



Key Statistics and Reconciliation of Non-GAAP Measures

Western Union's management believes the non-GAAP financial measures presented within this presentation provide meaningful supplemental information regarding the Company's results to assist management, investors, analysts, and others in understanding the Company's financial results and to better analyze operating, profitability, and other financial performance trends in the Company's underlying business because they provide consistency and comparability to prior periods or eliminate currency volatility, increasing the comparability of the Company's underlying results and trends.

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 the Company's operations that, when viewed with the Company's GAAP results and the reconciliation to the corresponding GAAP financial measure, provides a more complete understanding of the Company's business. Users of the financial statements are encouraged to review the Company's 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, where not previously reconciled above.

Amounts included below are in millions, unless indicated otherwise.



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
Consolidated Metrics							
Revenues (GAAP) - YoY % change		(4)%	(12)%	(15)%	(15)%	(12)%	(10)%
Adjusted revenues (non-GAAP) - YoY % change	(a)	(1)%	(4)%	(6)%	(6)%	(4)%	(1)%
Operating margin (GAAP)		20.5%	23.2%	21.3%	13.9%	19.8%	19.7%
Adjusted operating margin (non-GAAP)	(b)	21.8%	23.3%	20.6%	15.8%	20.4%	20.5%
Adjusted EBITDA margin (non-GAAP)	(b)	26.2%	27.5%	24.9%	20.2%	24.7%	25.1%
Consumer-to-Consumer (C2C) Segment Metrics							
Revenues (GAAP) - YoY % change		(5)%	(9)%	(11)%	(11)%	(9)%	(6)%
Adjusted revenues (non-GAAP) - YoY % change	(f)	(3)%	(6)%	(8)%	(9)%	(6)%	(5)%
Transactions (in millions)		69.7	68.2	66.9	69.3	274.1	65.3
Transactions - YoY % change		(4)%	(13)%	(12)%	(12)%	(10)%	(6)%
Cross-border principal, as reported - YoY % change		(3)%	(12)%	(13)%	(12)%	(10)%	(3)%
Cross-border principal (constant currency) - YoY % change	(g)	(1)%	(9)%	(9)%	(9)%	(7)%	(1)%
Operating margin		20.7%	22.0%	19.7%	14.1%	19.2%	18.9%
Branded Digital revenues (GAAP) - YoY % change		4%	(1)%	(8)%	(8)%	(3)%	(7)%
Branded Digital foreign currency translation impact	(i)	1%	2%	3%	2%	2%	1%
Adjusted Branded Digital revenues (non-GAAP) - YoY % change		5%	1%	(5)%	(6)%	(1)%	(6)%
Branded Digital transactions - YoY % change		0%	(3)%	(1)%	2%	0%	7%



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
C2C Segment Regional Metrics - YoY % change							
NA region revenues (GAAP)		(1)%	(2)%	(5)%	(7)%	(4)%	(8)%
NA region foreign currency translation impact	(i)	0%	0%	0%	0%	0%	0%
Adjusted NA region revenues (non-GAAP)		<u>(1)%</u>	<u>(2)%</u>	<u>(5)%</u>	<u>(7)%</u>	<u>(4)%</u>	<u>(8)%</u>
NA region transactions		(6)%	(6)%	(5)%	(2)%	(5)%	1%
EU & CIS region revenues (GAAP)		(14)%	(21)%	(23)%	(23)%	(20)%	(16)%
EU & CIS region foreign currency translation impact	(i)	4%	5%	7%	6%	5%	3%
Adjusted EU & CIS region revenues (non-GAAP)		<u>(10)%</u>	<u>(16)%</u>	<u>(16)%</u>	<u>(17)%</u>	<u>(15)%</u>	<u>(13)%</u>
EU & CIS region transactions		(7)%	(30)%	(32)%	(31)%	(25)%	(23)%
MEASA region revenues (GAAP)		2%	(4)%	(5)%	(9)%	(4)%	5%
MEASA region foreign currency translation impact	(i)	1%	1%	2%	2%	2%	1%
Adjusted MEASA region revenues (non-GAAP)		<u>3%</u>	<u>(3)%</u>	<u>(3)%</u>	<u>(7)%</u>	<u>(2)%</u>	<u>6%</u>
MEASA region transactions		5%	(3)%	(1)%	(5)%	(1)%	(3)%
LACA region revenues (GAAP)		2%	2%	0%	11%	4%	15%
LACA region foreign currency translation impact	(i)	3%	2%	4%	2%	3%	2%
Adjusted LACA region revenues (non-GAAP)		<u>5%</u>	<u>4%</u>	<u>4%</u>	<u>13%</u>	<u>7%</u>	<u>17%</u>
LACA region transactions		2%	4%	3%	8%	5%	9%
APAC region revenues (GAAP)		(6)%	(10)%	(16)%	(20)%	(13)%	(8)%
APAC region foreign currency translation impact	(i)	3%	4%	5%	6%	4%	3%
Adjusted APAC region revenues (non-GAAP)		<u>(3)%</u>	<u>(6)%</u>	<u>(11)%</u>	<u>(14)%</u>	<u>(9)%</u>	<u>(5)%</u>
APAC region transactions		(13)%	(11)%	(11)%	(12)%	(12)%	(2)%



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
% of C2C Revenue							
NA region revenues		39%	40%	40%	39%	40%	38%
EU & CIS region revenues		29%	28%	28%	27%	28%	26%
MEASA region revenues		17%	16%	16%	16%	16%	19%
LACA region revenues		9%	10%	10%	12%	10%	11%
APAC region revenues		6%	6%	6%	6%	6%	6%
Branded Digital revenues		22%	22%	21%	21%	22%	22%
Other (primarily bill payments businesses in Argentina and the United States and money orders)							
Revenues (GAAP) - YoY % change		8%	19%	0%	20%	12%	23%
Operating margin		31.7%	40.1%	33.4%	35.5%	35.4%	38.6%
% of Total Company Revenue (GAAP)							
Consumer-to-Consumer segment revenues		86%	90%	90%	90%	89%	91%
Business Solutions segment revenues		8%	3%	4%	3%	5%	1%
Other revenues		6%	7%	6%	7%	6%	8%



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
Consolidated Metrics							
(a) Revenues (GAAP)		\$ 1,155.7	\$ 1,138.3	\$ 1,089.6	\$ 1,091.9	\$ 4,475.5	\$ 1,036.9
Foreign currency translation impact	(i)	33.2	42.1	60.8	49.4	185.5	35.2
Revenues, constant currency (non-GAAP)		\$ 1,188.9	\$ 1,180.4	\$ 1,150.4	\$ 1,141.3	\$ 4,661.0	\$ 1,072.1
Less Business Solutions revenues, constant currency (non-GAAP)	(i), (l)	(91.9)	(40.1)	(50.4)	(34.0)	(216.4)	(16.0)
Adjusted revenues (non-GAAP)		\$ 1,097.0	\$ 1,140.3	\$ 1,100.0	\$ 1,107.3	\$ 4,444.6	\$ 1,056.1
Prior year revenues (GAAP)		\$ 1,210.0	\$ 1,289.7	\$ 1,286.3	\$ 1,284.8	\$ 5,070.8	\$ 1,155.7
Less prior year revenues from Business Solutions (GAAP)	(l)	(96.5)	(99.3)	(116.8)	(109.2)	(421.8)	(89.1)
Adjusted prior year revenues (non-GAAP)		\$ 1,113.5	\$ 1,190.4	\$ 1,169.5	\$ 1,175.6	\$ 4,649.0	\$ 1,066.6
Revenues (GAAP) - YoY % change		(4)%	(12)%	(15)%	(15)%	(12)%	(10)%
Revenues, constant currency (non-GAAP) - YoY% change		(2)%	(8)%	(11)%	(11)%	(8)%	(7)%
Adjusted revenues (non-GAAP) - YoY % change		(1)%	(4)%	(6)%	(6)%	(4)%	(1)%

	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
(b) Operating income (GAAP)		\$ 237.5	\$ 264.0	\$ 231.8	\$ 151.6	\$ 884.9	\$ 204.7
Acquisition and divestiture costs	(k)	3.3	0.9	0.4	1.6	6.2	—
Russia/Belarus exit costs	(m)	11.0	0.2	(0.6)	(0.6)	10.0	—
Business Solutions exit costs	(m)	7.7	—	—	—	7.7	—
Operating expense redeployment program costs	(o)	N/A	N/A	N/A	21.8	21.8	7.1
Less Business Solutions operating income	(l)	(26.5)	(7.9)	(15.6)	(6.6)	(56.6)	(1.9)
Adjusted operating income (non-GAAP)		\$ 233.0	\$ 257.2	\$ 216.0	\$ 167.8	\$ 874.0	\$ 209.9
Depreciation and amortization		46.8	45.9	44.7	46.4	183.8	46.6
Adjusted EBITDA (non-GAAP)	(j)	\$ 279.8	\$ 303.1	\$ 260.7	\$ 214.2	\$ 1,057.8	\$ 256.5
Operating margin (GAAP)		20.5%	23.2%	21.3%	13.9%	19.8%	19.7%
Adjusted operating margin (non-GAAP)		21.8%	23.3%	20.6%	15.8%	20.4%	20.5%
Adjusted EBITDA margin (non-GAAP)		26.2%	27.5%	24.9%	20.2%	24.7%	25.1%



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
(c) Net income (GAAP)		\$ 293.3	\$ 194.0	\$ 173.9	\$ 249.4	\$ 910.6	\$ 151.8
Acquisition and divestiture costs	(k)	3.3	0.9	0.4	1.6	6.2	—
Business Solutions gain	(l)	(151.4)	—	—	(96.9)	(248.3)	—
Business Solutions exit costs	(m)	7.7	—	—	—	7.7	—
Russia/Belarus exit costs	(m)	11.0	0.2	(0.6)	(0.6)	10.0	—
Operating expense redeployment program costs	(o)	N/A	N/A	N/A	21.8	21.8	7.1
Income tax benefit from reversal of significant uncertain tax positions	(n)	N/A	N/A	(13.2)	(68.5)	(81.7)	—
Income tax expense from other adjustments	(k), (l), (m), (o)	38.7	2.0	3.0	14.7	58.4	3.7
Adjusted net income (non-GAAP)		<u>\$ 202.6</u>	<u>\$ 197.1</u>	<u>\$ 163.5</u>	<u>\$ 121.5</u>	<u>\$ 684.7</u>	<u>\$ 162.6</u>



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
Consolidated Metrics cont.							
(d) Effective tax rate (GAAP)		19%	18%	10%	(15)%	10%	16%
Reversal of significant uncertain tax positions	(n)	N/A	N/A	7%	32%	8%	0%
Other adjustments	(k), (l), (m), (o)	(6%)	(1%)	(2%)	(2%)	(3%)	(2%)
Adjusted effective tax rate (non-GAAP)		<u>13%</u>	<u>17%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>14%</u>
(e) Diluted earnings per share (GAAP) (\$- dollars)		\$ 0.74	\$ 0.50	\$ 0.45	\$ 0.65	\$ 2.34	\$ 0.40
Pretax impacts from the following:							
Acquisition and divestiture costs	(k)	0.01	—	—	—	0.01	—
Business Solutions gain	(l)	(0.38)	—	—	(0.25)	(0.64)	—
Business Solutions exit costs	(m)	0.02	—	—	—	0.02	—
Russia/Belarus exit costs	(m)	0.02	—	—	—	0.03	—
Operating expense redeployment program costs	(o)	N/A	N/A	N/A	0.06	0.06	0.02
Income tax expense/(benefit) impacts from the following:							
Reversal of significant uncertain tax positions	(n)	N/A	N/A	(0.03)	(0.18)	(0.21)	—
Other adjustments	(k), (l), (m), (o)	0.10	0.01	—	0.04	0.15	0.01
Adjusted diluted earnings per share (non-GAAP) (\$- dollars)		<u>\$ 0.51</u>	<u>\$ 0.51</u>	<u>\$ 0.42</u>	<u>\$ 0.32</u>	<u>\$ 1.76</u>	<u>\$ 0.43</u>



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
C2C Segment Metrics							
(f) Revenues (GAAP)		\$ 999.0	\$ 1,026.9	\$ 982.4	\$ 985.2	\$ 3,993.5	\$ 938.3
Foreign currency translation impact	(i)	20.8	28.1	37.1	30.9	116.9	13.8
Revenues, constant currency (non-GAAP)		<u>\$ 1,019.8</u>	<u>\$ 1,055.0</u>	<u>\$ 1,019.5</u>	<u>\$ 1,016.1</u>	<u>\$ 4,110.4</u>	<u>\$ 952.1</u>
Prior year revenues (GAAP)		\$ 1,050.9	\$ 1,127.1	\$ 1,104.5	\$ 1,111.5	\$ 4,394.0	\$ 999.0
Revenues (GAAP) - YoY % change		(5)%	(9)%	(11)%	(11)%	(9)%	(6)%
Adjusted revenues (non-GAAP) - YoY % change		(3)%	(6)%	(8)%	(9)%	(6)%	(5)%
(g) Cross-border principal, as reported (\$- billions)							
Foreign currency translation impact	(i)	0.5	0.9	1.1	0.8	3.3	0.5
Cross-border principal, constant currency (\$- billions)		<u>\$ 24.3</u>	<u>\$ 24.3</u>	<u>\$ 24.1</u>	<u>\$ 24.2</u>	<u>\$ 96.9</u>	<u>\$ 23.5</u>
Prior year cross-border principal, as reported (\$- billions)		\$ 24.5	\$ 26.6	\$ 26.5	\$ 26.5	\$ 104.1	\$ 23.8
Cross-border principal, as reported - YoY % change		(3)%	(12)%	(13)%	(12)%	(10)%	(3)%
Cross-border principal, constant currency - YoY % change		(1)%	(9)%	(9)%	(9)%	(7)%	(1)%
Business Solutions Segment Metrics							
(h) Revenues (GAAP)		\$ 89.1	\$ 35.7	\$ 42.6	\$ 29.5	\$ 196.9	\$ 15.4
Foreign currency translation impact	(i)	2.8	4.4	7.8	4.5	19.5	0.6
Revenues, constant currency (non-GAAP)		<u>\$ 91.9</u>	<u>\$ 40.1</u>	<u>\$ 50.4</u>	<u>\$ 34.0</u>	<u>\$ 216.4</u>	<u>\$ 16.0</u>
Prior year revenues (GAAP)		\$ 96.5	\$ 99.3	\$ 116.8	\$ 109.2	\$ 421.8	\$ 89.1
Revenues (GAAP) - YoY % change		(8)%	(64)%	(63)%	(73)%	(53)%	(83)%
Adjusted revenues (non-GAAP) - YoY % change		(5)%	(60)%	(57)%	(69)%	(49)%	(82)%



	Notes	1Q22	2Q22	3Q22	4Q22	FY2022	1Q23
Net cash provided by operating activities (GAAP)		\$ 200.0	\$ 106.8	\$ 215.6	\$ 59.2	\$ 581.6	\$ 137.3
Depreciation		(11.3)	(11.3)	(9.2)	(10.9)	(42.7)	(10.2)
Amortization		(35.5)	(34.6)	(35.6)	(35.4)	(141.1)	(36.4)
Gain on divestiture of business, excluding transaction costs		155.8	—	—	99.0	254.8	—
Other non-cash items, net		(22.9)	(9.9)	(21.2)	(34.7)	(88.7)	(19.3)
Change in cash, excluding the effects of divestitures, resulting from changes in:							
Other assets		93.2	38.0	35.2	42.8	209.2	28.1
Accounts payable and accrued liabilities		(36.0)	16.4	(31.0)	8.0	(42.6)	62.2
Income taxes payable		(56.2)	76.7	9.1	123.1	152.7	(17.2)
Other liabilities		6.2	11.9	11.0	(1.7)	27.4	7.3
Net income (GAAP)		\$ 293.3	\$ 194.0	\$ 173.9	\$ 249.4	\$ 910.6	\$ 151.8
Provision/(benefit) for income taxes		68.9	42.2	19.8	(32.9)	98.0	29.2
Total other (income)/expense, net		(124.7)	27.8	38.1	(64.9)	(123.7)	23.7
Operating income (GAAP)		\$ 237.5	\$ 264.0	\$ 231.8	\$ 151.6	\$ 884.9	\$ 204.7
Acquisition and divestiture costs	(k)	3.3	0.9	0.4	1.6	6.2	—
Russia/Belarus exit costs	(m)	11.0	0.2	(0.6)	(0.6)	10.0	—
Business Solutions exit costs	(m)	7.7	—	—	—	7.7	—
Operating expense redeployment program costs	(o)	N/A	N/A	N/A	21.8	21.8	7.1
Less Business Solutions operating income	(l)	(26.5)	(7.9)	(15.6)	(6.6)	(56.6)	(1.9)
Adjusted operating income (non-GAAP)		\$ 233.0	\$ 257.2	\$ 216.0	\$ 167.8	\$ 874.0	\$ 209.9
Depreciation and amortization		46.8	45.9	44.7	46.4	183.8	46.6
Adjusted EBITDA (non-GAAP)	(p)	\$ 279.8	\$ 303.1	\$ 260.7	\$ 214.2	\$ 1,057.8	\$ 256.5
Borrowings							\$ 2,462.7
Cash and cash equivalents							(1,228.6)
Borrowings, less Cash and cash equivalents							\$ 1,234.1
Adjusted EBITDA (non-GAAP, trailing twelve months)							\$ 1,034.4
Leverage ratio	(q)						2.4
Net leverage ratio	(q)						1.2



2023 Consolidated Outlook Metrics

	Notes	Range	
Revenues (GAAP) - YoY % change		(9)%	(7)%
Foreign currency translation impact	(i)	1%	1%
Impact from Business Solutions	(l)	4%	4%
Revenues, constant currency, excluding Business Solutions (non-GAAP) - YoY % change		(4)%	(2)%
		Range	
Operating margin (GAAP)		18%	20%
Operating expense redeployment program costs	(o)	1%	1%
Impact from acquisition and divestiture costs	(k)	0%	0%
Impact from Business Solutions	(l)	0%	0%
Operating margin, adjusted (non-GAAP)		19%	21%
		Range	
Earnings per share (GAAP) (\$- dollars)		\$ 1.53	\$ 1.63
Gain on the sale of Business Solutions	(l)	(0.06)	(0.06)
Operating expense redeployment program costs	(o)	0.08	0.08
Income taxes associated with these adjustments	(l), (o)	—	—
Earnings per share, adjusted (non-GAAP) (\$- dollars)		\$ 1.55	\$ 1.65



Non-GAAP related notes:

- (i) 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.
- (j) 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.
- (k) Represents the impact from expenses incurred in connection with the Company's acquisition and divestiture activity, including for the review and closing of these transactions.
- (l) During 2021, the Company entered into an agreement to sell its Business Solutions business to Goldfinch Partners LLC and The Baupost Group LLC (collectively, the "Buyer") and received cash consideration of \$887.2 million, net of cash divested, subject to the remaining close and regulatory capital adjustments. The sale will be completed in three closings, the first of which occurred on March 1, 2022 with the entirety of the cash consideration collected at that time and allocated to the closings on a relative fair value basis. The first closing excluded the operations in the European Union and the United Kingdom and resulted in a gain of \$151.4 million. The second closing, which includes the United Kingdom operations, occurred on December 31, 2022 and resulted in a gain of \$96.9 million. The third closing, which includes the European Union operations, is currently expected in the second quarter of 2023, pending regulatory approvals. Revenues have been adjusted to exclude the carved out financial information for the Business Solutions business to compare the year-over-year changes and trends in the Company's continuing businesses, excluding the effects of this divestiture. While the sale of the Company's Business Solutions business does not qualify for or represent discontinued operations, the Company has also adjusted operating income, beginning in the first quarter of 2022 and concurrent with the sale, to exclude the carved out direct profit of the Business Solutions business. The operations of the Business Solutions business to be sold in the third closing will continue to be included in Revenues and Operating income after the second closing. However, between the first and third closings, the Company is required to pay the Buyer a measure of the profits from these operations, while owned by the Company, adjusted for other charges, and this expense is recognized in Other expense, net. Therefore, the Company believes that providing this information enhances investors' understanding of the profitability of the Company's remaining businesses. The Company has also excluded the gain on the sale, net of related taxes, from its results.
- (m) Represents the exit costs incurred in connection with the Company's suspension of its operations in Russia and Belarus and the divestiture of the Business Solutions business, primarily related to severance and non-cash impairments of property and equipment, an operating lease right-of-use asset, and other intangible assets. While certain of the expenses are identifiable to the Company's segments, the expenses are not included in the measurement of segment operating income provided to the Chief Operating Decision Maker for purposes of performance assessment and resource allocation. These expenses have been excluded from the Company's operating income, the effective tax rate, and diluted earnings per share, net of related taxes.



- (n) Represents non-cash reversals of significant uncertain tax positions. While the Company continues to reverse its uncertain tax positions upon settlements with taxing authorities, the lapse of the applicable statute of limitations, and other events, the Company has excluded certain reversals of uncertain tax positions in the third and fourth quarter of 2022 because of the significance of these reversals on its reported results.
- (o) Represents severance, expenses associated with streamlining the Company's organizational and legal structure, and other expenses associated with the Company's program to redeploy expenses in its cost base through optimizations in vendor management, real estate, marketing, and people strategy as previously announced in October 2022. Previous expenses incurred under the program included non-cash impairments of operating lease right-of-use assets and property and equipment. The expenses are not included in the measurement of segment operating income provided to the Chief Operating Decision Maker for purposes of performance assessment and resource allocation.
- (p) Adjusted EBITDA results used in the gross and net leverage ratio calculations provide an additional liquidity measurement which helps neutralize the effects of assets acquired in prior periods.
- (q) Leverage ratio is computed by dividing borrowings by adjusted EBITDA for the trailing twelve months, and net leverage ratio is computed by dividing borrowings, less cash and cash equivalents, by adjusted EBITDA for the trailing twelve months. Both ratios are used by management to understand the Company's level of borrowings relative to historical adjusted EBITDA.