



**CANNAE**  
HOLDINGS, INC.

# INVESTOR PRESENTATION

Summer 2019

# SAFE HARBOR

This press release contains forward-looking statements that involve a number of risks and uncertainties. Statements that are not historical facts, including statements regarding our expectations, hopes, intentions or strategies regarding the future are forward-looking statements. Forward-looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to: changes in general economic, business and political conditions, including changes in the financial markets; our potential inability to find suitable acquisition candidates, acquisitions in lines of business that will not necessarily be limited to our traditional areas of focus, or difficulties in integrating acquisitions; significant competition that our operating subsidiaries face; compliance with extensive government regulation of our operating subsidiaries; risks associated with our split-off from Fidelity National Financial, Inc., including limitations on our strategic and operating flexibility related to the tax-free nature of the split-off and the Investment Company Act of 1940.

This presentation should be read in conjunction with the risks detailed in the “Statement Regarding Forward-Looking Information,” “Risk Factors” and other sections of the Company’s Form 10-Q, 10-K and other filings with the Securities and Exchange Commission.

# FORMATION OF CANNAE

## Formerly

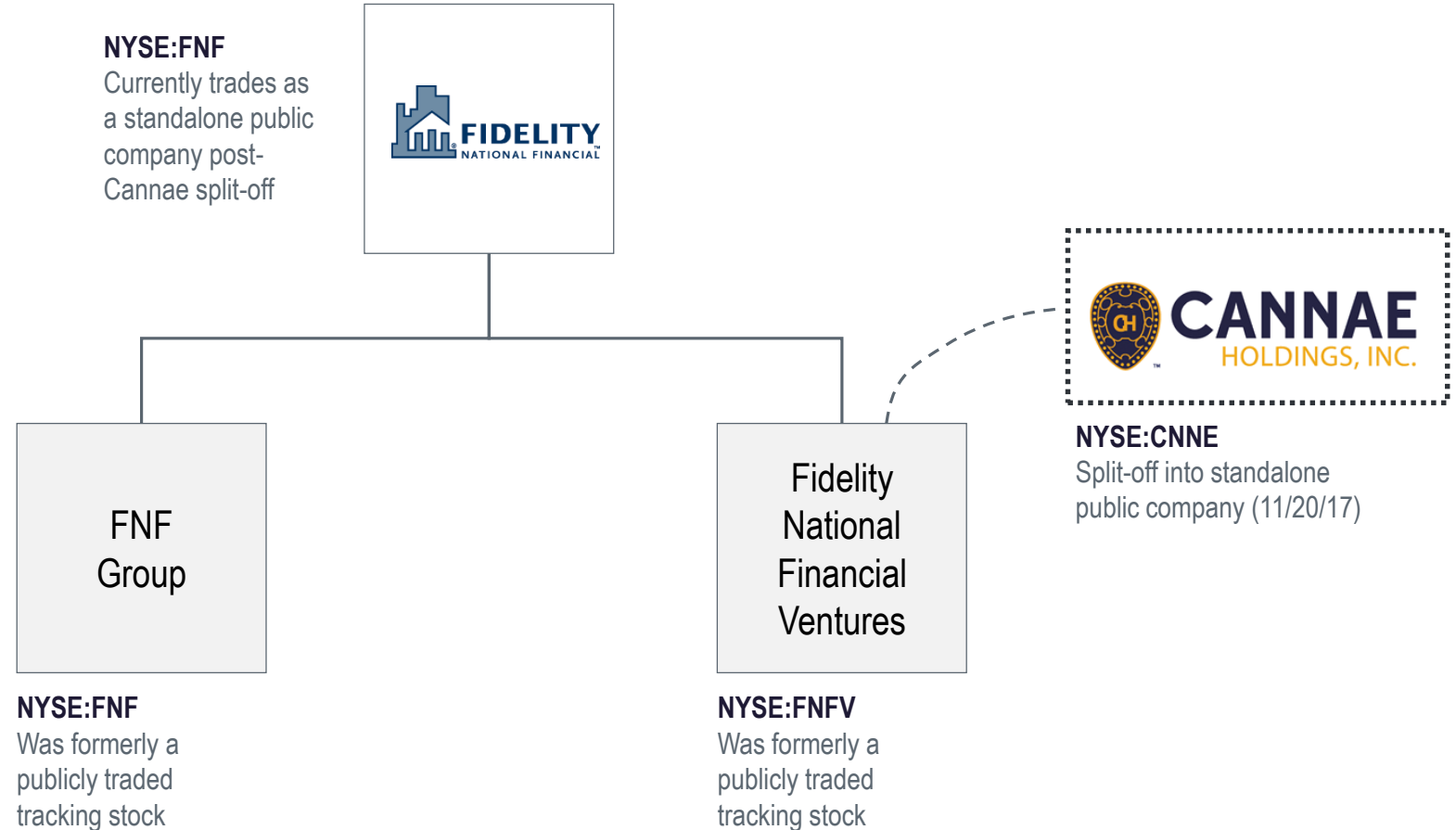
Cannae Holdings, Inc. (NYSE:CNNE) (“Cannae”) was formerly known as Fidelity National Financial Ventures and traded as a tracking stock under the ticker symbol NYSE:FNFV

- In June 2014, Fidelity National Financial (NYSE:FNF) created the FNF Group and Fidelity National Financial Ventures tracking stocks to separate FNF’s core title insurance and real estate businesses from its non-core portfolio company investments

## Currently

On 11/20/17, Cannae completed its split-off from FNF and began trading as a standalone public company

- FNF became a pure-play title insurance and real estate business and also began trading as a standalone public company



# COMPANY OVERVIEW

## About

Cannae is a diversified holding company with investments in payroll and human capital management technology; information services and data & analytics; restaurants; technology enabled healthcare services; financial services; real estate and more

## Valuation

6/30/19 portfolio book value of approximately \$1.2 billion or \$16.42 per share, including approximately \$20M of holding company cash and \$150M of holding company debt

## Management

Cannae's management, led by William P. Foley II, has a strong track record of value creation and has successfully grown three major public companies: Fidelity National Financial, FIS Global, and Black Knight

## Cannae Management Related Companies



### Fidelity National Financial

NYSE: FNF

The nation's leading provider of title insurance and transaction services to the real estate and mortgage industries



### FIS Global

NYSE: FIS

The world's largest financial technology processing company



### Black Knight

NYSE: BKI

The leading provider of technology and data & analytics solutions to the mortgage industry

# MANAGEMENT OVERVIEW



**WILLIAM P. FOLEY II**  
Chairman

- Over 32 years of experience as a director and executive officer of FNF
- Served as a director of FIS from 2006 to 2016
- Served as Executive Chairman of Black Knight since 2014
- Co-founder of CF Corp., a blank-check company now known as FGL Holdings, that acquired Fidelity & Guaranty Life in November 2017



**BRENT B. BICKETT**  
President

- Executive VP, Corporate Strategy of FNF since 1999
- Managing Director in the investment banking division of Bear Stearns prior to joining FNF in 1999



**RICHARD L. COX**  
EVP, Chief Financial Officer

- Executive VP, Finance of FNF
- Served as Senior VP and Chief Tax Officer of FNF from 2012-2014, and as VP of Corporate Tax from 2000-2012
- Served as Senior Tax Manager at Deloitte prior to joining FNF



**MICHAEL L. GRAVELLE**  
EVP, General Counsel &  
Corporate Secretary

- Executive VP, General Counsel and Corporate Secretary of FNF
- Executive VP, General Counsel and Corporate Secretary of Black Knight since 2014
- Served as Senior VP, General Counsel and Corporate Secretary of a subsidiary of FNF prior to joining FNF in 2003

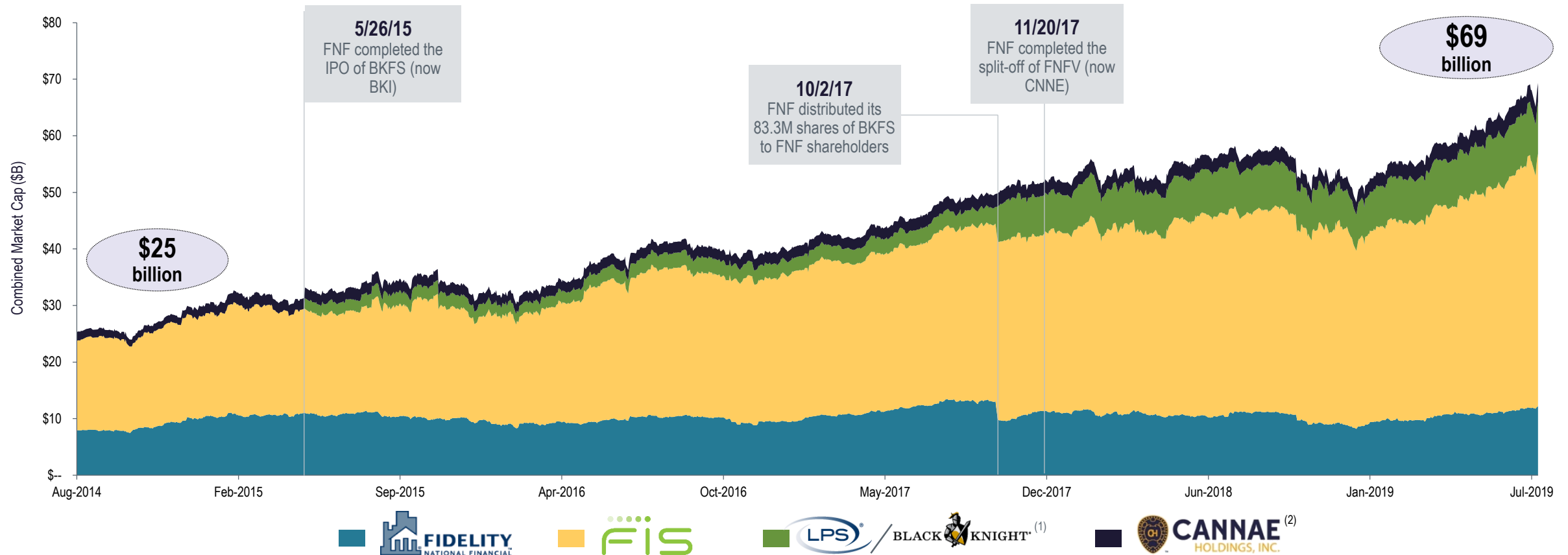


**DAVID DUCOMMUN**  
SVP, Mergers & Acquisitions

- Senior VP, Mergers & Acquisitions of FNF
- Served as a Director in the investment banking division of Bank of America prior to joining FNF

# MANAGEMENT TRACK RECORD

## 5-year Market Cap Growth of Companies Led by William P. Foley II



Source: Public company filings and market data as of 8/8/19.

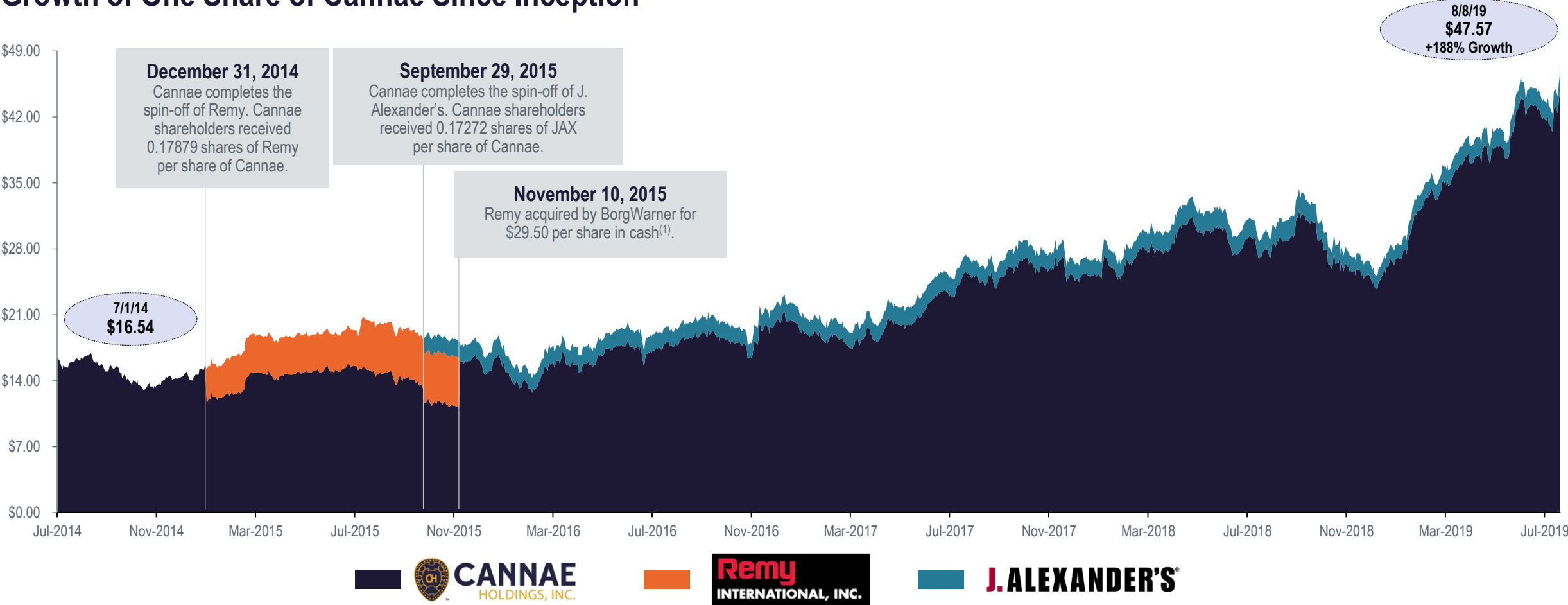
Note: Market cap based on quarterly weighted average diluted shares outstanding for each company. Assumes previous quarter's weighted average diluted shares outstanding for the current unreported quarter. Does not include dividends.

(1) Market cap excludes value of shares held by FNF prior to spin-off from FNF on 10/2/17.

(2) Includes Remy and J. Alexander's. Remy was acquired by Borg Warner for \$29.50 per share in November 2015, implying an equity value of over \$900 million.

# CANNAE SHAREHOLDER VALUE CREATION

## Growth of One Share of Cannae Since Inception



Note: Assumes shares of Remy and J. Alexander's continued to be held after spin-off from Cannae. Market data as of 8/8/19.  
(1) Assumes proceeds from sale of Remy to BorgWarner on November 10, 2015 are reinvested into Cannae stock.



# SIGNIFICANT MONETIZATION AND VALUE CREATION MILESTONES



- LifeWorks completed its sale to Morneau Shepell (TSE: MSI) on July 27, 2018
- Cannae received approximately \$56M in cash proceeds for its interest in LifeWorks



- Completed the spinoff of Remy to Cannae shareholders on 12/31/14
- Cannae shareholders received 0.17879 shares of Remy per share of Cannae
- 16.6M Remy shares were included in the distribution, worth approximately \$332M based on the closing stock price of \$19.98 on 1/2/15
- Remy was acquired by BorgWarner on 11/10/15 for \$29.50 per share in cash



- Ceridian (NYSE:CDAY) completed its initial public offering on 4/30/18 at \$22.00 per share
- Cannae completed secondary offerings of CDAY shares on 11/16/18 for \$152.5M of proceeds and on 5/23/19 for \$100.5M of proceeds
- Cannae currently owns 30.7M CDAY shares worth approximately \$1.6B pre-tax based on the closing stock price of \$51.59 per share on 8/8/19



- Ceridian's Comdata payments business was sold to FleetCor Technologies (NYSE:FLT) in November 2014 for \$3.45 billion in cash and FLT common stock
- Cannae recorded a pre-tax gain of \$495M on the sale
- Cannae indirectly received approximately 2.4M shares of FLT common stock through its ownership in Ceridian
  - Cannae's share of cumulative gross proceeds from the subsequent sales of FLT common stock was approximately \$364M, representing a \$7.6M pre-tax gain



- Cannae sold One Digital to New Mountain Capital in June 2017 for \$560M in an all-cash transaction, representing a 4.6x cash-on-cash return and a 41% IRR
- Grew equity value from ~\$75M to ~\$400M over a 4.5 year hold period
- Realized a pre-tax gain of \$276M on the sale



- Completed the spinoff of J. Alexanders (NYSE:JAX) to Cannae shareholders on 9/29/15
- Cannae shareholders received 0.17272 shares of JAX per share of Cannae
- 13.1M JAX shares were included in the distribution, worth approximately \$128M based on the closing stock price of \$9.73 on 9/29/15

## Dutch Auction Tender / Share Repurchase

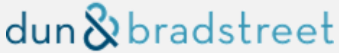


- In March 2015, Cannae repurchased \$185M of Cannae (FNFV) common stock, comprised of 12.3M shares at \$15 per share
- Since formation of the FNFV tracking stock in June 2014, nearly 28M shares have been repurchased, representing ~31% of the total shares originally issued to FNF shareholders



- Cannae completed a leveraged recapitalization in August 2014 that facilitated a \$75M dividend, of which Cannae's share was \$40M



# CURRENT PORTFOLIO COMPANY INVESTMENTS

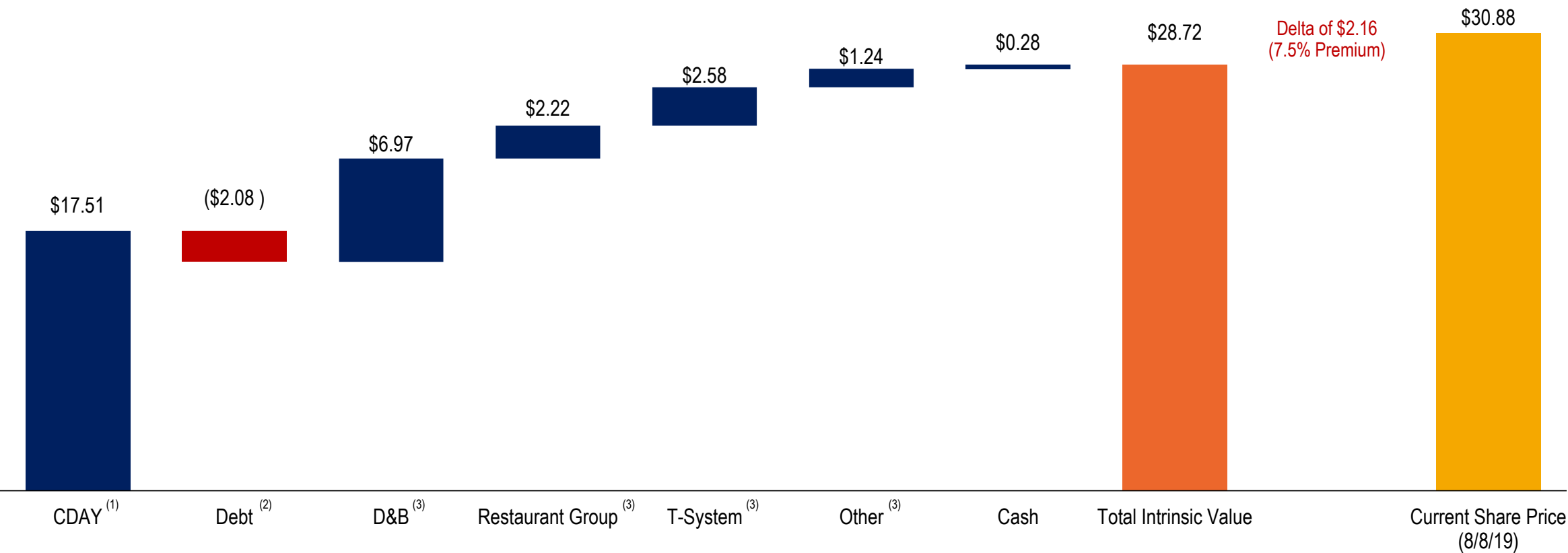
INVESTMENT	COMPANY OVERVIEW	INVESTMENT SUMMARY	YEAR INVESTED	6/30/19 BOOK VALUE (\$M)
	Leading provider of commercial data, analytics and insight on businesses worldwide	Approximately 24% equity ownership	2019	\$504
	Provides global human capital management and payroll software to organizations of all sizes	Own 30.7M shares representing a 21.7% ownership stake worth approximately \$1.6B pre-tax as of 8/8/19	2007	\$376
	Leading provider of clinical documentation and coding solutions to hospital-based and free-standing emergency departments and urgent care facilities	Own substantially all outstanding equity	2017	\$186
Restaurant Group	Consists of four family and casual dining brands including O'Charley's, Ninety Nine Restaurant & Pub, Village Inn and Bakers Square; also includes Legendary Baking, a provider of pies and premium desserts	88.5% total ownership in Ninety Nine, 65.4% ownership in the other brands	2009	\$160
Other	Includes, TripleTree, Colt, real estate and other investments	Various equity and debt investments	Various	\$90
Holding Company Cash				\$20
Holding Company Debt				(\$150)

Source: Public company filings and company management.

**Total Cannae Book Value: \$1,186**

# CANNAE INTRINSIC VALUE – 8/8/19

## Intrinsic Value Per Share vs. Current Trading Price



Note: Intrinsic value based on book value per Q2 2019 earnings release unless otherwise noted. Per share amount is based on 72.2M CNNE shares outstanding as of 6/30/19.

1) Based on 30.7M shares of CDAY common stock owned by Cannae and CDAY share price of \$51.59 as of 8/8/19, net of taxes that would be due on a sale of the shares based on 21% corporate tax rate and ISIP bonus payment that would be due on a sale of the shares based on \$29.58 hurdle price.

2) Includes \$150M draw on CDAY margin loan facility.

3) Assumes investment is valued at Q2 2019 book value.

# DUN & BRADSTREET OVERVIEW

## Company Overview

- Dun & Bradstreet (“D&B”) is a leading provider of commercial data, analytics and insight on businesses worldwide
- Generated \$1,716M of revenue in FY 2018
- Operates through two customer solution sets:
  - **Risk Management Solutions (56% of FY’18 revenue)** provides solutions that help customers mitigate credit, operational, and regulatory risks
  - **Sales & Marketing Solutions (44% of FY’18 revenue)** help clients increase revenue from new and existing customers by identifying target customers, updating data on current and potential customers, and allocating advertising budgets to reach target audiences
- Global commercial database contains over 300 million business records
- Founded in 1841 and headquartered in Short Hills, NJ

## Cannae Investment Summary

- Cannae co-lead the acquisition of D&B for approximately \$7B in February 2019
- Cannae contributed \$506M of equity capital at closing and an additional \$23.5M in conjunction with D&B’s acquisition of Lattice Engines in July 2019, resulting in a current ownership stake of approximately 24%
- Bill Foley was appointed Executive Chairman of D&B’s Board of Directors

## Financial Summary (\$M)

- D&B management has made substantial progress on its \$200M cost reduction plan target, having taken action on approximately \$153M of annualized cost savings through June 30, 2019

	Q1’18	Q1’19
Adj. Revenue <sup>(1)</sup>	\$408.9	\$400.8
Adj. EBITDA <sup>(1)</sup>	\$117.6	\$129.2
% Margin	28.8%	32.2%

Source: Public company filings.

(1) See reconciliation in appendix.

# CERIDIAN OVERVIEW



## Company Overview

- Ceridian (NYSE:CDAY) provides human capital management (“HCM”) software to companies around the world
- Dayforce is the company’s flagship cloud HCM platform, which provides human resources, payroll, benefits, workforce management, and talent management functionality to 3,850+ customer accounts
- Powerpay is the company’s cloud HCM solution designed primarily for small market Canadian customers with fewer than 20 employees
- The company also delivers HCM solutions via a service-bureau model, which it stopped actively selling after acquiring Dayforce in 2012

## Cannae Investment Summary

- On April 30, 2018, CDAY completed the initial public offering of its common stock
- Cannae completed secondary public offerings of CDAY common shares on 11/16/18 for \$152.5M of proceeds and on 5/23/19 for \$100.5M of proceeds
- Cannae currently owns 30.7M shares of CDAY common stock, representing a basic ownership stake of 21.7% worth approximately \$1.6B pre-tax as of 8/8/19

## Financial Summary (\$M)

	FY'16	FY'17	FY'18	YTD Q2'18	YTD Q2'19
Revenue	\$623.4	\$670.8	\$746.4	\$367.8	\$400.0
EBITDA	\$42.0	\$86.8	\$109.4	\$49.3	\$72.0
% Margin	6.7%	12.9%	14.7%	13.4%	18.0%
Adj. EBITDA <sup>(1)</sup>	\$85.5	\$117.8	\$157.1	\$82.4	\$93.8
% Margin	13.7%	17.6%	21.0%	22.4%	23.5%

Source: Public company filings.

Note: Excludes LifeWorks segment, which was distributed to existing Ceridian stockholders concurrent with the IPO of Ceridian common stock.

(1) Adjusted to exclude charges for discontinued operations, sponsor management fees, non-cash charges for asset impairments, gains or losses on assets and liabilities held in a foreign currency other than the functional currency of a subsidiary, share-based compensation expense, severance charges, restructuring consulting fees, transaction costs, and environmental reserve charges. See reconciliation in Appendix.

# T-SYSTEM OVERVIEW



## Company Overview

- T-System is a leading provider of clinical documentation and coding solutions to hospital-based and free-standing emergency departments and urgent care facilities, serving ~40% of such facilities throughout the nation
- Clinical documentation solutions include Emergency Department Information System (EDIS) software and the patented T-Sheet documentation templates
- Coding solutions include a full service offering and a cloud-based SaaS solution for self-service coding
- Headquartered in Dallas, TX with an operating center in Kansas City, KS

## Cannae Investment Summary

- Cannae acquired T-System in October 2017 for approximately \$200M in cash

## Financial Summary (\$M)

	FY 2018	YTD Q2'18	YTD Q2'19
Revenue	\$57.9	\$30.2	\$25.1
EBITDA	\$11.0	\$5.4	(\$0.2)
% Margin	19.0%	17.9%	N/M
Adjusted EBITDA <sup>(1)</sup>	\$11.2	\$5.6	\$2.2
% Margin	19.4%	18.5%	8.9%

Source: Public company filings and company management.

(1) Unburdened by acquisition-related and other one-time items and board member fees and expenses. See reconciliation in appendix.

# RESTAURANT GROUP



## Overview

- Cannae's Restaurant Group consists of four family and casual dining restaurant concepts and an award-winning baked goods provider
  - The O'Charley's, Village Inn, Bakers Square, and Legendary Baking brands are wholly-owned by American Blue Ribbons Holdings LLC ("ABRH"), where Cannae has a 65.4% ownership position
  - Cannae owns 66.7% of Ninety Nine Restaurant & Pub ("Ninety Nine"), with the remaining 33.3% owned by ABRH
- ABRH is headquartered in Nashville, TN and includes Legendary Baking and approximately 180 O'Charley's locations, 200 Village Inn locations, and 30 Bakers Square locations that are company-owned or franchised
- Ninety Nine is headquartered in Woburn, MA and includes 106 company-owned locations

## Cannae Investment Summary

- After completing a restructuring of the Restaurant Group on November 6, 2018, Cannae has a 65.4% ownership position in ABRH and an 88.5% total ownership position in Ninety Nine, consisting of a 66.7% direct ownership position and a 21.8% indirect ownership position through Cannae's ownership stake in ABRH

## Financial Summary (\$M)

	FY'16	FY'17	FY'18	YTD Q2'18	YTD Q2'19
Consolidated Revenue	\$1,157.6	\$1,129.0	\$1,117.8	\$550.0	\$524.3
Consol. Adj. EBITDA <sup>(1)</sup>	\$62.5	\$27.1	\$24.5	\$18.4	\$10.3
% Margin	5.4%	2.4%	2.2%	3.3%	2.0%
Ninety Nine Revenue			\$315.9	\$156.8	\$158.3
Ninety Nine Adj. EBITDA <sup>(1)</sup>			\$28.4	\$14.7	\$12.3
% Margin			9.0%	9.3%	7.8%

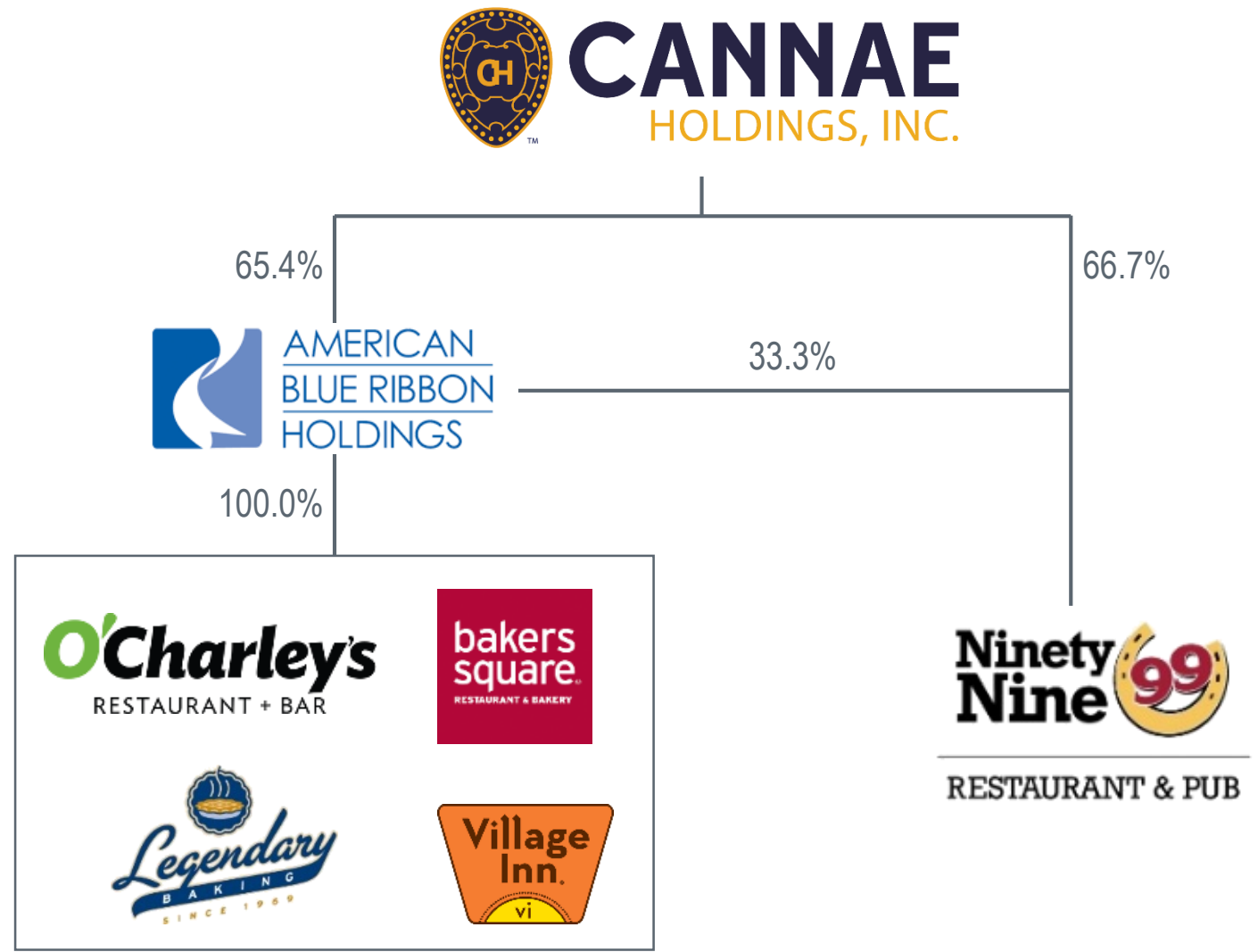
Source: Public company filings and company management.

Note: FY'16 includes approximately \$9.5M of revenue, \$9.9M of losses, and \$9.1M of charges related to asset impairments and disposals attributable to discontinued operations.

Note: Ninety Nine results are unaudited.

(1) Adjusted to exclude charges for asset impairments and disposals, transaction and integration costs, and management fees. See reconciliation in Appendix.

# RESTAURANT GROUP SUMMARY ORG CHART





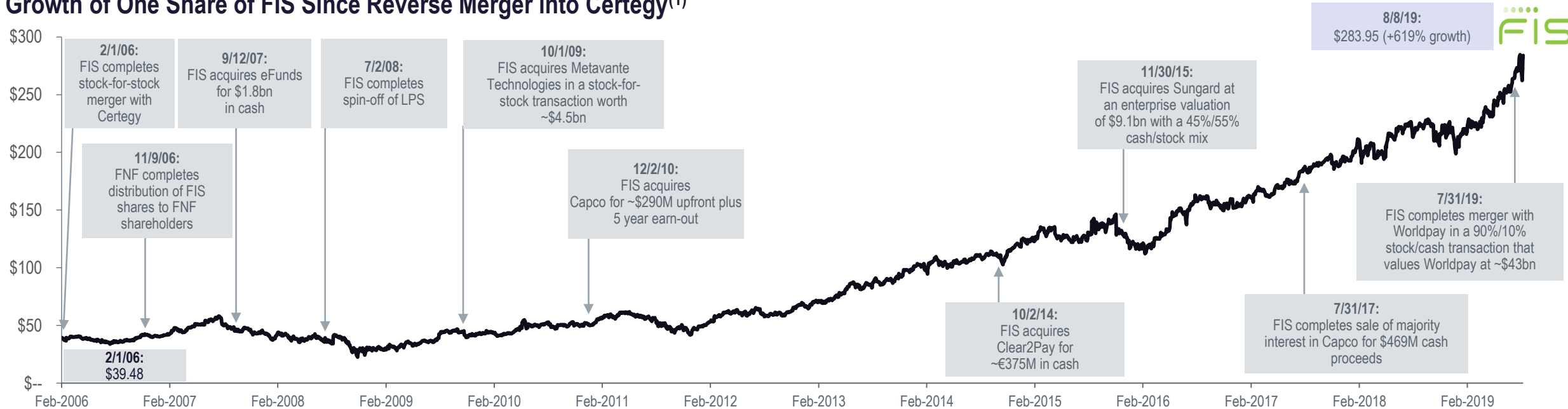


**CANNAE**  
HOLDINGS, INC.

# APPENDIX

# FIS CASE STUDY

## Growth of One Share of FIS Since Reverse Merger into Certegy<sup>(1)</sup>



## FIS Overview

- FNF purchased Alltel Information Services, which would become FIS, in 2003 for \$1.05bn
- From 2003 – 2006, FIS completed multiple technology roll-up acquisitions for total consideration of over \$2bn
- FIS completed a \$3.2B leveraged recap in March 2005 and paid a \$1.9B special dividend to FNF shareholders
- In 2006, FNF completed the reverse merger of FIS into Certegy and distributed the shares it owned in FIS to FNF shareholders
- FIS acquired Metavante in 2009 for ~\$4.5 billion, moving FIS from the #2 to the #1 provider of financial technology solutions to banks
- FIS acquired WorldPay, the #1 global merchant acquirer, in July 2019 for approximately \$43 billion, creating a global financial technology leader

Source: Public company filings and market data as of 8/8/19.

(1) Assumes dividends are reinvested and LPS shares were immediately sold and reinvested into FIS common stock following spin-off from FIS on 7/2/08.

# LPS / BLACK KNIGHT CASE STUDY

## OLD



**PURCHASE PRICE: ~\$4.2B**

12/30/13 EBITDA<sup>(1)</sup>

Technology, Data & Analytics (TD&A)	\$294.0M
Transactions Services (TS)	\$169.3M
	<b>\$463.3M</b>

Multiple:

~9.0x LTM EBITDA

~7.1x LTM EBITDA PF for \$125M in Synergies

### STRATEGIC CHALLENGES

1. TD&A business burdened by high corporate costs, siloed organizational chart and misallocation of investment capital; top-line growth and EBITDA slowed to 3% y-o-y in FY 2013
2. Lack of strategic direction
3. TS high risk profile overshadowed TD&A lower risk profile
  - Consent order associated with TS

Source: Public company filings and company management.

(1) Adjusted for non-recurring expenses. Corporate costs allocated 50/50 between segments.

## TRANSACTION

1. FNF and THL acquire LPS for \$4.2BN
2. FNF contributes its ServiceLink business
3. New company split into two businesses:
  - **Black Knight (BKI)**  
= Old TD&A + FNF Property Insight business
  - **ServiceLink**  
= FNF ServiceLink business + LPS TS business

### FOLEY-DRIVEN TRANSFORMATION

1. Enhanced and refocused management in TD&A on driving growth
  - Leverage position as market leader
  - Drive improved pricing and contract terms
  - Elimination of siloed org. chart
  - Improved salesforce organization
  - Streamlined corporate organization
2. Drove over \$300M of cost reductions through optimization
3. Foley serves as Executive Chairman of BKI

## NEW



1. BKI has performed well since the transaction
  - Reignited revenue growth
  - EBITDA growing high single digits annually vs. 3% before acquisition
  - Improved EBITDA margins over 500bps
2. All synergies achieved without the benefit of a platform business
3. Just BKI alone today is worth more than twice the value of LPS pre-transaction
4. Free option on counter-cyclical ServiceLink / TS business
5. Equity value grew from \$1B to \$9B – approximately 9x MOIC

	BKI Capitalization		
	@ Deal Close	@ IPO	Current
(\$ in millions)	1/2/2014	5/26/2015 (\$24.50/sh)	8/8/19 (\$61.86/sh)
FNF Mirror Notes	\$820	\$--	\$--
FNF Intercompany Note	776	--	--
3rd Party Term Loan A	--	800	1,219
3rd Party Term Loan B	--	400	--
3rd Party Revolver	--	100	404
Assumed LPS Sr. Notes	600	390	--
Other	--	--	22
<b>Total Debt</b>	<b>\$2,196</b>	<b>\$1,690</b>	<b>\$1,644</b>
Equity (Market)	\$1,000	\$3,744	\$9,186

# DUN & BRADSTREET ADJUSTED REVENUE AND ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

## Adjusted Revenue Reconciliation

	Q1'18	Q1'19
Reported Revenue	\$408.9	\$352.8
Deferred Revenue Purchase Accounting Adjustment	--	22.1
International Operations Lag Adjustment	--	25.9
<b>Adjusted Revenue</b>	<b>\$408.9</b>	<b>\$400.8</b>

## Adjusted EBITDA Reconciliation

Net Income / (Loss)	\$58.3	(\$284.1)
Interest Expense	14.1	54.6
Interest and Other Income	(0.3)	80.3
Income Tax Expense	13.8	(64.5)
Depreciation and Amortization	21.1	91.6
Equity in Net Earnings of Affiliates	(0.5)	(0.6)
<b>EBITDA</b>	<b>\$106.5</b>	<b>(\$122.7)</b>
<i>% Margin</i>	<i>26.0%</i>	<i>(30.6%)</i>

Deferred Revenue Purchase Accounting Adjustment	--	22.1
Purchase Accounting Lag Adjustment	--	2.7
Equity-Based Compensation	(0.9)	12.2
Merger & Acquisition Costs	0.9	199.4
Restructuring and Transition Costs	11.0	19.9
Other Incremental (Reduced) Expenses Due to Purchase Accounting	0.1	(4.4)
<b>Adjusted EBITDA</b>	<b>\$117.6</b>	<b>\$129.2</b>
<i>% Margin</i>	<i>28.8%</i>	<i>32.2%</i>

Source: Public company filings.

Note: Adjusted Revenue and Adjusted EBITDA are non-GAAP financial measures.

# CERIDIAN ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

	FY 2016	FY 2017	FY 2018	YTD Q2'18 <sup>(8)</sup>	YTD Q2'19
Operating Profit (Loss)	(\$11.2)	\$33.0	\$52.8	\$21.2	\$43.0
Depreciation and Amortization	53.2	53.8	56.6	28.1	29.0
<b>EBITDA<sup>(1)</sup></b>	<b>\$42.0</b>	<b>\$86.8</b>	<b>\$109.4</b>	<b>\$49.3</b>	<b>\$72.0</b>
<b>% Margin</b>	<b>6.7%</b>	<b>12.9%</b>	<b>14.7%</b>	<b>13.4%</b>	<b>18.0%</b>
Sponsorship Management Fees <sup>(2)</sup>	5.0	1.9	12.0	12.0	--
Asset Impairments	10.2	--	--	--	--
Intercompany FX (Gain) Loss	(3.4)	7.4	(2.9)	(2.8)	0.5
Share-Based Compensation <sup>(3)</sup>	12.5	16.1	24.7	14.7	15.6
Severance Charges <sup>(4)</sup>	8.4	5.6	5.4	3.0	3.6
Restructuring Consulting Fees <sup>(5)</sup>	4.9	--	4.8	2.5	2.1
Environmental Reserve Charges <sup>(6)</sup>	5.9	--	--	--	--
Transaction Costs <sup>(7)</sup>	--	--	3.7	3.7	--
<b>Adjusted EBITDA</b>	<b>\$85.5</b>	<b>\$117.8</b>	<b>\$157.1</b>	<b>\$82.4</b>	<b>\$93.8</b>
<b>% Margin</b>	<b>13.7%</b>	<b>17.6%</b>	<b>21.0%</b>	<b>22.4%</b>	<b>23.5%</b>

Source: Public company filings.

Note: Adjusted EBITDA is a non-GAAP financial measure.

(1) EBITDA from continuing operations defined as net income or loss before interest, taxes, depreciation and amortization, and net income or loss from discontinued operations.

(2) Represents expenses related to management, monitoring, consulting, transaction, and advisory fees and related expenses paid to the affiliates of CDAY Sponsors pursuant to the management agreement with THL Managers VI, LLC and Cannae Holdings, LLC. In April 2018, the management agreements terminated upon consummation of CDAY's initial public offering ("IPO"). Upon termination, the management agreements provided that CDAY pay a termination fee equal to the net present value of the management fee for a seven-year period, which was \$11.3 million.

(3) Share-based compensation expense during the year ended December 31, 2018 includes \$8.1 million of expense recognized upon meeting the performance criteria of stock appreciation rights and performance-based stock options that were triggered by CDAY's IPO.

(4) Represents costs for severance compensation paid to employees whose positions have been eliminated or who have been terminated not for cause.

(5) Represents consulting fees and expenses incurred during the periods presented in connection with any acquisition, investment, disposition, recapitalization, equity offering, issuance or repayment of debt, issuance of equity interests, or refinancing.

(6) Reflects charges to increase the reserve for environmental claims from a predecessor company.

(7) Represents expenses related to the IPO and refinancing of CDAY debt that were not eligible for capitalization.

(8) Adjusted to reflect adoption of ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)" and ASU No. 2017-07, "Compensation—Retirement Benefits," which was adopted on January 1, 2019.

# T-SYSTEM ADJUSTED EBITDA RECONCILIATION

<i>(\$ in millions)</i>	<b>FY 2018</b>	<b>YTD Q2'18</b>	<b>YTD Q2'19</b>
Pre-Tax Income (Loss)	(\$8.3)	(\$3.4)	(\$9.9)
Interest Expense, Net	4.3	1.5	2.8
Depreciation and Amortization	15.0	7.3	6.9
<b>EBITDA</b>	<b>\$11.0</b>	<b>\$5.4</b>	<b>(\$0.2)</b>
<i>% Margin</i>	<i>19.0%</i>	<i>17.9%</i>	<i>N/M</i>
Acquisition-Related and Other One-Time Items	0.2	0.2	2.3
Board Member Fees and Expenses	--	--	0.1
<b>Adjusted EBITDA</b>	<b>\$11.2</b>	<b>\$5.6</b>	<b>\$2.2</b>
<i>% Margin</i>	<i>19.4%</i>	<i>18.5%</i>	<i>8.8%</i>

Source: Public company filings and company management.  
 Note: Adjusted EBITDA is a non-GAAP financial measure.

# ABRH ADJUSTED EBITDA RECONCILIATION

(\$ in millions)	FY 2016 <sup>(1)</sup>	FY 2017	FY 2018	YTD Q2'18	YTD Q2'19
<b>ABRH Adjusted EBITDA Reconciliation</b>					
Pre-Tax Income (Loss)	\$0.8	(\$36.1)	(\$96.8)	(\$15.2)	(\$19.7)
Interest Expense, Net	4.7	6.6	16.0	7.5	2.5
Depreciation and Amortization	42.4	43.6	44.9	21.4	19.1
<b>EBITDA</b>	<b>\$47.9</b>	<b>\$14.1</b>	<b>(\$35.9)</b>	<b>\$13.7</b>	<b>\$1.9</b>
<i>% Margin</i>	4.1%	1.2%	N/M	2.5%	0.4%
Transaction and Integration Costs	0.9	2.5	15.5	0.2	0.1
Asset Impairments & Disposals	13.2	10.0	44.4	4.3	8.1
Management Fees	0.5	0.5	0.5	0.2	0.2
<b>Adjusted EBITDA</b>	<b>\$62.5</b>	<b>\$27.1</b>	<b>\$24.5</b>	<b>\$18.4</b>	<b>\$10.3</b>
<i>% Margin</i>	5.4%	2.4%	2.2%	3.3%	2.0%
<b>Ninety Nine Adjusted EBITDA Reconciliation</b>					
Ninety Nine EBITDA			\$27.0	\$14.7	\$11.8
Asset Impairments & Disposals			1.3	--	0.5
<b>Ninety Nine Adj. EBITDA</b>			<b>\$28.4</b>	<b>\$14.7</b>	<b>\$12.3</b>
<i>% Margin</i>			9.0%	9.3%	7.8%

Source: Public company filings and company management.

Note: Adjusted EBITDA is a non-GAAP financial measure.

(1) Includes approximately \$9.9M of losses and \$9.1M of charges related to asset impairments and disposals attributable to discontinued operations.