



Earnings webcast and conference call



FIRST QTR
2021
—
MAY 4, 2021



WU
Western
Union

Brendan Metrano

Vice President of Investor Relations

Safe Harbor

This presentation contains certain statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Actual outcomes and results may differ materially from those expressed in, or implied by, our forward-looking statements. Words such as "expects," "intends," "targets," "anticipates," "believes," "estimates," "guides," "provides guidance," "provides outlook," and other similar expressions or future or conditional verbs such as "may," "will," "should," "would," "could," and "might" are intended to identify such forward-looking statements. Readers of this presentation of The Western Union Company (the "Company," "Western Union," "we," "our," or "us") should not rely solely on the forward-looking statements and should consider all uncertainties and risks discussed in the Risk Factors section and throughout the Annual Report on Form 10-K for the year ended December 31, 2020. The statements are only as of the date they are made, and the Company undertakes no obligation to update any forward-looking statement.

Possible events or factors that could cause results or performance to differ materially from those expressed in our forward-looking statements include the following: (i) events related to our business and industry, such as: changes in general economic conditions and economic conditions in the regions and industries in which we operate, including global economic downturns and trade disruptions, or significantly slower growth or declines in the money transfer, payment service, and other markets in which we operate, including downturns or declines related to interruptions in migration patterns or other events, such as public health emergencies, epidemics, or pandemics such as COVID-19, civil unrest, war, terrorism, or natural disasters, or non-performance by our banks, lenders, insurers, or other financial services providers; failure to compete effectively in the money transfer and payment service industry, including among other things, with respect to price, with global and niche or corridor money transfer providers, banks and other money transfer and payment service providers, including digital, mobile and internet-based services, card associations, and card-based payment providers, and with digital currencies and related protocols, and other innovations in technology and business models; political conditions and related actions, including trade restrictions and government sanctions, in the United States and abroad, which may adversely affect our business and economic conditions as a whole, including interruptions of United States or other government relations with countries in which we have or are implementing significant business relationships with agents, clients, or other partners; deterioration in customer confidence in our business, or in money transfer and payment service providers generally; failure to maintain our agent network and business relationships under terms consistent with or more advantageous to us than those currently in place; our ability to adopt new technology and develop and gain market acceptance of new and enhanced services in response to changing industry and consumer needs or trends; changes in, and failure to manage effectively, exposure to foreign exchange rates, including the impact of the regulation of foreign exchange spreads on money transfers and payment transactions; any material breach of security, including cybersecurity, or safeguards of or interruptions in any of our systems or those of our vendors or other third parties; cessation of or defects in various services provided to us by third-party vendors; mergers, acquisitions, and the integration of acquired businesses and technologies into our Company, divestitures, and the failure to realize anticipated financial benefits from these transactions, and events requiring us to write down our goodwill; decisions to change our business mix; our ability to realize the anticipated benefits from restructuring-related initiatives, which may include decisions to downsize or to transition operating activities from one location to another, and to minimize any disruptions in our workforce that may result from those initiatives; failure to manage credit and fraud risks presented by our agents, clients, and consumers; changes in tax laws or their interpretation, any subsequent regulation, and potential related state income tax impacts, and unfavorable resolution of tax contingencies; adverse rating actions by credit rating agencies; our ability to protect our trademarks, patents, copyrights, and other intellectual property rights and to defend ourselves against potential intellectual property infringement claims; our ability to attract and retain qualified key employees and to manage our workforce successfully; material changes in the market value or liquidity of securities that we hold; restrictions imposed by our debt obligations; (ii) events related to our regulatory and litigation environment, such as: liabilities or loss of business resulting from a failure by us, our agents, or their subagents to comply with laws and regulations and regulatory or judicial interpretations thereof, including laws and regulations designed to protect consumers, or detect and prevent money laundering, terrorist financing, fraud, and other illicit activity; increased costs, operational burden or loss of business due to regulatory initiatives and changes in laws, including changes in interpretations, resulting in increasing regulations and industry practices and standards in the United States and abroad, affecting us, our agents, or their subagents, our external business partners such as financial institutions, or the banks with which we or our agents maintain bank accounts needed to provide our services, including related to anti-money laundering regulations, anti-fraud measures, our licensing arrangements, customer due diligence, agent and subagent due diligence, registration and monitoring requirements, consumer protection requirements, remittances, and immigration; liabilities, increased costs or loss of business and unanticipated developments resulting from governmental investigations and consent agreements with or enforcement actions by regulators; liabilities resulting from litigation, including class-action lawsuits and similar matters, and regulatory enforcement actions, including costs, expenses, settlements, and judgments; failure to comply with regulations and evolving industry standards regarding consumer privacy, data use, the transfer of personal data between jurisdictions, and information security, including with respect to the General Data Protection Regulation in the European Union and the California Consumer Privacy Act; failure to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as regulations issued pursuant to it and the actions of the Consumer Financial Protection Bureau and similar legislation and regulations enacted by other governmental authorities in the United States and abroad related to consumer protection and derivative transactions; effects of unclaimed property laws or their interpretation or the enforcement thereof; failure to maintain sufficient amounts or types of regulatory capital or other restrictions on the use of our working capital to meet the changing requirements of our regulators worldwide; changes in accounting standards, rules and interpretations, or industry standards affecting our business; and (iii) other events, such as: catastrophic events; and management's ability to identify and manage these and other risks.

Hikmet Ersek

Chief Executive Officer

Western Union First Quarter Results

Healthy Q1 Results Set
the Stage for the Year

\$1.2B

Revenue

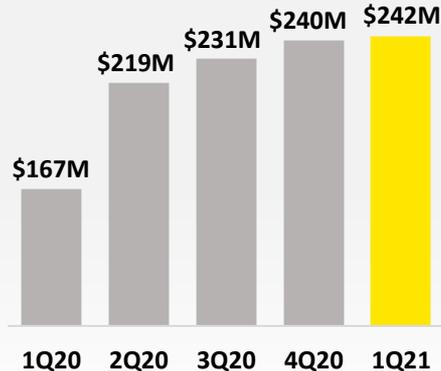
\$0.44

EPS

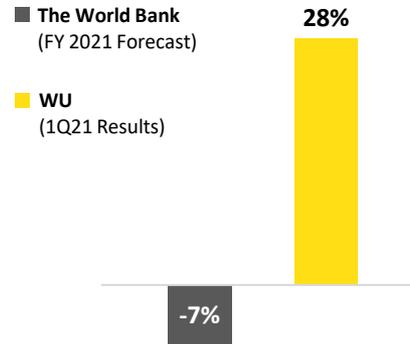
19.2%

Margin

Digital Business on Track to
Exceed \$1 Billion in Revenues in
2021

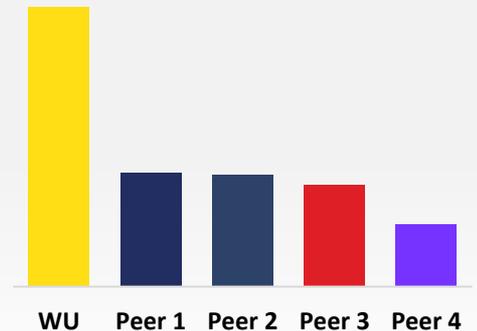


Cross-border Principal Growth
Outpaces the World Bank Forecast¹



Q1 2021 Total App Downloads²
– Top Five Players

In number of downloads



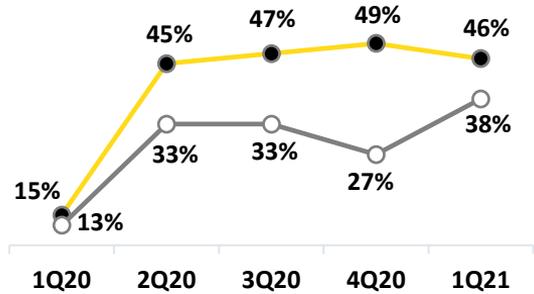
¹ Source: World Bank Migration and Development Brief 33, October 2020

² Source: Sensor Tower App Install Market Share Report

First Quarter Accomplishments

Strategic Investments in WU.com Drove Growth

Average Monthly Active Users¹ vs. Revenue



● WU.com Average MAUs ○ WU.com Revenue

Technology Initiatives Enhanced Capabilities & Complement Strategy



Pivotal milestone in transforming our settlement system

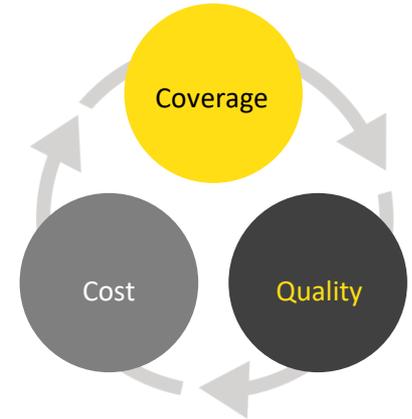


Migration to the cloud remains a key priority



Continue to integrate AI and machine learning into processes to create efficiencies

Optimized Distribution Capabilities



¹ A monthly active user is defined as a unique westernunion.com customer that transacted in the month; Source: Western Union business research

2021 Agenda Focused on Customer Experience

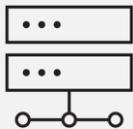
Objectives

Strategic Priorities



Improve the Cost, Coverage, & Quality of Distribution

- ▶ Continue to focus on strengthening leading omni-channel capabilities
- ▶ Expand access to more bank and digital wallet accounts, enhance real-time payout capabilities, and make partner network even more robust



Build a Unique & Agile Tech Stack to Support Growth Initiatives

- ▶ Upgrade and modernize technology
- ▶ Enhance capabilities and add efficiencies
- ▶ Build a high-quality team to support objectives



Deliver Best-in-class Products & Expand Offering to Enhance Value Proposition

- ▶ Improve user experience on the WU.com mobile app
- ▶ Advance dynamic pricing capabilities
- ▶ Upgrade customer loyalty program
- ▶ Explore new product offerings, including launching a financial services pilot in select European countries

Our Customer Segment: The Global Migrant Community

More than
270 million
migrant residents
globally¹

A Growing, Hardworking, & Upwardly Mobile Group^{2/3}



Above average labor
participation rates



Higher rates of
entrepreneurship



Contribute significantly to
innovation

A Group with Significant Spending Power

In 2019, migrant
residents had
\$1.3 Trillion
of spending power
in the U.S. Alone⁴

¹ Source: The United Nation's Department of Economic and Social Affairs; International Migration 2020 Highlights

² Source: OECD Data; <https://data.oecd.org/migration/foreign-born-participation-rates.htm>

³ Source: The Brookings Institute; International Migrants Day and COVID-19; December 2020

⁴ Source: 2019 New American Economy Study

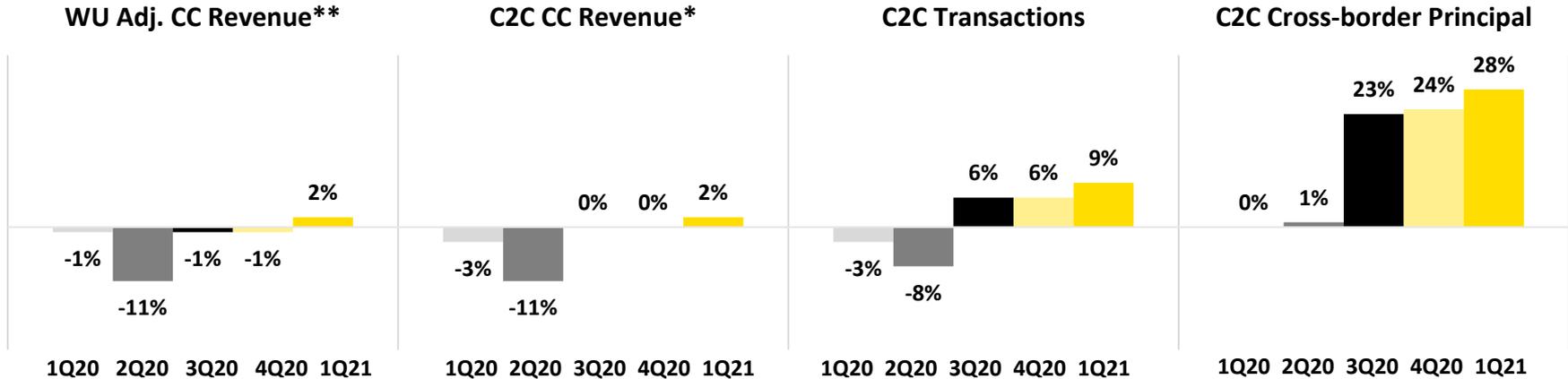
Raj Agrawal

Chief Financial Officer

Business Trends Q1

Consolidated revenues of \$1.2 billion increased 2% on a reported and constant currency (cc) basis* compared to the prior year period

Quarterly Business Trends



*See appendix for reconciliation of Non-GAAP to GAAP financial measures.

**WU Adjusted constant currency revenue metrics for 2020 exclude revenues for the Speedpay and Paymap businesses in the prior year period, each of which was divested in May 2019. See appendix for reconciliation of Non-GAAP to GAAP financial measures.

Consumer-to-Consumer Q1

Regions	Revenue Growth	Constant Currency Revenue Growth*	Transaction Growth/(Decline)	% of C2C Revenue
North America	0%	1%	1%	37%
Europe & CIS	8%	4%	28%	33%
MEASA	1%	0%	13%	16%
LACA	3%	8%	(8%)	8%
APAC	9%	3%	(2%)	6%
Total C2C	4%	2%	9%	100%
Included in C2C regions above: Digital Money Transfer	45%	44%	77%	23%

*Note: See appendix for reconciliation of Non-GAAP to GAAP financial measures.

Business Solutions and Other Q1

Business Solutions

- ▶ 8% of Company revenue
- ▶ Revenue decreased 2%, or 8% constant currency*

Other (primarily retail bill payments businesses in the U.S. & Argentina and money orders)

- ▶ 5% of Company revenue
- ▶ Revenue decreased 18%



Total Company Operating Margin Q1

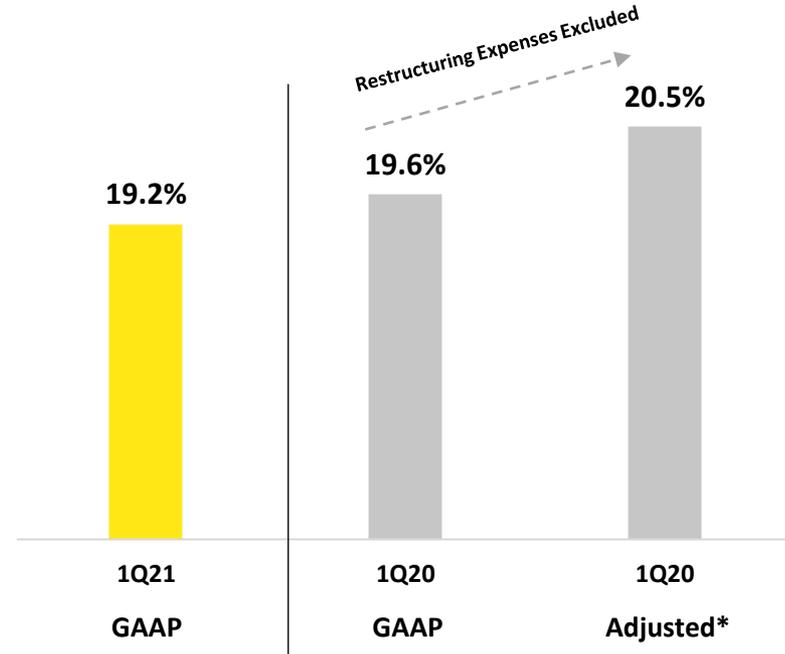
Key factors driving the decrease in operating margin:

- ▶ (-) Higher investments in strategic initiatives and marketing
- ▶ (-) Compensation-related expenses
- ▶ (+) Changes in FX

Adjusted operating margin decreased due to the same factors above and excludes:

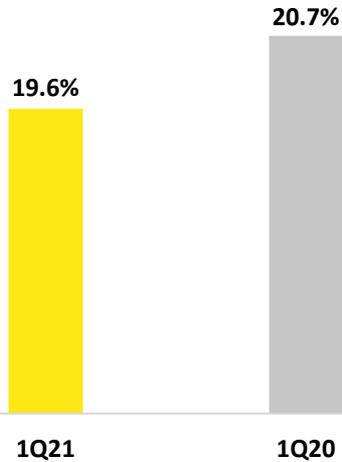
- ▶ Restructuring expenses

Targeting 21.5% for the full year 2021

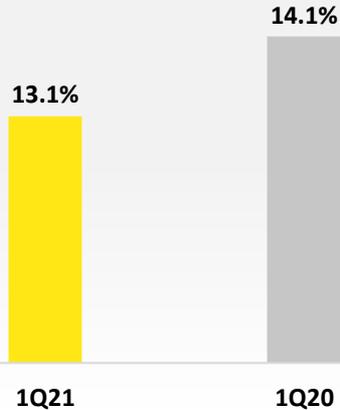


Segment Operating Margins Q1

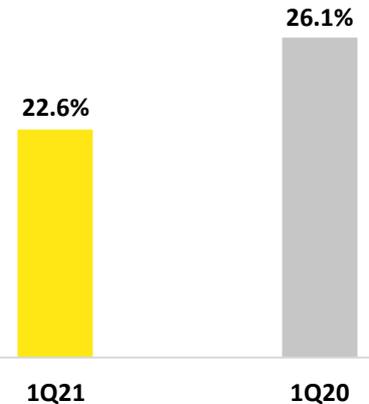
C2C Segment



Business Solutions Segment



Other



Financial Highlights

Quarter Ended March 31, 2021	
EPS	\$0.44
Cash Flow from Operations	\$176 million
Dividends Paid	\$97 million
Share repurchases	\$75 million
Cash Balance, March 31, 2021	\$1.5 billion
Debt outstanding, March 31, 2021	\$3.2 billion

2021 Outlook



Revenue

GAAP revenue: mid-to-high single digit increase

Constant currency revenue: mid-single digit increase, excluding any benefit related to Argentina inflation



Operating Profit Margin

Operating profit margin of approximately 21.5%



GAAP Earnings per Share

EPS in a range of \$2.06 to \$2.16

Adjusted Earnings per Share

EPS in a range of \$2.00 to \$2.10



GAAP & Adjusted Effective Tax rates

Effective tax rate in a mid-teens range

Questions & Answers

Appendix

First Quarter 2021 Earnings Webcast and Conference Call

Key Statistics and Reconciliation of Non-GAAP Measures

Western Union presents a number of non-GAAP financial measures because management believes that these metrics provide meaningful supplemental information in addition to the GAAP metrics and provide comparability and consistency to prior periods. Constant currency results assume foreign revenues are translated from foreign currencies to the U.S. dollar, net of the effect of foreign currency hedges, at rates consistent with those in the prior year. We have also included non-GAAP revenues below that remove the impacts of Speedpay and Paymap, in order to provide a more meaningful comparison of results from continuing operations.

A non-GAAP financial measure should not be considered in isolation or as a substitute for the most comparable GAAP financial measure. A non-GAAP financial measure reflects an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measure, provide a more complete understanding of our business. Users of the financial statements are encouraged to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is included below.

Amounts included below are in millions, unless indicated otherwise.

Key Statistics and Reconciliation of Non-GAAP Measures

	Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
Consolidated Metrics							
Consolidated revenues (GAAP) - YoY % change		(11) %	(17) %	(4) %	(3) %	(9) %	2 %
Consolidated revenues (non-GAAP, constant currency and excluding Speedpay and Paymap) - YoY % change	(a)	(1) %	(11) %	(1) %	(1) %	(3) %	2 %
Consolidated operating margin (GAAP)		19.6 %	19.9 %	22.7 %	17.9 %	20.0 %	19.2 %
Consolidated operating margin, excluding restructuring-related expenses and acquisition and divestiture costs (non-GAAP)	(b)	20.5 %	20.4 %	23.5 %	18.8 %	20.8 %	19.2 %
EBITDA margin (non-GAAP)	(c)	24.5 %	25.0 %	27.0 %	22.3 %	24.7 %	23.7 %
Consumer-to-Consumer (C2C) Segment Metrics							
Revenues (GAAP) - YoY % change		(4) %	(12) %	(1) %	0 %	(4) %	4 %
Revenues (non-GAAP, constant currency) - YoY % change	(e)	(3) %	(11) %	0 %	0 %	(3) %	2 %
Transactions (in millions)		66.8	68.0	77.3	78.4	290.5	73.0
Transactions - YoY % change		(3) %	(8) %	6 %	6 %	0 %	9 %
Total principal (\$- billions)		\$ 20.6	\$ 21.9	\$ 26.9	\$ 26.7	\$ 96.1	\$ 25.7
Principal per transaction, as reported - YoY % change		2 %	7 %	13 %	14 %	9 %	15 %
Principal per transaction (constant currency) - YoY % change	(f)	4 %	9 %	14 %	13 %	10 %	12 %
Cross-border principal, as reported - YoY % change		0 %	1 %	23 %	24 %	12 %	28 %
Cross-border principal (constant currency) - YoY % change	(g)	2 %	3 %	24 %	23 %	13 %	26 %
Operating margin		20.7 %	21.8 %	24.6 %	20.5 %	21.9 %	19.6 %
Digital money transfer revenues (GAAP) - YoY % change ⁽¹⁾		21 %	48 %	45 %	36 %	38 %	45 %
Digital money transfer foreign currency translation impact	(j)	1 %	2 %	1 %	(1) %	0 %	(1) %
Digital money transfer revenues (non-GAAP, constant currency) - YoY % change ⁽¹⁾		22 %	50 %	46 %	35 %	38 %	44 %
Digital money transfer transactions - YoY % change		42 %	96 %	96 %	83 %	81 %	77 %
westernunion.com revenues (GAAP) - YoY % change		13 %	33 %	33 %	27 %	27 %	38 %
westernunion.com foreign currency translation impact	(j)	1 %	1 %	(1) %	(1) %	0 %	(1) %
westernunion.com revenues (non-GAAP, constant currency) - YoY % change		14 %	34 %	32 %	26 %	27 %	37 %
westernunion.com transactions - YoY % change		15 %	50 %	53 %	56 %	44 %	55 %

(1) Represents revenue from transactions conducted and funded through westernunion.com and transactions initiated on internet and mobile applications hosted by our third-party white label or co-branded digital partners.

Key Statistics and Reconciliation of Non-GAAP Measures

	Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
C2C Segment Regional Metrics - YoY % change							
NA region revenues (GAAP)		(2) %	(6) %	0 %	(3) %	(3) %	0 %
NA region foreign currency translation impact	(i)	0 %	1 %	1 %	1 %	0 %	1 %
NA region revenues (non-GAAP, constant currency)		<u>(2) %</u>	<u>(5) %</u>	<u>1 %</u>	<u>(3) %</u>	<u>(3) %</u>	<u>1 %</u>
NA region transactions		(5) %	(7) %	1 %	(1) %	(3) %	1 %
EU & CIS region revenues (GAAP)		(5) %	(10) %	3 %	3 %	(2) %	8 %
EU & CIS region foreign currency translation impact	(j)	0 %	1 %	(2) %	(3) %	(1) %	(4) %
EU & CIS region revenues (non-GAAP, constant currency)		<u>(5) %</u>	<u>(9) %</u>	<u>1 %</u>	<u>0 %</u>	<u>(3) %</u>	<u>4 %</u>
EU & CIS region transactions		1 %	4 %	24 %	23 %	13 %	28 %
MEASA region revenues (GAAP)		3 %	(13) %	2 %	1 %	(2) %	1 %
MEASA region foreign currency translation impact	(j)	0 %	1 %	0 %	(1) %	0 %	(1) %
MEASA region revenues (non-GAAP, constant currency)		<u>3 %</u>	<u>(12) %</u>	<u>2 %</u>	<u>0 %</u>	<u>(2) %</u>	<u>0 %</u>
MEASA region transactions		1 %	(1) %	15 %	12 %	7 %	13 %
LACA region revenues (GAAP)		(11) %	(45) %	(21) %	(9) %	(22) %	3 %
LACA region foreign currency translation impact	(j)	8 %	10 %	13 %	11 %	11 %	5 %
LACA region revenues (non-GAAP, constant currency)		<u>(3) %</u>	<u>(35) %</u>	<u>(8) %</u>	<u>2 %</u>	<u>(11) %</u>	<u>8 %</u>
LACA region transactions		(5) %	(41) %	(21) %	(13) %	(20) %	(8) %
APAC region revenues (GAAP)		(10) %	(14) %	4 %	8 %	(3) %	9 %
APAC region foreign currency translation impact	(j)	1 %	1 %	1 %	(2) %	0 %	(6) %
APAC region revenues (non-GAAP, constant currency)		<u>(9) %</u>	<u>(13) %</u>	<u>5 %</u>	<u>6 %</u>	<u>(3) %</u>	<u>3 %</u>
APAC region transactions		(14) %	(18) %	(6) %	(3) %	(10) %	(2) %

Key Statistics and Reconciliation of Non-GAAP Measures

	Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
% of C2C Revenue							
NA region revenues		38 %	41 %	38 %	37 %	38 %	37 %
EU & CIS region revenues		31 %	32 %	33 %	33 %	33 %	33 %
MEASA region revenues		16 %	15 %	16 %	15 %	15 %	16 %
LACA region revenues		9 %	6 %	7 %	8 %	8 %	8 %
APAC region revenues		6 %	6 %	6 %	7 %	6 %	6 %
Digital money transfer revenues		16 %	22 %	21 %	21 %	20 %	23 %
Business Solutions Segment Metrics							
Revenues (GAAP) - YoY % change		3 %	(17) %	(11) %	(8) %	(8) %	(2) %
Revenues (non-GAAP, constant currency) - YoY % change	(b)	5 %	(15) %	(13) %	(11) %	(8) %	(8) %
Operating margin		14.1 %	1.6 %	10.5 %	(0.2) %	6.9 %	13.1 %
Other (primarily bill payments businesses in Argentina and the United States and money orders)							
Revenues (GAAP) - YoY % change		(59) %	(56) %	(33) %	(29) %	(48) %	(18) %
Operating margin		26.1 %	21.9 %	20.0 %	15.8 %	21.2 %	22.6 %
% of Total Company Revenue (GAAP)							
Consumer-to-Consumer segment revenues		85 %	88 %	88 %	88 %	87 %	87 %
Business Solutions segment revenues		8 %	7 %	7 %	7 %	8 %	8 %
Other revenues		7 %	5 %	5 %	5 %	5 %	5 %

Key Statistics and Reconciliation of Non-GAAP Measures

WesternUnion \WU

Three Months Ended March 31, 2021						
Notes	Revenues	Operating Income	Income Before Income Taxes	Provision for Income Taxes	Net Income	Diluted Earnings per Share
<i>(in millions, except per share amounts)</i>						
Reported results (GAAP)	\$ 1,210.0	\$ 232.8	\$ 202.9	\$ 21.1	\$ 181.8	\$ 0.44
Foreign currency translation impact	(0.9)					
Revenues, constant currency adjusted (non-GAAP)	<u>\$ 1,209.1</u>					
Three Months Ended March 31, 2020						
Notes	Revenues	Operating Income	Income Before Income Taxes	Provision for Income Taxes	Net Income	Diluted Earnings per Share
<i>(in millions, except per share amounts)</i>						
Reported results (GAAP)	\$ 1,190.0	\$ 233.2	\$ 201.9	\$ 25.2	\$ 176.7	\$ 0.42
Restructuring related expenses and related tax benefit	—	10.5	10.5	1.3	9.2	0.02
Adjusted results (non-GAAP)	<u>\$ 1,190.0</u>	<u>\$ 243.7</u>	<u>\$ 212.4</u>	<u>\$ 26.5</u>	<u>\$ 185.9</u>	<u>\$ 0.44</u>
Quarter over quarter growth/(decline) (GAAP)	2 %	0 %	0 %	(17) %	3 %	5 %
Quarter over quarter growth/(decline) (non-GAAP)	2 %	(4) %	(5) %	(19) %	(2) %	0 %

Key Statistics and Reconciliation of Non-GAAP Measures

	Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
Consolidated Metrics							
(a) Revenues (GAAP)		\$ 1,190.0	\$ 1,114.7	\$ 1,258.5	\$ 1,271.8	\$ 4,835.0	\$ 1,210.0
Foreign currency translation impact	(j)	47.3	46.4	41.1	22.4	157.2	(0.9)
Revenues (non-GAAP, constant currency)		\$ 1,237.3	\$ 1,161.1	\$ 1,299.6	\$ 1,294.2	\$ 4,992.2	\$ 1,209.1
Prior year revenues (GAAP)		\$ 1,337.0	\$ 1,340.5	\$ 1,306.9	\$ 1,307.7	\$ 5,292.1	\$ 1,190.0
Less prior year revenues from Speedpay and Paymap divestitures	(k)	(91.9)	(38.8)	N/A	N/A	(130.7)	N/A
Prior year revenues, adjusted for divestitures (non-GAAP)		\$ 1,245.1	\$ 1,301.7	\$ 1,306.9	\$ 1,307.7	\$ 5,161.4	\$ 1,190.0
Revenues (GAAP) - YoY % Change		(11) %	(17) %	(4) %	(3) %	(9) %	2 %
Revenues, constant currency and adjusted for divestitures (non-GAAP) - YoY % Change		(1) %	(11) %	(1) %	(1) %	(3) %	2 %
(b) Operating income (GAAP)		\$ 233.2	\$ 221.8	\$ 285.2	\$ 227.1	\$ 967.3	\$ 232.8
Restructuring-related expenses	(m)	10.5	5.2	9.1	12.0	36.8	N/A
Acquisition and divestiture costs	(n)	—	0.7	1.5	0.3	2.5	N/A
Operating income, adjusted (non-GAAP)		\$ 243.7	\$ 227.7	\$ 295.8	\$ 239.4	\$ 1,006.6	\$ 232.8
Operating margin (GAAP)		19.6 %	19.9 %	22.7 %	17.9 %	20.0 %	19.2 %
Operating margin, adjusted (non-GAAP)		20.5 %	20.4 %	23.5 %	18.8 %	20.8 %	19.2 %
(c) Operating income (GAAP)		\$ 233.2	\$ 221.8	\$ 285.2	\$ 227.1	\$ 967.3	\$ 232.8
Depreciation and amortization		58.2	57.1	54.2	56.1	225.6	53.4
EBITDA (non-GAAP)	(l)	\$ 291.4	\$ 278.9	\$ 339.4	\$ 283.2	\$ 1,192.9	\$ 286.2
Operating margin (GAAP)		19.6 %	19.9 %	22.7 %	17.9 %	20.0 %	19.2 %
EBITDA margin (non-GAAP)		24.5 %	25.0 %	27.0 %	22.3 %	24.7 %	23.7 %

Key Statistics and Reconciliation of Non-GAAP Measures

Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
Consolidated Metrics cont.						
(d) Effective tax rate (GAAP)	13 %	16 %	12 %	11 %	13 %	10 %
Impact from restructuring-related expenses (m)	0 %	0 %	1 %	1 %	0 %	N/A
Impact from acquisition and divestiture costs (n)	0 %	0 %	0 %	0 %	0 %	N/A
Effective tax rate, adjusted (non-GAAP)	13 %	16 %	13 %	12 %	13 %	10 %
C2C Segment Metrics						
(e) Revenues (GAAP)	\$ 1,015.4	\$ 976.6	\$ 1,106.5	\$ 1,121.5	\$ 4,220.0	\$ 1,050.9
Foreign currency translation impact (i)	12.9	18.4	11.1	(1.2)	41.2	(11.1)
Revenues (non-GAAP, constant currency)	\$ 1,028.3	\$ 995.0	\$ 1,117.6	\$ 1,120.3	\$ 4,261.2	\$ 1,039.8
Prior year revenues (GAAP)	\$ 1,056.9	\$ 1,112.9	\$ 1,113.0	\$ 1,125.0	\$ 4,407.8	\$ 1,015.4
Revenues (GAAP) - YoY % change	(4) %	(12) %	(1) %	0 %	(4) %	4 %
Revenues (non-GAAP, constant currency) - YoY % change	(3) %	(11) %	0 %	0 %	(3) %	2 %
(f) Principal per transaction, as reported (\$- dollars)	\$ 308	\$ 322	\$ 348	\$ 341	\$ 331	\$ 353
Foreign currency translation impact (i)	5	7	1	(2)	2	(7)
Principal per transaction (constant currency) (\$- dollars)	\$ 313	\$ 329	\$ 349	\$ 339	\$ 333	\$ 346
Prior year principal per transaction, as reported (\$- dollars)	\$ 302	\$ 303	\$ 307	\$ 300	\$ 303	\$ 308
Principal per transaction, as reported - YoY % change	2 %	7 %	13 %	14 %	9 %	15 %
Principal per transaction (constant currency) - YoY % change	4 %	9 %	14 %	13 %	10 %	12 %
(g) Cross-border principal, as reported (\$- billions)	\$ 19.1	\$ 20.7	\$ 25.5	\$ 25.3	\$ 90.6	\$ 24.5
Foreign currency translation impact (i)	0.3	0.4	—	(0.1)	0.6	(0.5)
Cross-border principal (constant currency) (\$- billions)	\$ 19.4	\$ 21.1	\$ 25.5	\$ 25.2	\$ 91.2	\$ 24.0
Prior year cross-border principal, as reported (\$- billions)	\$ 19.1	\$ 20.5	\$ 20.6	\$ 20.5	\$ 80.7	\$ 19.1
Cross-border principal, as reported - YoY % change	0 %	1 %	23 %	24 %	12 %	28 %
Cross-border principal (constant currency) - YoY % change	2 %	3 %	24 %	23 %	13 %	26 %

Key Statistics and Reconciliation of Non-GAAP Measures

	Notes	1Q20	2Q20	3Q20	4Q20	FY2020	1Q21
Business Solutions Segment Metrics							
(h)		\$ 98.4	\$ 79.4	\$ 89.1	\$ 89.2	\$ 356.1	\$ 96.5
		2.2	2.0	(1.9)	(2.4)	(0.1)	(5.6)
	(j)	<u>\$ 100.6</u>	<u>\$ 81.4</u>	<u>\$ 87.2</u>	<u>\$ 86.8</u>	<u>\$ 356.0</u>	<u>\$ 90.9</u>
		\$ 95.6	\$ 95.6	\$ 100.6	\$ 97.0	\$ 388.8	\$ 98.4
		3 %	(17) %	(11) %	(8) %	(8) %	(2) %
		5 %	(15) %	(13) %	(11) %	(8) %	(8) %
(i)		\$ 13.9	\$ 1.3	\$ 9.4	\$ (0.2)	\$ 24.4	\$ 12.6
		9.4	9.3	9.3	8.1	36.1	6.9
	(l)	<u>\$ 23.3</u>	<u>\$ 10.6</u>	<u>\$ 18.7</u>	<u>\$ 7.9</u>	<u>\$ 60.5</u>	<u>\$ 19.5</u>
		14.1 %	1.6 %	10.5 %	(0.2) %	6.9 %	13.1 %
		23.7 %	13.2 %	21.1 %	8.8 %	17.0 %	20.2 %

Key Statistics and Reconciliation of Non-GAAP Measures

2021 Consolidated Outlook Metrics

Earnings per share (GAAP) (\$- dollars)

Impact from the net gain on an investment sale and debt extinguishment costs (\$- dollars)

Earnings per share, adjusted, excluding the net gain on an investment sale and debt extinguishment costs (non-GAAP) (\$- dollars)

	Range	
	<u>\$ 2.06</u>	<u>\$ 2.16</u>
(o), (p)	<u>(0.06)</u>	<u>(0.06)</u>
	<u>\$ 2.00</u>	<u>\$ 2.10</u>

Key Statistics and Reconciliation of Non-GAAP Measures

Non-GAAP related notes:

- (j) Represents the impact from the fluctuation in exchange rates between all foreign currency denominated amounts and the United States dollar. Constant currency results exclude any benefit or loss caused by foreign exchange fluctuations between foreign currencies and the United States dollar, net of foreign currency hedges, which would not have occurred if there had been a constant exchange rate. The Company believes that this measure provides management and investors with information about revenue results and trends that eliminates currency volatility while increasing the comparability of the Company's underlying results and trends.
- (k) On May 9, 2019, the Company completed the sale of its United States electronic bill payments business known as "Speedpay" to ACI Worldwide Corp. and ACW Worldwide, Inc. ("ACT") for approximately \$750 million in cash. In addition, on May 6, 2019, the Company completed the sale of Paymap Inc. ("Paymap"), which provides electronic mortgage bill payment services, for contingent consideration and immaterial cash proceeds received at closing. Both Speedpay and Paymap were included as a component of "Other" in the Company's segment reporting. 2019 revenues have been adjusted to exclude the carved out financial information for Speedpay and Paymap to compare the year-over-year revenue change. These financial measures are non-GAAP measures and should not be considered a substitute for the GAAP measures. The Company has included this information because management believes that presenting these measures as adjusted to exclude divestitures will provide investors with a more meaningful comparison of results within the periods presented.
- (l) Earnings before Interest, Taxes, Depreciation, and Amortization ("EBITDA") results from taking operating income and adjusting for depreciation and amortization expenses. EBITDA results provide an additional performance measurement calculation which helps neutralize the operating income effect of assets acquired in prior periods.
- (m) Represents impact from expenses incurred in connection with an overall restructuring plan, approved by the Board of Directors on August 1, 2019, to improve the Company's business processes and cost structure by reducing headcount and consolidating various facilities. While certain of these expenses are identifiable to the Company's business segments, primarily to the Company's Consumer-to-Consumer segment, they have been excluded from the measurement of segment operating income provided to the Chief Operating Decision Maker for purposes of assessing segment performance and decision making with respect to resource allocation. These expenses are therefore excluded from the Company's segment operating income results. While these expenses are specific to this initiative, the types of expenses related to this initiative are similar to expenses that the Company has previously incurred and can reasonably be expected to incur in the future. The Company believes that, by excluding the effects of these charges that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company's underlying operating results. As of December 31, 2020, all expenses associated with this plan have been incurred.
- (n) Represents the impact from expenses incurred in connection with the Company's acquisition and divestiture activity. The Company's acquisition and divestiture costs incurred in the first quarter of 2021 were not material. The Company believes that, by excluding the effects of these charges that can impact operating trends, management and investors are provided with a measure that increases the comparability of the Company's underlying operating results.
- (o) On April 12, 2021, the Company sold a substantial majority of the shares it held as a minority investor in a private company for cash proceeds of \$50.9 million. As a result, the Company recorded a pre-tax gain of approximately \$48 million to Other income/(expense), net, in the second quarter of 2021. The Company's 2021 earnings per share outlook has been adjusted to exclude the estimated after-tax gain on this transaction. Management believes that presenting the Company's 2021 earnings per share outlook as adjusted to exclude this gain will provide investors with a more meaningful comparison of results with the historical periods presented.
- (p) On April 1, 2021, the Company repaid \$500 million of aggregate principal amount of 3.6% unsecured notes due in 2022 and incurred approximately \$14.8 million of costs, excluding accrued interest, in connection with the repayment. The cost associated with the repayment was recorded to Other income/(expense), net, in the second quarter of 2021. The Company's 2021 earnings per share outlook has been adjusted to exclude the estimated after-tax costs of this repayment. Management believes that presenting the Company's 2021 earnings per share outlook as adjusted to exclude these costs will provide investors with a more meaningful comparison of results with the historical periods presented.

Thank You

The logo for Western Union, featuring a stylized 'WU' symbol above the words 'Western Union' in a bold, sans-serif font. The background of the logo area is yellow with a pattern of binary code (0s and 1s) in a lighter yellow color.

WU
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