (LIBOR). There was $0.1 available under the Revolving Facility as of September 30, 2022, after excluding $29.0 in outstanding letters of credit.

On October 20, 2022, the Company announced it entered into a Transaction Support Agreement (TSA) with the holders of a majority of our term loans and each series of our outstanding secured and unsecured notes. The transactions contemplated by the TSA are subject to customary closing conditions and achieving certain participation thresholds as set forth therein. Upon consummation of the transactions contemplated by the TSA, we will have extended our near-term debt maturities and obtained additional liquidity. It is our expectation that the transactions contemplated by the TSA will be consummated prior to December 31, 2022. Refer to Note 9 for additional information.

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The following table summarizes the results of the Company's condensed consolidated statement of cash flows for the nine months ended September 30, 2022 and 2021:

	Nine months ended	
Summary of cash flows:	September 30, 2022	September 30, 2021
Net cash used by operating activities	$ (482.8)	$ (291.6)
Net cash provided (used) by investing activities	(0.8)	(4.6)
Net cash provided by financing activities	233.5	189.8
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(12.5)	(4.3)
Change in cash, cash equivalents and restricted cash	$ (262.6)	$ (110.7)

Operating Activities

Cash flows from operating activities can fluctuate significantly from period to period as working capital needs and the timing of payments impact reported cash flows. Net cash used by operating activities was $482.8 for the nine months ended September 30, 2022, a change of $191.2 from cash use of $291.6 for the nine months ended September 30, 2021.

- Cash flows from operating activities during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 were unfavorably impacted by a $393.1 increase in net loss and higher spending on inventory due to longer lead times in the supply chain. Refer to "Results of Operations" discussed above for further discussion of the Company's net loss.

- The net aggregate of inventories and accounts payable was a decrease in operating cash flow of $205.4 during the nine months ended September 30, 2022, compared to a decrease in operating cash flow of $54.7 during the nine months ended September 30, 2021. The $150.7 increase in cash usage is primarily a result of an increase in inventory, despite a $34.4 reserve being recorded in the second quarter, due to longer lead times resulting from supply chain delays as well as unexpected revenue delays, partially offset by strong oversight of days payables outstanding, which sometimes exceeds contractual terms.

- The net aggregate of trade receivables and deferred revenue was an increase in operating cash flow of $12.0 during the nine months ended September 30, 2022, compared to an decrease in operating cash flow of $138.1 in the nine months ended September 30, 2021. The $150.1 net change is primarily the result of a decrease in trade receivables directly attributable to the year-over-year sales decline, combined with our efforts to collect prepayments from customers due to the inflationary cost environment.

- Non-cash adjustments to net income increased during the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021. In 2022, the Company recorded $64.7 in non-cash impairment charges, a $127.4 decrease to deferred tax assets by means of a valuation allowance and a $14.3 pension settlement charge. Depreciation and amortization expense decreased from $55.2 to $42.3 as a result of consecutive years of reduced capital expenditures.

Investing Activities

Cash flows from investing activities during the nine months ended September 30, 2022 includes $13.8 and $24.0 for capital expenditures and software development, respectively, compared to $11.1 and $21.6, respectively, for the same periods in 2021. The increase of capitalized software development is the result of certain development projects reaching technological feasibility and therefore being capitalizable.

During the nine months ended September 30, 2022, the Company received $10.5 of cash proceeds from the divestiture of its German reverse vending business compared to $5.8 of proceeds from divestitures in the nine months ended September 30, 2021.

During the nine months ended September 30, 2022, the Company received $3.5 of cash proceeds from the sale of IT assets compared to $1.7 of proceeds from asset sales in the nine months ended September 30, 2021.

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During the nine months ended September 30, 2022, net maturities from investing activity was $23.0, compared to $20.6 for the nine months ended ended September 30, 2021.

Financing Activities

Net cash provided by financing activities was $233.5 for the nine months ended September 30, 2022 compared to a $189.8 source of cash for the same period in 2021. The change was primarily a result of net borrowings on the revolving credit facility of $240.0 during the nine months ended September 30, 2022, compared to net borrowings of $187.9 during the nine months ended September 30, 2021.

The Company paid cash for interest related to its debt of $150.4 and $147.7 for the nine months ended September 30, 2022 and September 30, 2021, respectively.

The ratio of net debt to trailing 12 months adjusted EBITDA, as defined by the Credit Agreement, was greater than the maximum allowable ratio of 6.50. The Company has obtained waivers with respect to such covenant, which waives any failure of the Company to be in compliance with such financial covenants up until December 31, 2022.

Refer to Note 9 of the condensed consolidated financial statements for additional information regarding the Company's current debt as well as its progress related to refinancing, which include the Transaction Support Agreement which will extended our near-term debt maturities and provide additional liquidity.

Contractual and Other Obligations The Company enters into certain purchase commitments due within one year for materials through contract manufacturing agreements for a total negotiated price. At September 30, 2022, the Company had minimal purchase commitments due within one year for materials through contract manufacturing agreements at negotiated prices.

Except for the items noted above, inclusive of near-term debt maturities, all contractual and other cash obligations with initial and remaining terms in excess of one year and contingent liabilities remained generally unchanged at September 30, 2022 compared to December 31, 2021.

Off-Balance Sheet Arrangements The Company enters into various arrangements not recognized in the consolidated balance sheets that have or could have an effect on its financial condition, results of operations, liquidity, capital expenditures or capital resources. The principal off-balance sheet arrangements that the Company enters into are guarantees and sales of finance receivables. The Company provides its global operations guarantees and standby letters of credit through various financial institutions to suppliers, customers, regulatory agencies and insurance providers. If the Company is not able to comply with its contractual obligations, the suppliers, regulatory agencies and insurance providers may draw on the pertinent bank. The Company has sold finance receivables to financial institutions while continuing to service the receivables. The Company records these sales by removing finance receivables from the consolidated balance sheets and recording gains and losses in the consolidated statement of operations (refer to Note 5 of the condensed consolidated financial statements).

Supplemental Guarantor Financial Information Diebold Nixdorf, Incorporated initially issued the 8.5% Senior Notes due 2024 (the 2024 Senior Notes) in an offering exempt from the registration requirements of the Securities Act of 1933, which were later exchanged in an exchange offer registered under the Securities Act of 1933. The 2024 Senior Notes are and will be guaranteed by certain of Diebold Nixdorf, Incorporated's existing and future subsidiaries which are listed on Exhibit 22.1 to this Quarterly Report on Form 10-Q. The following presents the summarized financial information separately for Diebold Nixdorf, Incorporated (the Parent Company), the issuer of the guaranteed obligations, and the guarantor subsidiaries, as specified in the indenture governing the Company's obligations under the 2024 Senior Notes, on a combined basis.

Each guarantor subsidiary is 100 percent owned by the Parent Company at the date of each balance sheet presented. The 2024 Senior Notes are fully and unconditionally guaranteed on a joint and several basis by each guarantor subsidiary. The guarantees of the guarantor subsidiaries are subject to release in limited circumstances only upon the occurrence of certain conditions. Each entity in the consolidating financial information follows the same accounting policies as described in the condensed consolidated financial statements, except for the use by the Parent Company and the guarantor subsidiaries of the equity method of accounting to reflect ownership interests in subsidiaries which are eliminated upon consolidation.

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The following tables present summarized financial information for the Parent Company and the guarantor subsidiaries on a combined basis after elimination of (i) intercompany transactions and balances among the Parent Company and the guarantor subsidiaries and (ii) equity in earnings from and investments in any non-guarantor subsidiary.

	Summarized Balance Sheets			
	September 30, 2022		December 31, 2021	
Total current assets	$	458.8	$	511.8
Total non-current assets	$	1,916.7	$	2,032.2
Total current liabilities	$	1,672.3	$	1,476.0
Total non-current liabilities	$	1,924.5	$	1,970.9

	Summarized Statements of Operations			
	Nine months ended September 30, 2022		Year ended December 31, 2021	
Net sales	$	770.6	$	1,038.3
Cost of sales		572.0		767.3
Selling and administrative expense		256.4		366.9
Research, development and engineering expense		27.3		35.8
Impairment of assets		40.7		—
Gain on sale of assets, net		(3.5)		(0.3)
Interest income		(1.3)		1.0
Interest expense		(114.6)		(139.7)
Foreign exchange gain (loss), net		19.6		8.3
Miscellaneous, net		16.9		100.1
Loss from continuing operations before taxes	$	(201.7)	$	(161.7)
Net (loss) income	$	(433.5)	$	(78.8)
Net (loss) income attributable to Diebold Nixdorf, Incorporated	$	(432.1)	$	(78.8)

As of September 30, 2022 and December 31, 2021, the Parent Company and the guarantor subsidiaries on a combined basis had the following balances with non-guarantor subsidiaries:

	Summarized Balance Sheets			
	September 30, 2022		December 31, 2021	
Total current assets	$	141.9	$	218.4
Total non-current assets	$	536.1	$	622.9

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Critical Accounting Policies and Estimates

Management's discussion and analysis of the Company's financial condition and results of operations are based upon the Company's condensed consolidated financial statements. The consolidated financial statements of the Company are prepared in conformity with generally accepted accounting principles in the United States (U.S. GAAP). The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities and reported amounts of revenues and expenses. Such estimates include revenue recognition, the valuation of trade and financing receivables, inventories, goodwill, intangible assets, other long-lived assets, legal contingencies, guarantee obligations, and assumptions used in the calculation of income taxes, pension and post-retirement benefits and customer incentives, among others. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors. Management monitors the economic conditions and other factors and will adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates.

There have been no material changes to the critical accounting policies and estimates described in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

Forward-Looking Statement Disclosure

This Quarterly Report on Form 10-Q and the exhibits hereto may contain statements that are not historical information and are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. These forward-looking statements include, but are not limited to, projections, statements regarding the company's expected future performance (including expected results of operations and financial guidance), future financial condition, potential impact of the ongoing coronavirus (COVID-19) pandemic, anticipated operating results, strategy plans, future liquidity and financial position.

Statements can generally be identified as forward looking because they include words such as "believes," "anticipates," "expects," "intends," "plans," "will," "estimates," "potential," "target," "predict," "project," "seek," and variations thereof or "could," "should" or words of similar meaning. Statements that describe the company's future plans, objectives or goals are also forward-looking statements, which reflect the current views of the company with respect to future events and are subject to assumptions, risks and uncertainties that could cause actual results to differ materially. Although the company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, the economy, its knowledge of its business, and key performance indicators that impact the company, these forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The factors that may affect the company's results include, among others:

- our ability to successfully complete the transactions contemplated by the TSA, including the ability to negotiate and execute definitive documentation, the receipt of required consents to any or all of such transactions, satisfaction of any conditions in any such documentation and the availability of alternative transactions;
- the overall impact of the global supply chain complexities on the company and its business, including delays in sourcing key components as well as longer transport times, especially for container ships and U.S. trucking, given the company's reliance on suppliers, subcontractors and availability of raw materials and other components;
- our ability to successfully convert our backlog into sales, including our ability to overcome supply chain and liquidity challenges;
- the ultimate impact of the ongoing COVID-19 pandemic and other public health emergencies, including further adverse effects to the company's supply chain, maintenance of increased order backlog, and the effects of any COVID-19 related cancellations;
- the company's ability to successfully meet its cost-reduction goals and continue to achieve benefits from its cost-reduction initiatives and other strategic initiatives, such as the current $150m+ cost savings plan;

- the success of the company’s new products, including its DN Series line and EASY family of retail checkout solutions, and EV charging service business;
- the impact of a cybersecurity breach or operational failure on the company's business;
- the company's ability to generate sufficient cash to service its debt or to comply with the covenants contained in the agreements governing its debt and to successfully refinance its debt;
- the company’s ability to attract, retain and motivate key employees;
- the company’s reliance on suppliers, subcontractors and availability of raw materials and other components;
- changes in the company's intention to further repatriate cash and cash equivalents and short-term investments residing in international tax jurisdictions, which could negatively impact foreign and domestic taxes;
- the company's success in divesting, reorganizing or exiting non-core and/or non-accretive businesses and its ability to successfully manage acquisitions, divestitures, and alliances;
- the ultimate outcome of the appraisal proceedings initiated in connection with the implementation of the Domination and Profit Loss Transfer Agreement with the former Diebold Nixdorf AG (which was dismissed in the company’s favor at the lower court level in May 2022) and the merger/squeeze-out;
- the impact of market and economic conditions, including the bankruptcies, restructuring or consolidations of financial institutions, which could reduce the company’s customer base and/or adversely affect its customers' ability to make capital expenditures, as well as adversely impact the availability and cost of credit;
- the impact of competitive pressures, including pricing pressures and technological developments;
- changes in political, economic or other factors such as currency exchange rates, inflation rates (including the impact of possible currency devaluations in countries experiencing high inflation rates), recessionary or expansive trends, hostilities or conflicts (including the conflict between Russia and Ukraine), disruption in energy supply, taxes and regulations and laws affecting the worldwide business in each of the company's operations;
- the company's ability to maintain effective internal controls;
- unanticipated litigation, claims or assessments, as well as the outcome/impact of any current/pending litigation, claims or assessments;
- the effect of changes in law and regulations or the manner of enforcement in the U.S. and internationally and the company’s ability to comply with government regulations.
- and other factors included in the company’s filings with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2021, its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022, and in other documents the company files with the SEC.

Except to the extent required by applicable law or regulation, the company undertakes no obligation to update these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

Refer to the Company’s Annual Report on Form 10-K for the year ended December 31, 2021 for a discussion of market risk exposures. As discussed elsewhere in this Quarterly Report on Form 10-Q, the COVID-19 pandemic and related impacts on the global supply chain have negatively impacted our business and results of operations. As the Company cannot predict the full duration or extent of the pandemic, the future impact on the results of operations, financial position and cash flows, among others, cannot be reasonably estimated, but could be material. There have been no other material changes in this information since December 31, 2021.

Item 4: Controls and Procedures

This Quarterly Report on Form 10-Q includes the certifications of the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) required by Rule 13a-14 of the Securities Exchange Act of 1934 (the Exchange Act). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

Based on the performance of procedures by management, designed to ensure the reliability of financial reporting, management believes that the unaudited condensed consolidated financial statements fairly present, in all material respects, the Company's financial position, results of operations and cash flows as of the dates, and for the periods presented.

Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act) are designed to ensure that information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's (SEC) rules and forms and that such information is accumulated and communicated to management, including the CEO and CFO as appropriate, to allow timely decisions regarding required disclosures.

In connection with the preparation of this Quarterly Report on Form 10-Q, the Company's management, under the supervision and with the participation of the CEO and CFO, conducted an evaluation of disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, the CEO and CFO have concluded that such disclosure controls and procedures were effective as of September 30, 2022.

Change in Internal Controls

During the quarter ended September 30, 2022, there have been no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Part II – Other Information

Item 1: Legal Proceedings

At September 30, 2022, the Company was a party to several lawsuits that were incurred in the normal course of business, which neither individually nor in the aggregate are considered material by management in relation to the Company's financial position or results of operations. In management's opinion, the Company's condensed consolidated financial statements would not be materially affected by the outcome of these legal proceedings, commitments or asserted claims.

For more information regarding legal proceedings, please refer to Part I, Item 3 of the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and to "Legal Contingencies" in Note 16 of the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q. Other than as described in "Legal Contingencies" in Note 16 of the condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, there have been no material developments with respect to the legal proceedings reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2021.

Item 1A: Risk Factors

Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022. There has been no material change to this information since June 30, 2022, except as provided below.

Risks Related to Our Indebtedness.

The Company may not be able to generate sufficient cash to service or may not be able to refinance its indebtedness and other obligations and may be forced to take other actions to satisfy its obligations, which may not be successful. The Company's ability to make scheduled payments or refinance its debt and other contractual obligations depends on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond its control. The Company may be unable to maintain a level of cash flows from operating activities sufficient to permit the payment of principal, premium, if any, and interest, on its indebtedness and other contractual obligations.

If the Company's cash flows and capital resources are insufficient to fund its contractual obligations, the Company could face substantial liquidity issues. The Company's liquidity needs fluctuate during the course of the year and as a result these liquidity issues may be more acute during certain times. The liquidity issues that the Company faces could force the Company to reduce or delay investments and capital expenditures or to strategically divest material assets or operations, extend payments to vendors, seek additional debt or equity capital or restructure or refinance its indebtedness. The Company has in the past and may in the future take such actions and these actions could materially impact the Company's business. The Company may not be able to effect any such alternative measures, if necessary, on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow the Company to meet its scheduled payment obligations. In addition, the terms of the Company's existing or future debt arrangements may restrict it from effecting any of these alternatives.

The Company expects to refinance all or a substantial portion of its existing indebtedness at or prior to maturity. Any disruption to the capital markets, or change in the financial condition of the Company, could make it more difficult and expensive for the Company to refinance on commercially reasonable terms or at all.

Upcoming debt maturities could create significant financial and operational challenges for the Company. A significant portion of the Company's indebtedness matures in 2023. The Company's ability to refinance its indebtedness ahead of upcoming maturities on commercially reasonable terms or at all depends on numerous factors, including the general condition of global financial markets and the Company's recent operating performance, which are each subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory and other factors beyond the Company's control. While we have entered into a transaction support agreement (the "Transaction Support Agreement"), dated October 20, 2022, with certain of the holders of our term loans and secured and unsecured holder that will extend our near-term debt maturities and provide us with additional liquidity, the transactions contemplated by the Transaction Support Agreement remain subject to the satisfaction or waiver of certain closing conditions. Accordingly, there can be no assurance that we will be able to consummate the transactions contemplated by the Transaction Support Agreement, within the expected timeframe or at all.

The terms of the credit agreement (the Credit Agreement) governing the Company's revolving credit facility (the Revolving Facility) and term loans and the indentures governing the Company's senior secured and unsecured notes (the Indentures) restrict its current and future operations, particularly its ability to respond to changes or to take certain actions. The Credit Agreement and the Indentures contain a number of restrictive covenants that impose significant operating and financial restrictions on the Company and may limit its ability to engage in acts that may be in its long-term best interest, including restrictions on its ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends or make other distributions or repurchase or redeem capital stock;
- prepay, redeem or repurchase certain debt;
- issue certain preferred stock or similar equity securities;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;
- alter the businesses the Company conducts;
- enter into agreements restricting the Company’s subsidiaries’ ability to pay dividends; and
- consolidate, merge or sell all or substantially all of the Company’s assets.

In addition, the restrictive covenants in the Credit Agreement require the Company to maintain specified financial ratios and satisfy other financial conditions. Although the Company entered into an amendment to the Credit Agreement in March 2022 to, among other things, revise certain of its financial covenants and obtained a waiver of a financial covenant as of September 30, 2022, the Company’s ability to meet the financial ratios and tests can be affected by events beyond its control, and it may be unable to meet them. If the Company is unable to meet its financial covenants the Company would be required to seek an amendment or waiver from its lenders. There can be no assurance that the Company’s lenders would consent to any such amendment or waiver on commercially reasonable terms or at all.

A breach of the covenants or restrictions under any of the Indentures or under the Credit Agreement could result in an event of default under the applicable indebtedness. Such a default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In addition, an event of default under the Credit Agreement would permit the lenders under the Revolving Facility to terminate all commitments to extend further credit under that facility. Furthermore, if the Company were unable to repay the amounts due and payable under the Revolving Facility and term loans, those lenders could proceed against the collateral granted them to secure that indebtedness. In the event the Company’s lenders or noteholders accelerate the repayment of its indebtedness, the Company and its subsidiaries may not have sufficient assets to repay that indebtedness. As a result of these restrictions, the Company may be:

- limited in how it conducts its business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; and
- unable to compete effectively or to take advantage of new business opportunities.

These restrictions may affect the ability to grow in accordance with its strategy. In addition, the Company’s financial results, its substantial indebtedness and its credit ratings could adversely affect the availability and terms of its financing.

The Company’s failure to meet its debt service obligations could have a material adverse effect on the Company’s business, financial condition and results of operations. The Company’s high level of indebtedness could adversely affect the Company’s operations and liquidity. The Company’s level of indebtedness could, among other things:

- make it more difficult for the Company to pay or refinance its debts as they become due during adverse economic and industry conditions because the Company may not have sufficient cash flows to make its scheduled debt payments;
- cause the Company to use a larger portion of its cash flow to fund interest and principal payments, reducing the availability of cash to fund working capital, capital expenditures, R&D and other business activities;
- limit the Company’s ability to take advantage of significant business opportunities, such as acquisition opportunities, and to react to changes in market or industry conditions;
- cause the Company to be more vulnerable to general adverse economic and industry conditions;
- cause the Company’s suppliers to limit trade credit, require pre-payments or other collateral;
- cause the Company to be disadvantaged compared to competitors with less leverage;
- result in a downgrade in the credit rating of the Company or indebtedness of the Company or its subsidiaries, which could increase the cost of borrowings; and
- limit the Company’s ability to borrow additional monies in the future to fund working capital, capital expenditures, R&D and other business activities.

(in millions, except share and per share amounts)

The Company may also incur additional long-term debt and working capital lines of credit to meet future financing needs, which would increase its total indebtedness. Although the Credit Agreement and the Indentures contain restrictions on the Company's ability to incur additional debt, including secured debt, these restrictions are subject to a number of important exceptions and debt incurred in compliance with these restrictions could be substantial. If the Company and its restricted subsidiaries incur significant additional debt, the related risks that the Company faces could intensify.

The interest rates of certain debt instruments are priced using a spread over the London interbank offered rate (LIBOR) and Euro interbank offered rate (EURIBOR). LIBOR and EURIBOR are the basic rates of interest used in lending between banks on the London interbank market and EURO interbank market, and are widely used as a reference for setting the interest rate on loans globally. LIBOR and EURIBOR are the reference rates used with respect to the term loans and Revolving Facility under the Credit Agreement. The ICE Benchmark Administration Limited (ICE) ceased calculating and publishing certain USD LIBOR tenors on December 31, 2021. ICE has also announced that it will cease calculating and publishing all remaining USD LIBOR tenors on June 30, 2023. It is unclear whether new methods of calculating LIBOR will be established such that it continues to exist after such end dates, and there is considerable uncertainty regarding the publication or representativeness of LIBOR beyond such end dates. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, is seeking to replace USD LIBOR with a newly created index (the secured overnight financing rate, or SOFR), calculated based on repurchase agreements booked by treasury securities. The Credit Agreement contains fallback provisions that would apply if the reference rates used thereunder were unavailable. Nevertheless, at this time, it is not possible to predict the effect that any discontinuance, modification or other reforms to LIBOR or any other reference rate, or the establishment of alternative reference rates, may have on LIBOR or other benchmarks, including LIBOR-based borrowings under the term loans and Revolving Facility under the Credit Agreement. Furthermore, the use of alternative reference rates or other reforms could cause the market value of, the applicable interest rate on and the amount of interest paid on our benchmark-based borrowings to be materially different than expected and could materially adversely impact our ability to refinance such borrowings or raise future indebtedness on a cost-effective basis.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Information concerning the Company's share repurchases made during the third quarter ended September 30, 2022:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans (2)	Maximum Number of Shares that May Yet Be Purchased Under the Plans (2)
July	1,378	$ 2.97	—	2,426,177
August	10,811	$ 5.35	—	2,426,177
September	—	$ —	—	2,426,177
Total	12,189	$ 5.08	—	

(1) All shares were surrendered or deemed surrendered to the Company in connection with the Company's share-based compensation plans.

(2) The initial share repurchase plan was approved by the Board of Directors in 1997 and subsequently increased from time to time through 2012. The Company may purchase shares from time to time in open market purchases or privately negotiated transactions. The Company may make all or part of the purchases pursuant to accelerated share repurchases or Rule 10b5-1 plans. The share repurchase plan has no expiration date.

Item 3: Defaults Upon Senior Securities

Not applicable.

Item 4: Mine Safety Disclosures

Not applicable.

Item 5: Other Information

None.

(in millions, except share and per share amounts)

Item 6: Exhibits

3.1(i)	Amended and Restated Articles of Incorporation of Diebold, Incorporated – incorporated by reference to Exhibit 3.1(i) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994 (Commission File No. 1-4879)
3.1(ii)	Certificate of Amendment by Shareholders to Amended Articles of Incorporation of Diebold, Incorporated – incorporated by reference to Exhibit 3.2 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1996 (Commission File No. 1-4879)
3.1(iii)	Certificate of Amendment to Amended Articles of Incorporation of Diebold, Incorporated – incorporated by reference to Exhibit 3.3 to Registrant's Annual Report on Form 10-K for the year ended December 31, 1998 (Commission File No. 1-4879)
3.1(iv)	Certificate of Amendment to Amended Articles of Incorporation of Diebold Nixdorf, Incorporated – incorporated by reference to Exhibit 3.1(i) to Registrant's Current Report on Form 8-K filed on December 12, 2016 (Commission File No. 1-4879)
3.1(v)	Certificate of Amendment to Amended Articles of Incorporation of Diebold Nixdorf, Incorporated, effective April 26, 2017 – incorporated by reference to Exhibit 3.5 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 (Commission File No. 1-4879)
3.1(vi)	Certificate of Amendment to Amended Articles of Incorporation of Diebold Nixdorf, Incorporated, effective March 9, 2022 – incorporated by reference to Exhibit 3.1(vi) to Registrant's Annual Report on Form 10-K for the year ended December 31, 2021 (Commission File No. 1-4879)
3.2	Amended and Restated Code of Regulations – incorporated by reference to Exhibit 3.1(ii) to Registrant's Current Report on Form 8-K filed on February 17, 2017 (Commission File No. 1-4879)
10.2	Transaction Support Agreement, dated as of October 20, 2022, among Diebold Nixdorf, Incorporated, certain of its subsidiaries and the Initial Consenting Holders identified therein – incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K filed on October 20, 2022 (Commission File No. 1-4879)
10.3	Limited Waiver, dated as of October 31, 2022, among Diebold Nixdorf, Incorporated, JPMorgan Chase Bank, N.A., a national banking association, as administrative agent, the other Subsidiary Borrowers party thereto and the Lenders party thereto – incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K on November 7, 2022 (Commission File No. 1-4879)
10.4	Termination Agreement dated February 25, 2021, by and between Diebold Nixdorf, Incorporated and Dr. Ulrich Näher
10.5	Offer Letter - Joe Myers
10.6	Form of Restricted Stock Unit Agreement - Joe Myers (2017 Plan)
22.1	List of Subsidiary Guarantors
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
32.2	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document included in Exhibit 101)

SIGNATURES

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.

DIEBOLD NIXDORF, INCORPORATED

Date: November 09, 2022

/s/ Jeffrey Rutherford

By: Jeffrey Rutherford

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

ABWICKLUNGSVEREINBARUNG

(„**Vereinbarung**")

zwischen

Diebold Nixdorf Holding Germany GmbH
Heinz-Nixdorf-Ring 1
33106 Paderborn
Deutschland / Germany

(„**Gesellschaft**")

und

Herrn Dr. Ulrich Näher
Brunhildenstraße 8, 80639 München
Deutschland / Germany

(„**Herr Dr. Näher**")

(gemeinsam auch als die „**Parteien**" bezeichnet)

TERMINATION AGREEMENT

("**Agreement**")

between

("**Company**")

and

("**Dr. Näher**")

(jointly also referred to as the "**Parties**")

Vorbemerkung

Die Gesellschaft hat den Geschäftsführeranstellungsvertrag vom 25. Februar 2021 („**Anstellungsvertrag**") unter Einhaltung der vertraglichen Kündigungsfrist von sechs Monaten durch ordentliche Kündigung vom 30. Juni zum 31. Dezember 2022 gekündigt. Im Rahmen einer Neuorganisation des Konzerns ist die Kündigung aus betrieblichen Gründen ausgesprochen worden. Herr Dr. Näher soll über den 30. September 2022 hinaus nicht mehr als Geschäftsführer tätig sein.

Zur Abwicklung des Anstellungsverhältnisses zwischen den Parteien vereinbaren die Parteien was folgt:

1. Beendigung des Anstellungsvertrags

1.a Die Parteien sind sich darüber einig, dass der Anstellungsvertrag am 30. September 2022 („**Beendigungsdatum**") enden wird. Jedes etwaige sonstige Arbeits- oder Dienstverhältnis mit der Gesellschaft oder mit einem im Sinne von § 15 Aktiengesetz (*AktG*) mit der Gesellschaft verbundenen Unternehmen („**Verbundenes Unternehmen**") endet ebenfalls zum Beendigungszeitpunkt. Die Unterzeichner der Gesellschaft handeln insoweit als Vertreter der Verbundenen Unternehmen.

Preamble

The Company terminated the Service Agreement between the Parties dated 25 February 2021 ("**Service Agreement**") observing the applicable notice period of six months by termination notice dated 30 June 2022 and having effect as of the expiration of 31 December 2022. The notice of termination was issued for operational reasons in the context of a reorganization of the group. Dr. Näher is not to continue as managing director beyond 30 September 2022.

For the purpose of settling the employment between the Parties, the Parties agree as follows:

▪. Termination of Service Agreement

1.• The Parties agree that the Service Agreement shall end on 30 September 2022 ("**Termination Date**"). Any other employment or service relationship with the Company or an affiliated company in the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz – AktG*) ("**Affiliates**") shall also end at the Termination Date. To this extent, the undersigned of the Company act as representatives of the Affiliates.

1.a Bis zum Beendigungsdatum wird das Anstellungsverhältnis zwischen Herrn Dr. Näher und der Gesellschaft gemäß dem Anstellungsvertrag nach Maßgabe der folgenden Bestimmungen durchgeführt und abgewickelt.

1.• Until the Termination Date, Dr. Näher's employment with the Company shall be executed and processed on the basis of the Service Agreement and the provisions agreed herein.

2. Amtsniederlegung; Entlastung

i. Resignation from office; Approval of Actions

2.a Herr Dr. Näher wird sein Amt als Geschäftsführer der Gesellschaft mit Wirkung zum Ablauf des 30. September 2022 einvernehmlich niederlegen. Die Gesellschaft wird nach Amtsniederlegung eine unverzügliche Löschung der Eintragung des Geschäftsführers als Geschäftsführer aus dem Handelsregister der Gesellschaft veranlassen.

2.1 Dr. Näher shall resign from his office as managing director of the Company by mutual agreement with effect as of the expiration of 30 September 2022. Upon resignation, the Company shall cause the immediate deletion of the entry of Dr. Näher as managing director from the commercial register of the Company.

2.a Ferner wird Herr Dr. Näher seine Ämter bei der Gesellschaft und bei Verbundenen Unternehmen sowie Positionen, die er im Interesse der Gesellschaft oder Verbundenen Unternehmen wahrnimmt, mit Wirkung zum Ablauf des 30. September 2022 bzw. zum nächstmöglichen Zeitpunkt einvernehmlich niederlegen bzw. abberufen werden. Dies betrifft insbesondere Ämter in den folgenden Gesellschaften:

- Aisino-Wincor Retail & Banking Systems (Shanghai) Co., Ltd.
- Diebold Nixdorf Information Systems (Shanghai) Co. Ltd.
- Diebold Nixdorf Manufacturing Pte. Ltd.
- Diebold Nixdorf Holding Germany GmbH
- WINCOR NIXDORF International GmbH
- Diebold Nixdorf Systems GmbH
- IP Management GmbH
- CI Tech Sensors AG

2.1 Furthermore, Dr. Näher will resign or be dismissed from his offices at the Company and at Affiliates as well as from positions he holds in the interest of the Company or any Affiliate by mutual agreement with effect as of the expiration of 30 September 2022 or the next possible date. This applies in particular to offices held in the following companies:

- Aisino-Wincor Retail & Banking Systems (Shanghai) Co., Ltd.
- Diebold Nixdorf Information Systems (Shanghai) Co. Ltd.
- Diebold Nixdorf Manufacturing Pte. Ltd.
- Diebold Nixdorf Holding Germany GmbH
- WINCOR NIXDORF International GmbH
- Diebold Nixdorf Systems GmbH
- IP Management GmbH
- CI Tech Sensors AG

2.a	Die Gesellschafterin der Gesellschaft wird über eine Entlastung von Herrn Dr. Näher im regulären Geschäftsgang entscheiden. Derzeit sind keine Umstände bekannt, die einer Entlastung entgegenstehen könnten. Deshalb geht die Gesellschaft derzeit von einer vollständigen Entlastung aus. Entsprechendes gilt auch für seine Tätigkeiten in Verbundenen Unternehmen.	2.1	The Company’s shareholder shall decide on the approval of actions of Dr. Näher in the regular course of business. At present, there are no known circumstances that could prevent an approval. Therefore, the Company currently assumes that a complete approval will be decided on. The same shall also apply to his activities for Affiliates.
3.	**Festvergütung und variable Vergütung; Mobility Allowance**	**▪ .**	**Remuneration and Variable Remuneration; Mobility Allowance**
3.a	Die Gesellschaft wird die zeitanteiligen, monatlichen Raten der jährlichen Festvergütung in Höhe von brutto EUR 496.203,00 bis zum Beendigungsdatum ordnungsgemäß abrechnen und an Herrn Dr. Näher auszahlen.	3.1	The Company shall duly calculate and pay out to Dr. Näher the pro-rated monthly instalments of the annual fixed salary in the gross amount of EUR 496,203.00 until the Termination Date.
3.a	Ferner wird die Gesellschaft an Herrn Dr. Näher die monatliche Mobility Allowance in Höhe von EUR 1.835,00 brutto entsprechend Ziffer 10 des Anstellungsvertrags bis zum Beendigungsdatum fortzahlen.	3.1	Further, the Company shall continue to to pay Dr. Näher the monthly Mobility Allowance in the gross amount of EUR 1,835.00 in accordance with Section 10 of the Service Agreement until the Termination Date.
3.a	Herr Dr. Näher erhält für das Kalenderjahr 2022 eine kurzfristige variable Vergütung gemäß des Annual Incentive Plan (*AIP*) der Diebold Nixdorf Gruppe. Eine etwaige Auszahlung erfolgt spätestens im April 2023.	3.1	For the calendar year 2022, Dr. Näher shall receive a short-term variable remuneration pursuant to the Annual Incentive Plan (*AIP*) of the Diebold Nixdorf Group. The payment, if any, shall be made latest in April 2023.

3.a Die Ansprüche von Herrn Dr. Näher auf langfristige variable Vergütung aus dem Long-Term Incentive Plan richten sich nach dem anwendbaren Equity und Performance Incentive Plan der Diebold Nixdorf Incorporated mit Ausnahme der Regelung in Ziffer 3.5.

3.1 Dr. Näher's entitlements to long-term variable remuneration under the Long-Term Incentive Plan shall be determined by the applicable Equity and Performance Incentive Plan of Diebold Nixdorf Incorporated except as set forth in Section 3.5.

3.b Bezogen auf die Ansprüche nach Ziffer 3.3 (AIP) und 3.4. (LTI) wird Herr Dr. Näher so behandelt, als hätte er das gesamte Kalenderjahr 2022 für die Gesellschaft gearbeitet. Das Beendigungsdatum bleibt also insoweit unberücksichtigt.

3.2 Regarding his claims set out in Sec 3.3 (AIP) and Section 3.4 (LTI), Dr. Naeher will be treated as if he has completed his duties for the full calendar year 2022. The Termination Date shall insofar not be taken into account.

3.a	Herr Dr. Näher hat im März 2022 von der Diebold Nixdorf Incorporated eine Aktienzusage (Restricted Stock Unit Agreement) erhalten, die 119.332 Aktien umfasst und in drei jährlichen Tranchen ausgezahlt werden sollte. Mit der Beendigung seines Dienstverhältnisses am 30. September 2022 werden gemäß den Bedingungen der Zuteilungs-vereinbarungen alle RSUs unter der Restricted Stock Unit-Vereinbarung vom März 2022 verfallen und nicht unverfallbar werden. Als Teil der Einigung und als zusätzliche Zahlung anlässlich der Beendigung des Dienstverhältnisses erhält Dr. Näher stattdessen eine Zahlung, die dem Barwert von 59.666 Aktien bei Zugrundelegung des Aktienkurses der Diebold Nixdorf Inc. am 30. September 2022 (NYSE, bei Börsenschluss) entspricht. Die Zahlung erfolgt zum gleichen Zeitpunkt wie die Abfindung (Ziffer 4.1) am 1. Oktober 2022. Es gelten die gleichen Zahlungsbedingungen, einschließlich der Fälligkeit. Die Zahlung wird die Abfindung nach Abschnitt 4.1 nicht reduzieren.	3.1	Dr. Näher received a stock award (Restricted Stock Unit Agreement) in March 2022 from Diebold Nixdorf Incorporated comprising 119,332 shares, which was to be paid out in 3 annual tranches. With the termination of his employment on 30 September 2022, pursuant to the terms of the award agreements, all RSUs under the March 2022 Restricted Stock Unit Agreement will expire and not vest. As a negotiated settlement and as an additional separation payment, Dr. Näher will instead receive the cash value of 59,666 shares corresponding to the share price of Diebold Nixdorf Inc. on 30 September 2022 (NYSE, at closing). The payment will be made at the same time as the severance payment (Section 4.1) on 1 October 2022. The same payment terms will apply, including the due date. The payment will not lower the severance payment of Section 4.1.
3.a	Die Parteien sind sich einig, dass darüber hinaus keine weiteren Ansprüche auf eine variable Vergütung bestehen.	3.1	The Parties agree that there shall be no further claims to any variable remuneration.
4.	**Abfindung**	**▪.**	**Severance**

4.a	Die Gesellschaft zahlt Herrn Dr. Näher als Entschädigung für die Beendigung des Anstellungsvertrags eine Abfindung in Höhe von EUR 1.488.609,00 brutto gemäß Ziffer 11.6 des Dienstvertrags und den Vorgaben des Senior Leadership Severance Plan (*SLSP*) der Diebold Nixdorf Inc. Die Abfindung wird am 1. Oktober 2022 gezahlt. Nach Ablauf des vereinbarten Fälligkeitsdatums befindet sich die Gesellschaft in Verzug, ohne dass es einer weiteren Mahnung bedarf. Sie schuldet ab diesem Zeitpunkt Zinsen in Höhe von einem Prozent pro Monat. Das Rücktrittsrecht nach § 323 ff. BGB bleibt hiervon unberührt. Diese Regelung gilt entsprechend für alle finanziellen Leistungen an Herrn Dr. Näher nach diesem Vertrag.	4.1	The Company shall pay to Dr. Naeher a severance in the gross amount of EUR 1,488,608.50 as compensation for the termination of the employment pursuant to Section 11.6 of the Service Agreement and the regulations of the Senior Leadership severance Plan. The severance payment shall be made on 1 October 2022. After the agreed due date, the Company is considered in default without and further notice / warning being necessary. It shall owe interest in the amount of 1% per month as of that time. The Right to revoke this Agreement according to Sections 323 et seq. of the German Civil Code shall remain unaffected. This regulation shall apply to all financial obligations owed to Dr. Naeher under this Agreement.
4.a	Die Zahlung der Abfindung steht unter dem Vorbehalt, dass Herr Dr. Näher mit der vollständigen Freistellung der Unternehmen der Diebold Nixdorf Gruppe, deren Geschäftsführer, Vertreter und Mitarbeiter gemäß Ziffer 14 dieser Vereinbarung einverstanden ist.	4.1	Payment of the severance is subject to the provision that Dr. Näher agrees to the full and complete release of any and all companies of the Diebold Nixdorf Group, its managing directors, representatives and employees in accordance with Section 14 of this Agreement.
4.a	Die Abfindung wird, wie in Ziffer 4.1 geregelt, unter Abzug gesetzlicher Abgaben zur Zahlung fällig und erfüllbar; mit Unterzeichnung dieser Vereinbarung ist der Anspruch auf die Abfindung entstanden und vererblich.	4.1	The severance shall be due and payable according to Sec 4.1 after deduction of applicable duties; the claim to the severance shall have accrued and be inheritable upon signing of this Agreement.
4.a	Auf die Abfindung werden etwaige Abfindungsansprüche angerechnet, zu deren Zahlung die Gesellschaft nach deutschem Recht verpflichtet ist.	4.1	Any severance claims, which the Company is obligated to pay to Dr. Näher under German law, shall be offset against the severance, if any, under this Agreement.
5.	**Urlaub**	**▪.**	**Vacation**

5.1 Bis zum Beendigungsdatum kann Herr Dr. Näher nach den bisher üblichen Gepflogenheiten und gemäß Ziffer 5 des Anstellungsvertrags Urlaub nehmen.

5.1 Until the Termination Date, Dr. Naeher will be entitled to take his regular vacation according to Sec 5 of the Employment Contract.

5.1 Die Parteien sind sich darüber einig, dass Herrn Dr. Näher eine finanzielle Abgeltung von etwaig unverbrauchten Urlaubsansprüchen nicht zusteht.

5.2 The Parties agree that Dr. Näher shall not be entitled to compensation for any accrued vacation that he cannot take by the Termination Date.

6. Spesen

▪. Expenses

Eventuelle noch ausstehende dienstliche Reisen-/ Spesenabrechnungen sind bis zum Beendigungsdatum einzureichen und werden nach Maßgabe der Reisekostenrichtlinie der Gesellschaft abgerechnet.

Any outstanding travel/expense claims must be submitted by the Termination Date and shall be accounted according to the Company’s Travel Expenses Guideline.

7. Steuerberatungskosten / Outplacement

▪. Tax Advisory Expenses / Outplacement

Die Gesellschaft erstattet Herrn Dr. Näher für das Steuerjahr 2021 und 2022 Steuerberatungskosten gegen Beleg in Höhe von bis zu USD 10.000,00 brutto für jedes Steuerjahr.

Herr Dr. Näher hat einen Anspruch auf Gewährung einer Outplacement-Maßnahme durch ein Personalberatungsunternehmen seiner Wahl. Die Gesellschaft trägt die daraus entstehenden Kosten bis zu einem pauschalen Betrag in Höhe von EUR 30.000,00 zzgl. gesetzlicher Umsatzsteuer.

Soweit Herr Dr. Näher die Outplacement-Maßnahme nicht in Anspruch nimmt oder in einem Umfang in Anspruch nimmt, der hinter dem Betrag nach Absatz 1 (ohne Umsatzsteuer) zurückbleibt, wird die Abfindung nach Ziffer 4 dieser Vereinbarung um den freiwerdenden Differenzbetrag (ohne Umsatzsteuer) erhöht.

The Company shall reimburse Dr. Näher for tax advisory expenses for the tax years 2021 and 2022 against receipt of up to USD 10,000 gross for each year.

Dr. Näher has a claim to be granted an outplacement measure by a personnel consulting company of his choice. The Company will bear the resulting costs up to a lump sum of EUR 30,000.00 plus statutory value-added tax.

Insofar as Dr. Näher does not avail himself of the outplacement measure or avails himself of it to an extent that falls short of the amount pursuant to paragraph 1 (excluding value-added tax), the severance payment pursuant to Section 4 of this Agreement shall be increased by the difference amount released (excluding value-added tax).

8. Betriebliche Altersversorgung

Ansprüche auf betriebliche Altersversorgung richten sich nach den bestehenden Regelungen und den gesetzlichen Bestimmungen. Für 2022 wird der von der Gesellschaft zu zahlende jährliche Betrag voll bezahlt. Die Parteien sind sich darüber einig, dass die betriebliche Altersversorgung unverfallbar ist.

▪. Company Pension Scheme

Any claims to a company pension shall be based on the applicable company regula-tions as well as the statutory regulations. Für 2022, the full annual contribution payable by the Company will be paid. The Parties agree that the company pension is vested.

9. Rückgabe von Gegenständen

▪. Return of Company Property

9.a Herr Dr. Näher hat sämtliche der Gesellschaft oder einem Verbundenen Unternehmen gehörenden Gegen-stände, die sich in seinem Besitz befinden, vollständig und in ordnungsgemäßem Zustand am letzten Arbeitstag vor dem Beendigungsdatum an die Gesellschaft zurückzugeben.

9.1 Dr. Näher shall return all items that belong to the Company or one of its Affiliates and that he still holds in his possession, in proper condition on the last working day prior to the Termination Date.

9.a Die Rückgabepflicht erstreckt sich insbesondere auf alle ihm überlassenen Gegenstände, Geräte und alle Unterlagen, die im Zusammenhang mit der Tätigkeit als Geschäftsführer bei der Gesellschaft entstanden sind. Zu diesem Eigentum und Unterlagen zählen u.a. Schlüssel für Firmengebäude, Laptop, Mobiltelefon, Zugangsausweis, Geschäftspapiere, Hard- und Software, alle gespeicherten Daten und Informationen, die die Gesellschaft oder ein Verbundenes Unternehmen betreffen, Zeichnungen, Skizzen, Briefe, Besprechungsberichte, handschriftliche Notizen, Fotos, Literatur usw. sowie Kopien und Abschriften dieser Unterlagen, gleich auf welchem Datenträger.

9.1 This obligation extends in particular to all objects, equipment and all documents provided to him in connection with his activity as managing director of the Company. Such property and documents include, but are not limited to, keys for company buildings, laptops, mobile telephones, access cards, business papers, hardware and software, all stored data and information relating to the Company or one of its Affiliates, drawings, sketches, letters, meeting reports, handwritten notes, photographs, literature, etc. as well as copies and transcripts of such documents, no matter on which data carrier.

9.a Ferner ist Herr Dr. Näher verpflichtet, alle auf den von ihm privat genutzten Computern gespeicherten Daten und Programme, die ihm im Hinblick auf seine Tätigkeit überlassen bzw. wegen seiner Tätigkeit gespeichert wurden, der Gesellschaft auf Datenträger kopiert zur Verfügung zu stellen und anschließend auf den betreffenden Computern zu löschen. Herr Dr. Näher wird bestätigen, die entsprechenden Daten bzw. Programme gelöscht zu haben.

9.1 Furthermore, Dr. Näher is obligated to make available to the Company all data and programs stored on the computers used by him privately, which were provided to him with regard to his activity or were stored because of his activity, copied onto data carriers and then to delete them from the computers. Dr. Näher will confirm that he has deleted the relevant data or programs.

9.a Ein Zurückbehaltungsrecht hinsichtlich der in den vorhergehenden Absätzen genannten Gegenstände und Unterlagen ist ausgeschlossen.

9.1 A right of retention regarding the property and documents listed in the above paragraphs shall be excluded.

10. Verschwiegenheitspflicht

▪. Confidentiality

Herr Dr. Näher verpflichtet sich, auch nach Beendigung des Anstellungsvertrags, Stillschweigen über alle vertraulichen Angaben sowie Betriebs- und Geschäftsgeheimnisse der Gesellschaft und Verbundener Unternehmen zu bewahren. Dies gilt nicht für Informationen, die auf andere Weise als durch einen Verstoß gegen diese Verschwiegenheitspflicht öffentlich bekannt werden. Die Verschwiegenheitspflicht aus Ziffer 3 des Anstellungsvertrags bleibt unberührt. Die Parteien werden auch den Inhalt dieser Vereinbarung und die sie begleitenden Umstände vertraulich behandeln, soweit nicht zwingendes Recht eine Offenlegung erfordert oder die Offenlegung zur Durchsetzung von Rechten erforderlich ist.

Dr. Näher undertakes, also following the termination of the Service Agreement, to observe confidentiality with regard to all confidential information and trade and operational secrets of the Company and its Affiliates. This shall not apply to information that becomes publicly known other than through a violation of this confidentiality obligation. The confidentiality obligation as agreed in Section 3 of the Service Agreement remains unaffected. The Parties shall also treat the content of this Agreement and the circumstances accompanying it as confidential, unless mandatory law requires disclosure or disclosure is necessary to enforce rights.

11. Kommunikation, Zeugnis

▪. Communication; Reference letter

11.a Über das Ausscheiden von Herrn Dr. Näher aus den Diensten der Gesellschaft wird im Anschluss an die Niederlegung eine Mitarbeiter-Mitteilung sowie Pressemitteilung nach dem in <u>Anlage 1</u> beigefügten Muster veröffentlicht.

11.1 Following Dr. Näher's resignation, an employee notification and press release will be published in accordance with the template attached as <u>Annex 1</u>.

11.a Herr Dr. Näher erhält ein qualifiziertes Zeugnis, welches der Gesamtnote „sehr gut" entspricht, eine entsprechende Dankes-, Bedauerns- und Gute-Wünsche-Formel enthält, und das sich auf Führung und Leistung erstreckt und im rechtlich zulässigen Rahmen seine Formulierungswünsche berücksichtigt. Herr Dr. Näher ist berechtigt, einen Zeugnisentwurf vorzulegen, von dessen Inhalt die Gesellschaft nur aus wichtigem Grund abweichen darf.

11.1 The Company shall provide Dr. Näher with a benevolent, qualified reference letter with the mark "very good" with a corresponding formula of thanks, regret and best wishes, and which covers conduct and performance and, as far as legally possible, Dr. Näher's proposals for the wording of the letter will be taken into account. Dr. Näher shall be entitled to provide the Company with a draft reference letter from which the Company may only deviate for important reasons.

12. Versicherungen

▪. Insurances

12.a Die Gesellschaft wird die D&O-Versicherung für Herrn Dr. Näher gemäß Ziffer 7.6 des Anstellungsvertrags für einen Zeitraum von mindestens 10 Jahren nach dem Beendigungsdatum weiterführen.

12.1 The Company shall continue to maintain the D&O insurance for Dr. Näher in line with Section 7.6 of the Service Agreement for a period of at least 10 years after the Termination Date.

12.a Ferner wird die Gesellschaft folgende Versicherungen gemäß Ziffer 7.5 des Anstellungsvertrags zugunsten von Herrn Dr. Näher bis zum Beendigungsdatum weiterführen:

- Dienstreise-Unfallversicherung
- Auslands-Reisekrankenversicherung
- Reisegepäck-Versicherung
- Verkehrsrechtsschutz-Versicherung für Dienstreisen
- Privathaftpflicht-Versicherung
- Unfallversicherung
- Fluggastversicherung

12.1 Furthermore, the Company shall continue to maintain the following insurances in favour of Dr. Näher in line with Section 7.5 of the Service Agreement until the Termination Date:

- Business travel accident insurance
- Foreign travel health insurance
- Baggage insurance
- Motor legal protection insurance for business travel
- Private liability insurance
- Accident insurance
- Air passenger insurance

13. Nachvertragliches Wettbewerbsverbot; Abwerbeverbot

i. Post-Contractual Non-Compete; Non-Solicitation

13.a Die Parteien sind sich darüber einig, dass das nachvertragliche Wettbewerbsverbot gemäß Ziffer 14 des Anstellungsvertrags nicht aufrechterhalten bleibt.

13.1 The Parties agree that the post-contractual non-compete covenant pursuant to Section 14 of the Service Agreement shall be not be upheld

13.a Die Parteien sind sich darüber einig, dass kein Anspruch auf eine Karenzentschädigung besteht.

13.1 The Parties agree that no claim to a compensation payment for the post-contractual non-compete exists.

13.a Das Abwerbeverbot gemäß Ziffer 15 des Anstellungsvertrags bleibt aufrechterhalten.

13.1 The non-solicitation obligation pursuant to Section 15 of the Service Agreement shall continue to apply.

14. Erledigungsklausel

▪. Settlement Clause

Die Parteien sind sich einig, dass mit Unterzeichnung dieser Vereinbarung sämtliche gegenseitige Ansprüche aus dem Anstellungsverhältnis und seiner Beendigung, gleich aus welchem Rechtsgrund, seien sie bekannt oder unbekannt, erledigt sind, mit Ausnahme der in dieser Vereinbarung geregelten Ansprüche. Dasselbe gilt für Ansprüche im Zusammenhang mit dem Anstellungsverhältnis und seiner Beendigung. Diese Erledigung gilt auch für Ansprüche von und gegen mit der Gesellschaft verbundene(n) Unternehmen, Von S. 1 dieser Ziffer ausgenommen sind Ansprüche gemäß § 43 Abs. 3 GmbHG, Ansprüche, auf die nur mit Zustimmung Dritter verzichtet werden kann sowie andere unverzichtbare Ansprüche.

The Parties agree that with the signing of this Agreement, all reciprocal claims arising from the Service Agreement and its termination, regardless of their legal grounds, be they known or unknown, are deemed settled, with the exception of the claims set forth herein. The same shall apply to claims in connection with the service relationship and its termination. The settlement shall also apply to claims of and against any affiliated companies for the Company. Claims in accordance with Section 43 paragraph 3 Limited Liability Companies Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung – GmbHG*), claims which can only be waived with the consent of third parties and other indispensable claims are excluded from Sentence 1 of this Section.

Diese Erledigung hat keinen Einfluss auf etwaige Ansprüche der Gesellschaft, die sich aus der Tätigkeit von Herrn Dr. Näher als Geschäftsführer der Gesellschaft ergeben, die erst nach Erteilung der Entlastung nach den anwendbaren gesetzlichen und gesellschaftsrechtlichen Regelungen sowie regulatorischen Vorschriften erledigt werden können.

The above settlement shall not affect those claims of the Company, if any, arising from Dr. Näher's activity as managing director which can only be settled once approval of actions under the applicable legal and company rules as well as regulatory requirements has been granted.

15. Schlussbestimmungen

▪. Miscellaneous

15.a Sollten einzelne Bestimmungen dieser Vereinbarung unwirksam sein oder werden, so sind sich die Parteien darüber einig, dass die Vereinbarung im Übrigen wirksam bleibt. Die Parteien verpflichten sich, die unwirksame Bestimmung durch eine wirksame zu ersetzen, die dem Sinn und Zweck der Vereinbarung in tatsächlicher, rechtlicher und wirtschaftlicher Hinsicht am nächsten kommt. Ebenso ist zu verfahren, wenn diese Vereinbarung eine Lücke aufweist.

15.1 In case that some stipulations of this Agreement are invalid or become invalid, the Parties hereby agree that the Agreement as such shall remain effective. The Parties hereby undertake to replace the invalid provision by another provision which comes closest to the intended factual, legal and economic effect of the invalidated provision. The same shall apply in case of any regulative gap in this Agreement.

15.a Änderungen und Ergänzungen dieser Vereinbarung bedürfen der Schriftform. Dies gilt insbesondere auch für Änderungen und Ergänzungen dieser Schriftformklausel. Der Vorrang der Individualabrede (§ 305b BGB) bleibt jedoch unberührt.

15.1 Any modifications and amendments of this Agreement must be made in writing. This applies especially to modifications and amendments of this clause. However, any subsequent individual agreements on this shall prevail (Section 305b German Civil Code).

15.a Diese Vereinbarung ist in deutscher und englischer Sprache ausgefertigt. Im Falle eines Widerspruchs zwischen der deutschen und der englischen Fassung hat die deutsche Fassung Vorrang.

15.1 This Agreement is issued in German and English language. In case of contradictions between the German and the English version, the German version shall prevail.

____

Ort/Place, Datum/Date

____

Diebold Nixdorf Holding Germany GmbH, vertreten durch die alleinige Gesellschafterin Diebold Nixdorf Incorporated, diese wiederum vertreten durch Jonathan Leiken / represented by its sole shareholder Diebold Nixdorf Incorporated, which in turn is represented by Jonathan Leiken

____

Ort/Place, Datum/Date

____

Dr. Ulrich Näher

Anlage/Annex
Anlage 1/ Annex 1: Kommunikation/Communication

07/17/2022

Private and Confidential

J B Myers
755 Winnmark Court
Roswell, GA
30067
Delivered via e-mail

Dear Joe,

Welcome to DN! We are delighted to have you on our team and look forward to the benefit of the experience and expertise you bring to the company. As a result of our conversations and the time you spent speaking to our team, we are pleased to offer you the position of EVP Global Banking at Diebold Nixdorf, Inc. ("Diebold Nixdorf" or the "Company"), reporting to Octavio Marquez, President, and Chief Executive Officer. Your employment will be based out of Atlanta (Remote) with an anticipated start date of August 22, 2022. The grade level for this position is Grade 85. We ask that you confirm your acceptance of this offer and return the signed offer letter within three (3) days. Your starting base annual salary for this position will be $550,000. You will be paid biweekly in accordance with the Company's normal payroll practices.

BONUS

Effective 2022 you will be eligible to participate in the Annual Incentive Plan (AIP), subject to the terms and conditions of such plan. Your incentive target will be 100% of your base annual salary prorated based on your start date. The Plan will be reviewed annually and may be amended to the discretion of Diebold Nixdorf. The awards are generally paid to participants by March of each year for the previous fiscal year. Plan details will be made available to you upon your commencement of employment.

LONG-TERM INCENTIVE

Beginning in 2023, you will also be eligible to participate in the long-term incentive program in the amount of 175% of your base annual salary. The participation is linked to the global long-term incentive plan and subject to the terms and conditions of such plan which is subject to change at the discretion of the board of directors.

SIGN ON BONUS AND ONE-TIME RSU GRANT

You will also receive a one-time signing bonus in the amount of $300,000, in March 2023. It is understood that if you voluntarily resign or are dismissed for cause within 12 (twelve) months of your effective start date, you will be required to repay signing bonus of $300,000 at 100%. In addition to the cash bonus, the Company shall award you restricted stock units with a value of $500,000 on the start date as inducement. The terms of the grant will be evidenced on an award agreement, subject to Compensation Committee approval. All subsequent awards shall be awarded pursuant to the Company's shareholder-approved equity plan in effect at the time of the awards.

SEVERANCE BENEFITS

In the first year of your employment, if your employment is involuntarily terminated by the Company for reasons other than for Cause or you terminate your employment for Good Reason, the Company shall pay you a separation payment in an amount equal to the sum of your annual base salary and your AIP bonus at target multiplied by 1.5. The definitions of “Cause” and “Good Reason” shall be the same definitions as set forth in the Company’s Senior Leadership Severance Plan which has been provided to you and such definitions are incorporated herein by reference. You will be required to execute a release acceptable to the Company to receive the separation payment.

Before your first year employment anniversary, you are not eligible to participate in the Senior Leadership Severance Plan. On the first year anniversary of your employment, you will participate in the Company’s Senior Leadership Severance Plan as a Grade 85 Executive and the benefits under the Senior Leadership Severance Plan shall be the only severance benefits you shall be entitled to receive.

CHANGE IN CONTROL BENEFITS

You shall be eligible to participate in the Company’s Change in Control (CIC) program on terms commensurate with similarly situated executives, as determined by the Board in its sole discretion. A copy of the CIC Agreement is attached to this offer letter and shall be executed by you with the execution of this offer letter.

VACATION AND OTHER BENEFITS

Per Company policy, you will be eligible for 4 vacation weeks per calendar year. The amount of vacation you will be eligible for in 2022 will be dependent on your start date and pro-rated accordingly. The use of such vacation is subject to the terms and conditions of the Company’s vacation policy in effect at any given time. You will receive a number of paid holidays during the year in accordance with your work location.

Diebold Nixdorf offers an extensive employee benefit program. Choices exist for employees and their dependents in medical, dental, vision, life, and disability insurance. In addition, you will be automatically enrolled in the Savings and Investment Plan (401(K)), but may choose to opt out of this benefit at any time. This plan provides the opportunity to defer a portion of your pay and receive a Company match.

The specific benefits available to you, and the eligibility requirements for such benefits, are governed by the terms and conditions of the applicable plan documents. Employee contributions are required to participate in certain plans and programs. More information regarding the benefit plans and programs will be provided to you prior to your benefit enrollment period. Diebold Nixdorf’s benefit plans and programs are subject to amendment, modification, or termination by the Company, with or without notice to you.

CONDITIONS OF EMPLOYMENT

As a condition of employment, you will be required to sign Diebold Nixdorf’s Conditions of Employment which contain terms governing your employment relationship with Diebold Nixdorf including your use and protection of Diebold Nixdorf confidential information and trade secrets. This document also will contain restrictions on your ability to solicit customers and employees and may contain a restriction on your ability to work for a competitor during, and after, your employment with Diebold Nixdorf.

This offer is also contingent upon (1) a background check to be conducted, the results of which are satisfactory to the Company, and (2) completion of a pre-employment drug screen, the results of which are negative. On your first day of work, you must provide Diebold Nixdorf with document(s) to establish your identity and employment eligibility. A list of acceptable documents for establishing your identity and employment eligibility for I-9 purposes will be provided to you.

We hope your employment with us will be a mutually rewarding and enriching experience; however, your employment with Diebold Nixdorf is "at-will" which means that either you or the Company may end your employment with Diebold Nixdorf at any time, with or without a reason. Further, nothing in this letter or any other verbal or written communication to you creates or constitutes a contract for employment.

It is Diebold Nixdorf's policy to respect the trade secrets, confidential and proprietary information of its competitors and we expect them to do the same. Diebold Nixdorf does not want, and you are not to provide to it, any confidential, trade secret or proprietary information obtained from your current or any past employer, or any other entity or person. If it is later discovered that you are or may be prohibited from working for Diebold Nixdorf due to any agreement which you had such as a non-compete agreement, or it is subsequently determined that you have improperly disclosed any confidential, proprietary or trade secret information obtained from a past employer, then Diebold Nixdorf may withdraw your offer of employment or terminate the employment relationship.

We are excited about all the knowledge, experiences, and contributions you can bring to Diebold Nixdorf. We have put together a talented team of professionals and are convinced you will be an outstanding addition to the team.

We look forward to you joining the team!

Best regards,

____

Elizabeth Patrick
Chief People Officer

Please indicate your acceptance to this offer below with your signature:

____

J B Myers **Date Signed** ________________________

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement") is made and entered into as of the Date of Grant set forth on the Grant Detail Page by and between Diebold Nixdorf, Incorporated, an Ohio corporation (the "Company") and the Participant.

1. Grant of RSUs.

1.a Grant. Pursuant to Article VII of the 2017 Equity and Performance Incentive Plan (the "Plan"), the Company hereby grants to the Participant an Award consisting of the number of RSUs set forth on the Grant Detail Page. Each RSU represents the right to receive one Common Share, subject to the terms and conditions set forth in this Agreement and the Plan. Capitalized terms that are used but not defined herein have the meaning ascribed to them in the Plan.

1.b Consideration. The grant of the RSUs is made in consideration of the services to be rendered by the Participant to the Company or a Subsidiary.

2. Vesting. Except as otherwise provided in this Agreement and subject to the Participant's continuous service with the Company or a Subsidiary, the RSUs will vest in two (2) equal installments on January 31, 2023 and in January 31, 2024 (each period during which vesting restrictions apply is the "Annual Restricted Period" and the two) Annual Restricted Periods in the aggregate is the "Restricted Period").

3. Termination of Continuous Service.

3.a Termination for Reasons Other Than for Death, Disability or After Satisfying Service Requirements; Engaging in Detrimental Activity. If the Participant's continuous service with the Company or a Subsidiary is terminated for any reason other than as set forth in Section 3.2 or 3.3 or as contemplated by Section 7, or if the Participant shall engage in any Detrimental Activity (as defined in Section 4.2), the Participant shall forfeit all unvested RSUs; *provided*, *however*, that the Board, upon recommendation of the Committee, may, in its discretion, order that any part or all of the unvested RSUs shall continue to vest in accordance with the vesting schedule set forth in Section 2 (whether or not the Participant remains employed by the Company or a Subsidiary).

3.b Termination due to Death or Disability. If the Participant's continuous service with the Company or a Subsidiary terminates as a result of the Participant's death or Disability, all unvested RSUs shall vest in full immediately.

3.c Termination after Satisfying Service Requirements.

(1) If the Participant's continuous service with the Company or a Subsidiary terminates on or after the date on which the Participant attains age fifty-five (55), and if on such date the Participant shall have completed five (5) or more years of continuous service with the Company or its Subsidiaries, then the RSUs shall continue to vest in accordance with Section 2 as if the Participant had remained employed through the Restricted Period.

(2) If the Participant's continuous service with the Company or a Subsidiary terminates on or after the date on which the sum of the Participant's age and the number of the Participant's years of continuous service with the Company and its Subsidiaries on such date

equals or exceeds seventy (70), the extent to which any unvested RSUs granted hereby vest shall be determined as if the Participant's continuous service had not terminated (and as if the Participant had remained in continuous employment throughout the Restricted Period) and the result shall be multiplied by a fraction, the numerator of which is the number of full and partial months the Participant continuously served during the Annual Restricted Periods that have not ended (with partial months rounded up to a full month) and the denominator of which is the total number of full months remaining in the Restricted Period; *provided*, *however*, the Board, upon recommendation of the Committee, may, in its discretion, eliminate the foregoing fraction otherwise applicable to the Participant pursuant to this Section 3.3(b).

4. Detrimental Activity.

4.a Engaging in Detrimental Activity. If the Participant, either during employment by the Company or a Subsidiary or within one (1) year after termination of such employment, shall engage in any Detrimental Activity, and the Board shall so find, and the Participant shall not have ceased all Detrimental Activity within thirty (30) days after notice of such finding given within one (1) year after commencement of such Detrimental Activity, the Participant shall:

(1) Return to the Company all Common Shares that the Participant has not disposed of that were paid out pursuant to this Agreement within a period of one (1) year prior to the date of the commencement of such Detrimental Activity, and

(2) With respect to any Common Shares that the Participant has disposed of that were paid out pursuant to this Agreement within a period of one (1) year prior to the date of the commencement of such Detrimental Activity, pay to the Company in cash the value of such Common Shares on the date such Common Shares were paid out.

To the extent that such amounts are not paid to the Company, the Company may set off the amounts so payable to it against any amounts that may be owing from time-to-time by the Company or a Subsidiary to the Participant, whether as wages, deferred compensation or vacation pay or in the form of any other benefit or for any other reason.

4.b Definition of "Detrimental Activity." For purposes of this Agreement, the term "Detrimental Activity" shall include:

(1) Engaging in any activity, as an employee, principal, agent, or consultant for another entity, and in a capacity, that directly competes with the Company or any Subsidiary in any actual product, service, or business activity (or in any product, service, or business activity which was under active development while the Participant was employed by the Company if such development is being actively pursued by the Company during the one (1) year period first referred to in Section 4.1) for which the Participant has had any direct responsibility and direct involvement during the last two (2) years of his or her employment with the Company or a Subsidiary, in any territory in which the Company or a Subsidiary manufactures, sells, markets, services, or installs such product or service, or engages in such business activity.

(2) Soliciting any employee of the Company or a Subsidiary to terminate his or her employment with the Company or a Subsidiary.

(3) The disclosure to anyone outside the Company or a Subsidiary, or the use in other than the Company or a Subsidiary's business, without prior written authorization from the Company, of any confidential, proprietary or trade secret information or material relating to the business of the Company and its Subsidiaries, acquired by the Participant during his or her employment with the Company or its Subsidiaries or while acting as a consultant for

the Company or its Subsidiaries thereafter; *provided*, *however*, that nothing in this Agreement or the Plan limits a Participant's ability to file a charge or complaint or to communicate, including by providing documents or other information without notice to the Company, with the Securities and Exchange Commission or any other governmental agency or commission ("Government Agency") or limits a Participant's right to receive an award for information provided to any Government Agency.

(4) The failure or refusal to disclose promptly and to assign to the Company upon request all right, title and interest in any invention or idea, patentable or not, made or conceived by the Participant during employment by the Company and any Subsidiary, relating in any manner to the actual or anticipated business, research or development work of the Company or any Subsidiary or the failure or refusal to do anything reasonably necessary to enable the Company or any Subsidiary to secure a patent, a design registration, a utility model or a copyright registration where appropriate, in the United States and in any other countries.

(5) Activity that results in termination for Cause (as defined in Section 4.3).

4.c Definition of "Cause." For the purposes of Section 4 of this Agreement, "Cause" shall mean a termination due to Participant's:

(1) Willful failure to substantially perform his or her duties with the Company (other than any such failure resulting from the Participant's Disability), after a written demand for substantial performance is delivered to the Participant that specifically identifies the manner in which the Company believes that the Participant has not substantially performed his or her duties, and the Participant has failed to remedy the situation within fifteen (15) business days of such written notice from the Company;

(2) Willful gross negligence in the performance of the Participant's duties;

(3) Conviction of, or plea of guilty or nolo contendere, to any felony or a lesser crime or offense which, in the reasonable opinion of the Company, could adversely affect the business or reputation of the Company;

(4) Willful engagement in conduct that is demonstrably and materially injurious to the Company, monetarily or otherwise;

(5) Willful violation of any provision of the Company's code of conduct;

(6) Willful violation of any of the covenants contained in Article 4 of the Senior Leadership Severance Plan, if applicable to the Participant;

(7) Act of dishonesty resulting in, or intended to result in, personal gain at the expense of the Company;

(8) Engaging in any act that is intended to harm, or may be reasonably expected to harm, the reputation, business prospects, or operations of the Company; or

(9) Engaging in any act that justifies termination of employment with immediate effect under the local laws applicable to the Participant's employment relationship.

For purposes of this definition, no act or omission by the Participant shall be considered "willful" unless it is done or omitted in bad faith or without reasonable belief that the

Participant's action or omission was in the best interests of the Company. Any act or failure to act based upon: authority given pursuant to a resolution duly adopted by the Board; or (ii) advice of counsel for the Company, shall be conclusively presumed to be done or omitted to be done by the Participant in good faith and in the best interests of the Company.

For purposes of this Award, there shall be no termination for Cause pursuant to subsections

(1) through (h) above, unless a written notice, containing a detailed description of the grounds constituting Cause hereunder, is delivered to the Participant stating the basis for the termination. Upon receipt of such notice, the Participant shall be given thirty (30) days to fully cure (if such violation, neglect, or conduct is capable of cure) the violation, neglect, or conduct that is the basis of such claim.

5. Rights as Shareholder; Dividend Equivalents.

5.a Rights. The Participant shall not have any rights of a shareholder with respect to the Common Shares underlying the RSUs unless and until the RSUs vest and are settled by the issuance of such Common Shares.

5.b Dividend Equivalents. From and after the Date of Grant and until such time as either the RSUs are paid or forfeited in accordance with the terms of this Agreement, the Company shall pay to the Participant, in the calendar year in which a dividend is paid on Common Shares, an amount of cash equal to the pershare amount of the dividend paid times the number of unvested RSUs then held by the Participant; *provided*, *however*, that in the event the dividend is declared in the calendar year preceding the calendar year in which it is scheduled to be paid, the Participant shall be paid such amount of cash no later than March 15 of the calendar year following the year in which such dividend was declared.

6. Settlement of RSUs. Subject to Section 11 hereof, promptly following each vesting date, and in any event no later than sixty (60) days following each vesting date, the Company shall (a) issue and deliver to the Participant the number of Common Shares equal to the number of vested RSUs; and (b) enter the Participant's name on the books of the Company as the shareholder of record with respect to the Common Shares delivered to the Participant.

7. Change in Control.

7.a Acceleration of Vesting. Notwithstanding any provision of this Agreement to the contrary, if a Change in Control occurs after the Date of Grant and before the end of the Restricted Period and the Participant's continuous service with the Company or a Subsidiary is terminated by the Company other than for Cause (as defined in Section 7.3) (except for death or Disability) or by the Participant for Good Reason (as defined in Section 7.4), in either case, prior to the end of the Restricted Period, then any unvested RSUs granted hereby shall vest immediately upon such termination.

7.b Business Combination. Notwithstanding anything in this Section 7 to the contrary, in connection with a Business Combination (as defined in the Plan) the result of which is that the Company's Common Shares and voting stock exchanged for or becomes exchangeable for securities of another entity, cash or a combination thereof, if the entity resulting from such Business Combination does not assume the RSUs evidenced hereby and the Company's obligations hereunder, or replace the RSUs evidenced hereby with a substantially equivalent security of the entity resulting from such Business Combination, then the RSUs evidenced hereby shall vest in full as of the day immediately prior to the date of such Business Combination.

7.c Definition of “Cause.” For purposes of Section 7.1 of this Agreement, “Cause” means that the Participant has committed:

(a) an intentional act of fraud, embezzlement or theft in connection with his or her duties or in the course of his or her employment with the Company or any Subsidiary;

(b) intentional wrongful damage to property of the Company or any Subsidiary;

(c) intentional wrongful disclosure of secret processes or confidential information of the Company or any Subsidiary; or

(d) intentional wrongful engagement in any competitive activity which would constitute a material breach of the duty of loyalty (“Competitive Activity”); and any such act shall have been materially harmful to the Company and its Subsidiaries taken as a whole. No act, or failure to act, on the part of the Participant shall be deemed “intentional” if it was due primarily to an error in judgment or negligence, but shall be deemed “intentional” only if done, or omitted to be done, by the Participant not in good faith and without reasonable belief that his or her action or omission was in or not opposed to the best interest of the Company and its Subsidiaries.

7.d Definition of “Good Reason.” For purposes of Section 7.1 of this agreement, “Good Reason” means:

(1) failure to elect, reelect or otherwise maintain the Participant in the offices or positions in the Company or any Subsidiary which the Participant held immediately prior to a Change in Control, or the removal of the Participant as a director of the Company (or any successor thereto) if the Participant shall have been a director of the Company immediately prior to the Change in Control;

(2) a material reduction in the nature or scope of the responsibilities or duties attached to the position or positions with the Company and its Subsidiaries which the Participant held immediately prior to the Change in Control, a material reduction in the aggregate of the Participant’s base pay and incentive pay opportunity received from the Company, or the termination of the Participant’s rights to any material employee benefits to which he or she was entitled immediately prior to the Change in Control or a material reduction in scope or value thereof without the prior written consent of the Participant;

(3) the liquidation, dissolution, merger, consolidation or reorganization of the Company or transfer of all or a significant portion of its business and/or assets, unless the successor or successors (by liquidation, merger, consolidation, reorganization or otherwise) to which all or a significant portion of its business and/or assets have been transferred (directly or by operation of law) shall have assumed all duties and obligations of the Company under this Agreement; or

(4) the Company shall relocate its principal executive offices, or the Company or any Subsidiary shall require the Participant to have his or her principal location of work changed, to any location which is in excess of 50 miles from the location thereof immediately prior to the Change in Control or the Company or any Subsidiary shall require the Participant to travel away from his or her office in the course of discharging his or her responsibilities or duties hereunder significantly more (in terms of either consecutive days or aggregate days in any calendar year) than was required of him or her prior to the Change in Control without, in either case, the Participant’s prior written consent.

The Participant is not entitled to assert that his or her termination is for Good Reason unless the Participant gives the Company written notice of the event or events that are the basis for such claim within ninety (90) days after the event or events occur, describing such claim in reasonably sufficient detail to allow the Company to address the event or events and a period of not less than thirty (30) days after to cure the alleged condition.

8. Adjustments. The RSUs and the Common Shares subject to the RSUs may be adjusted or terminated in any manner as contemplated by Article XI of the Plan.

9. Withholding. The Participant shall be required to pay to the Company, and the Company shall have the right to deduct from any compensation paid to the Participant pursuant to the Plan, the amount of any required withholding taxes in respect of the RSUs and to take all such other action as the Committee deems necessary to satisfy all obligations for the payment of such withholding taxes. The Committee may permit the Participant to satisfy any federal, state or local tax withholding obligation by any of the following means, or by a combination of such means:

(1) tendering a cash payment;

(2) subject to Article XII of the Plan, authorizing the Company to withhold Common Shares from the Common Shares otherwise issuable or deliverable to the Participant as a result of the vesting of the RSUs; or

(3) delivering to the Company previously owned and unencumbered Common Shares.

10. Transferability. Neither the RSUs granted hereby nor any interest therein or in the Common Shares related thereto shall be transferable prior to payment other than by the laws of descent and distribution.

11. Compliance with Section 409A of the Code. The Award of RSUs covered by this Agreement is intended to be excepted from coverage under, or compliant with, the provisions of Section 409A of the Code and the regulations and other guidance promulgated thereunder (“Section 409A”). Notwithstanding the foregoing or any other provision of this Agreement or the Plan to the contrary, if all or any portion of the Award of RSUs is subject to the provisions of Section 409A (and not exempted therefrom), the provisions of this Agreement and the Plan shall be administered, interpreted and construed in a manner necessary to comply with Section 409A (or disregarded to the extent such provision cannot be so administered, interpreted or construed). If any payments or benefits hereunder may be deemed to constitute nonconforming deferred compensation subject to taxation under the provisions of Section 409A, the Participant agrees that the Company may, without the consent of the Participant, modify the Agreement to the extent and in the manner the Company deems necessary or advisable or take such other action or actions, including an amendment or action with retroactive effect, that the Company deems appropriate in order either to preclude any such payment or benefit from being deemed “deferred compensation” within the meaning of Section 409A or to provide such payments or benefits in a manner that complies with the provisions of Section 409A such that they will not be subject to the imposition of taxes and/or interest thereunder. If, at the time of the Participant’s separation from service (within the meaning of Section 409A), (A) the Participant shall be a “specified employee” (within the meaning of Section 409A and using the identification methodology selected by the Company from time-to-time) and (B) the Company shall make a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section 409A) the settlement of which is required to be delayed pursuant to the six (6) month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company shall not settle such amount on the otherwise scheduled settlement date but shall instead settle it, without interest, on the first business day of the month after such six (6)

month period. Notwithstanding the foregoing, the Company makes no representations and/or warranties with respect to compliance with Section 409A, and the Participant recognizes and acknowledges that Section 409A could potentially impose upon the Participant certain taxes and/or interest charges for which the Participant is and shall remain solely responsible.

12. Compliance with Law. The issuance and transfer of shares of Common Stock shall be subject to compliance by the Company and the Participant with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's shares of Common Stock may be listed. No shares of Common Stock shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel.

13. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the person(s) to whom the RSUs may be transferred by will or the laws of descent or distribution.

14. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

15. Amendment. The Committee has the right to amend, alter, suspend, discontinue or cancel the RSUs, prospectively or retroactively; *provided*, *that*, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

16. Continuous Service. For purposes of this Agreement, the continuous service of the Participant with the Company or a Subsidiary shall not be deemed interrupted, and the Participant shall not be deemed to have ceased to be an associate of the Company or any Subsidiary, by reason of the transfer of his or her employment among the Company and its Subsidiaries. For the purposes of this Agreement, leaves of absence approved by the Chief Executive Officer of the Company for illness, military or governmental service, or other cause, shall be considered as employment.

17. Participant's Acknowledgment. In accepting the grant, the Participant (you) acknowledges that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, suspended or terminated by the Company at any time, as provided in the Plan and this Agreement; (b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted repeatedly in the past; (c) all decisions with respect to future grants, if any, will be at the sole discretion of the Company; (d) your participation in the Plan is voluntary; (e) the RSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and the RSU grant is an extraordinary item which is outside the scope of your employment contract, if any; (f) in the event that you are an employee of a Subsidiary of the Company, the grant will not be interpreted to form an employment contract or relationship with the Company; and furthermore, the grant will not be interpreted to form an employment contract with the Subsidiary that is your employer; (g) the future value of the underlying Common Shares is unknown and cannot be predicted with certainty; (h) no claim or entitlement to compensation or damages arises from forfeiture or termination of the RSUs or

diminution in value of the RSUs or the Common Shares and you irrevocably release the Company, its affiliates and its Subsidiaries from any such claim that may arise; and (i) notwithstanding any terms or conditions of the Plan to the contrary, in the event of involuntary termination of your employment, your right to receive RSUs and vest in RSUs under the Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment, your right to vest in the RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

18. Data Privacy. The Participant (you) hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by and among, as applicable, the Company, its affiliates and its Subsidiaries ("the Company Group") for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company Group holds certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Common Shares or directorships held in the Company, details of all RSUs or any other entitlement to Common Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor, for the purpose of implementing, administering and managing the Plan ("Data"). You understand that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, and that the recipient's country may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom you may elect to deposit any Common Shares acquired. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. You understand, however, that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

20. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the RSUs subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon the vesting or settlement of the RSUs or disposition of the underlying shares and that the Participant has been

advised to consult a tax advisor prior to such vesting, settlement or disposition. This Agreement is subject to the terms and conditions of the Plan.

21. Governing Law. The validity, construction, interpretation, and enforceability of this Agreement shall be determined and governed by the laws of the State of Ohio, USA without giving effect to the principles of conflicts of law. For the purpose of litigating any dispute that arises under this Agreement, the parties hereby consent to exclusive jurisdiction and agree that such litigation shall be conducted in the federal or state courts of the State of Ohio, USA.

The parties have executed this Agreement on the terms and conditions set forth herein as of the Date of Grant.

Participant __

Exhibit 22.1

LIST OF SUBSIDIARY GUARANTORS

The following subsidiaries of Diebold Nixdorf, Incorporated (the “Parent Company”) were, as of September 30, 2022, guarantors of the Company’s 8.5% senior notes due April 2024:

NAME OF SUBSIDIARY	PLACE OF INCORPORATION OR ORGANIZATION
Diebold Global Finance Corporation	Delaware
Diebold Holding Company, LLC	Delaware
Diebold Self-Service Systems	Delaware
Diebold SST Holding Company, LLC	Delaware
Griffin Technology Incorporated	New York

EXHIBIT 31.1

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Octavio Marquez, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Diebold Nixdorf, Incorporated;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5) The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 09, 2022

/s/ Octavio Marquez
Octavio Marquez
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jeffrey Rutherford, certify that:

1) I have reviewed this quarterly report on Form 10-Q of Diebold Nixdorf, Incorporated;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 09, 2022

/s/ Jeffrey Rutherford

Jeffrey Rutherford
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Diebold Nixdorf, Incorporated (Company) for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (Report), I, Octavio Marquez, President and Chief Executive Officer, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1 The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2 The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: November 09, 2022

/s/ Octavio Marquez

Octavio Marquez
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

DIEBOLD NIXDORF, INCORPORATED AND SUBSIDIARIES
CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002, 18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q of Diebold Nixdorf, Incorporated (Company) for the quarter ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (Report), I, Jeffrey Rutherford, Executive Vice President and Chief Financial Officer, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

1 The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2 The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: November 09, 2022

/s/ Jeffrey Rutherford

Jeffrey Rutherford
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)