



Broadridge Reports First Quarter Fiscal 2024 Results

Recurring revenues grew 8%; up 8% constant currency

Diluted EPS was \$0.76 and Adjusted EPS grew 30% to \$1.09

Closed sales rose \$19 million to \$48 million

Repurchased \$150 million of shares

**Reaffirming FY'24 guidance, including 6-9% Recurring revenue growth constant currency
and 8-12% Adjusted EPS growth**

NEW YORK, N.Y., November 2, 2023 - Broadridge Financial Solutions, Inc. (NYSE:BR) today reported financial results for the first quarter ended September 30, 2023 of its fiscal year 2024. Results compared with the same period last year were as follows:

Summary Financial Results

Dollars in millions, except per share data

	First Quarter		
	<u>2024</u>	<u>2023</u>	<u>Change</u>
Recurring revenues	\$871	\$806	8%
Constant currency growth (Non-GAAP)	8 %	9 %	
Total revenues	\$1,431	\$1,283	12%
Operating income	\$148	\$88	70%
Margin	10.4%	6.8%	
Adjusted Operating income (Non-GAAP)	\$199	\$150	33%
Margin (Non-GAAP)	13.9%	11.7%	
Diluted EPS	\$0.76	\$0.42	81%
Adjusted EPS (Non-GAAP)	\$1.09	\$0.84	30%
Closed sales	\$48	\$29	64%

“Broadridge delivered strong first quarter results, with 8% Recurring revenue growth constant currency, all organic, and 30% Adjusted EPS growth,” said Tim Gokey, Broadridge CEO. “As part of our balanced capital allocation model, we also repurchased \$150 million of our shares.”

“We continue to benefit from strong secular trends and demand for our unique solutions as we work with clients to democratize investing, simplify and innovate trading, and modernize wealth management.”

“We are reaffirming our fiscal 2024 guidance, including 6-9% Recurring revenue growth constant currency, 8-12% Adjusted EPS growth, and Closed sales of \$280-320 million,” Mr. Gokey concluded.

Fiscal Year 2024 Financial Guidance

	<u>FY'24 Guidance</u>	<u>Updates / Changes</u>
Recurring revenue growth constant currency (Non-GAAP)	6 - 9%	No Change
Adjusted Operating income margin (Non-GAAP)	~20%	No Change
Adjusted Earnings per share growth (Non-GAAP)	8 - 12%	No Change
Closed sales	\$280 - \$320M	No Change

Financial Results for First Quarter Fiscal Year 2024 compared to First Quarter Fiscal Year 2023

- **Total revenues** increased 12% to \$1,431 million from \$1,283 million.
 - Recurring revenues increased \$65 million, or 8%, to \$871 million. Recurring revenue growth constant currency (Non-GAAP) was 8%, all organic, driven by Net New Business and Internal Growth in Global Technology and Operations (“GTO”) and Investor Communication Solutions (“ICS”).
 - Event-driven revenues increased \$24 million, or 39%, to \$87 million, driven by higher mutual fund proxy and corporate action activity.
 - Distribution revenues increased \$58 million, or 14%, to \$473 million, driven by higher event-driven mailings as well as the postage rate increase of approximately \$27 million.
- **Operating income** was \$148 million, an increase of \$61 million, or 70%. Operating income margin increased to 10.4%, compared to 6.8% for the prior year period, primarily due to higher Recurring revenues and higher event-driven revenues.
 - **Adjusted Operating income** was \$199 million, an increase of \$49 million, or 33%. The increase was primarily driven by higher Recurring revenues and higher event-driven revenues. Adjusted Operating income margin increased to 13.9% compared to 11.7% for the prior year period. The increase in pass-through distribution revenues positively impacted margins by approximately 10 basis points.
- **Interest expense, net** was \$33 million, an increase of \$7 million, primarily due to an increase in interest expense from higher borrowing costs, partially offset by a decrease in average borrowings.
- **The effective tax rate** was 19.5% compared to 9.0% in the prior year period. The effective tax rate for the three months ended September 30, 2023 was driven by lower discrete tax benefits, including a lower excess tax benefit related to equity compensation, relative to pre-tax income, as compared to the prior year period.
- **Net earnings** increased 80% to \$91 million and Adjusted Net earnings increased 30% to \$130 million.
 - **Diluted earnings per share** increased 81% to \$0.76, compared to \$0.42 in the prior year period, and
 - **Adjusted earnings per share** increased 30% to \$1.09, compared to \$0.84 in the prior year period.

Segment and Other Results for First Quarter Fiscal Year 2024 compared to First Quarter Fiscal Year 2023

Investor Communication Solutions

- Total revenues were \$1,029 million, an increase of \$108 million, or 12%.
 - Recurring revenues increased \$26 million or 6%, to \$469 million. Recurring revenue growth constant currency (Non-GAAP) was 6%, all organic, driven by Net New Business and Internal Growth.
 - By product line, Recurring revenue growth and Recurring revenue growth constant currency (Non-GAAP) were as follows:
 - Regulatory rose 5% and 5%, respectively, which included the impact of equity position growth of 8% and mutual fund/ETF position growth of 3%;
 - Data-driven fund solutions rose 10% and 9%, respectively, driven by growth in our retirement and workplace products;

- Issuer rose 19% and 19%, respectively, driven by growth in our registered shareholder solutions; and
- Customer communications rose 2% and 2%, respectively, driven by higher digital communications.
- Event-driven revenues increased \$24 million, or 39%, to \$87 million, driven by higher mutual fund proxy and corporate action activity.
- Distribution revenues increased \$58 million, or 14%, to \$473 million, driven by higher event-driven mailings as well as the postage rate increase of approximately \$27 million.
- Earnings before income taxes increased by \$55 million, or 92%, to \$115 million, primarily from higher Recurring revenue and higher event-driven revenue. Operating expenses rose 6%, or \$53 million, to \$913 million primarily driven by higher distribution expenses. Pre-tax margins increased to 11.2% from 6.5% in the prior period.

Global Technology and Operations

- Recurring revenues were \$402 million, an increase of \$40 million, or 11%. Recurring revenue growth constant currency (Non-GAAP) was 11%, all organic, driven by Net New Business and Internal Growth.
- By product line, Recurring revenue growth and the corresponding Recurring revenue growth constant currency (Non-GAAP) were as follows:
 - Capital markets rose 10% and 9%, respectively, driven by Net New Business and Internal Growth, which benefited from higher trading volumes; and
 - Wealth and Investment management rose 13% and 14%, respectively, driven primarily by Net New Business.
- Earnings before income taxes were \$34 million, a decrease of \$7 million, or 16%. Pre-tax margins decreased to 8.4% from 11.1% as higher revenues were more than offset by higher expenses, including an increase in amortization expense of \$15 million.

Other

- Loss before income tax decreased to \$36 million from \$45 million in the prior year period, primarily due to lower compensation and other Corporate expenses, including the absence of Russia-Related Exit Costs, which more than offset the \$3 million increase in interest and Other non-operating expenses.

Earnings Conference Call

An analyst conference call will be held today, November 2, 2023 at 8:30 a.m. ET. A live webcast of the call will be available to the public on a listen-only basis. To listen to the live event and access the slide presentation, visit Broadridge's Investor Relations website at www.broadridge-ir.com prior to the start of the webcast. To listen to the call, investors may also dial 1-877-328-2502 within the United States and international callers may dial 1-412-317-5419. A replay of the webcast will be available and can be accessed in the same manner as the live webcast at the Broadridge Investor Relations site. Through November 9, 2023, the recording will also be available by dialing 1-877-344-7529 within the United States or 1-412-317-0088 for international callers, using passcode 4152238 for either dial-in number.

Explanation and Reconciliation of the Company's Use of Non-GAAP Financial Measures

The Company's results in this press release are presented in accordance with U.S. GAAP except where otherwise noted. In certain circumstances, results have been presented that are not generally accepted accounting principles measures ("Non-GAAP"). These Non-GAAP measures are Adjusted Operating income, Adjusted Operating income margin, Adjusted Net earnings, Adjusted earnings per share, Free cash flow, and Recurring revenue growth constant currency. These Non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company's reported results.

The Company believes our Non-GAAP financial measures help investors understand how management plans,

measures and evaluates the Company's business performance. Management believes that Non-GAAP measures provide consistency in its financial reporting and facilitates investors' understanding of the Company's operating results and trends by providing an additional basis for comparison. Management uses these Non-GAAP financial measures to, among other things, evaluate our ongoing operations, and for internal planning and forecasting purposes. In addition, and as a consequence of the importance of these Non-GAAP financial measures in managing our business, the Company's Compensation Committee of the Board of Directors incorporates Non-GAAP financial measures in the evaluation process for determining management compensation.

Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Net Earnings and Adjusted Earnings Per Share

These Non-GAAP measures are adjusted to exclude the impact of certain costs, expenses, gains and losses and other specified items the exclusion of which management believes provides insight regarding our ongoing operating performance. Depending on the period presented, these adjusted measures exclude the impact of certain of the following items: (i) Amortization of Acquired Intangibles and Purchased Intellectual Property, (ii) Acquisition and Integration Costs, and (iii) Russia-Related Exit Costs. Amortization of Acquired Intangibles and Purchased Intellectual Property represents non-cash amortization expenses associated with the Company's acquisition activities. Acquisition and Integration Costs represent certain transaction and integration costs associated with the Company's acquisition activities. Russia-Related Exit Costs are direct and incremental costs associated with the Company's wind down of business activities in Russia in response to Russia's invasion of Ukraine, including relocation-related expenses of impacted associates.

We exclude Acquisition and Integration Costs and Russia-Related Exit Costs from our Adjusted Operating income (as applicable) and other adjusted earnings measures because excluding such information provides us with an understanding of the results from the primary operations of our business and enhances comparability across fiscal reporting periods, as these items are not reflective of our underlying operations or performance. We also exclude the impact of Amortization of Acquired Intangibles and Purchased Intellectual Property, as these non-cash amounts are significantly impacted by the timing and size of individual acquisitions and do not factor into the Company's capital allocation decisions, management compensation metrics or multi-year objectives. Furthermore, management believes that this adjustment enables better comparison of our results as Amortization of Acquired Intangibles and Purchased Intellectual Property will not recur in future periods once such intangible assets have been fully amortized. Although we exclude Amortization of Acquired Intangibles and Purchased Intellectual Property from our adjusted earnings measures, our management believes that it is important for investors to understand that these intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets.

Free Cash Flow

In addition to the Non-GAAP financial measures discussed above, we provide Free cash flow information because we consider Free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated that could be used for dividends, share repurchases, strategic acquisitions, other investments, as well as debt servicing. Free cash flow is a Non-GAAP financial measure and is defined by the Company as Net cash flows provided by operating activities less Capital expenditures as well as Software purchases and capitalized internal use software.

Recurring revenue growth constant currency

As a multi-national company, we are subject to variability of our reported U.S. dollar results due to changes in foreign currency exchange rates. The exclusion of the impact of foreign currency exchange fluctuations from our Recurring revenue growth, or what we refer to as amounts expressed "on a constant currency basis," is a Non-GAAP measure. We believe that excluding the impact of foreign currency exchange fluctuations from our Recurring revenue growth provides additional information that enables enhanced comparison to prior periods.

Changes in Recurring revenue growth expressed on a constant currency basis are presented excluding the impact of foreign currency exchange fluctuations. To present this information, current period results for entities reporting in currencies other than the U.S. dollar are translated into U.S. dollars at the average exchange rates in effect during the corresponding period of the comparative year, rather than at the actual average exchange rates in effect during the current fiscal year.

Forward-Looking Statements

This press release and other written or oral statements made from time to time by representatives of Broadridge may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature, and which may be identified by the use of words such as “expects,” “assumes,” “projects,” “anticipates,” “estimates,” “we believe,” “could be,” “on track,” and other words of similar meaning, are forward-looking statements. In particular, information appearing in the “Fiscal Year 2024 Financial Guidance” section and statements about our three-year objectives are forward-looking statements.

These statements are based on management’s expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed. These risks and uncertainties include those risk factors described and discussed in Part I, “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended June 30, 2023 (the “2023 Annual Report”), as they may be updated in any future reports filed with the Securities and Exchange Commission. All forward-looking statements speak only as of the date of this press release and are expressly qualified in their entirety by reference to the factors discussed in the 2023 Annual Report.

These risks include:

- changes in laws and regulations affecting Broadridge’s clients or the services provided by Broadridge;
- Broadridge’s reliance on a relatively small number of clients, the continued financial health of those clients, and the continued use by such clients of Broadridge’s services with favorable pricing terms;
- a material security breach or cybersecurity attack affecting the information of Broadridge’s clients;
- declines in participation and activity in the securities markets;
- the failure of Broadridge’s key service providers to provide the anticipated levels of service;
- a disaster or other significant slowdown or failure of Broadridge’s systems or error in the performance of Broadridge’s services;
- overall market, economic and geopolitical conditions and their impact on the securities markets;
- the success of Broadridge in retaining and selling additional services to its existing clients and in obtaining new clients;
- Broadridge’s failure to keep pace with changes in technology and demands of its clients;
- competitive conditions;
- Broadridge’s ability to attract and retain key personnel; and
- the impact of new acquisitions and divestitures.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements. Our actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking statements. We can give no assurances that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition.

Broadridge disclaims any obligation to update or revise forward-looking statements that may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, other than as required by law.

About Broadridge

Broadridge Financial Solutions (NYSE: BR), a global Fintech leader with over \$6 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications to enable better financial lives. We deliver technology-driven solutions to banks, broker-dealers, asset and wealth managers and public companies. Broadridge's infrastructure serves as a global communications hub enabling corporate governance by linking thousands of public companies and mutual funds to tens of millions of individual and institutional investors around the world. In addition, Broadridge's technology and operations platforms underpin the daily trading of on average more than U.S. \$10 trillion of equities, fixed income and other securities globally. A certified Great Place to Work®, Broadridge is a part of the S&P 500® Index, employing over 14,000 associates in 21 countries. For more information about Broadridge, please visit www.broadridge.com.

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Condensed Consolidated Statements of Earnings **(Unaudited)**

In millions, except per share amounts

	Three Months Ended September 30,	
	2023	2022
Revenues	\$ 1,431.1	\$ 1,283.3
Operating expenses:		
Cost of revenues	1,075.3	990.4
Selling, general and administrative expenses	207.3	205.3
Total operating expenses	1,282.6	1,195.7
Operating income	148.4	87.5
Interest expense, net	(33.4)	(26.9)
Other non-operating expenses, net	(2.1)	(5.2)
Earnings before income taxes	112.9	55.4
Provision for income taxes	22.0	5.0
Net earnings	\$ 90.9	\$ 50.4
Basic earnings per share	\$ 0.77	\$ 0.43
Diluted earnings per share	\$ 0.76	\$ 0.42
Weighted-average shares outstanding:		
Basic	117.9	117.5
Diluted	119.2	118.9

Amounts may not sum due to rounding.

Condensed Consolidated Balance Sheets
(Unaudited)

In millions, except per share amounts

	September 30, 2023	June 30, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 234.0	\$ 252.3
Accounts receivable, net of allowance for doubtful accounts of \$6.6 and \$7.2, respectively	916.2	974.0
Other current assets	176.7	166.2
Total current assets	1,326.9	1,392.5
Property, plant and equipment, net	144.0	145.7
Goodwill	3,444.5	3,461.6
Intangible assets, net	1,403.7	1,467.2
Deferred client conversion and start-up costs	934.6	937.0
Other non-current assets	817.5	829.2
Total assets	<u>\$ 8,071.2</u>	<u>\$ 8,233.2</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ —	\$ 1,178.5
Payables and accrued expenses	743.7	1,019.5
Contract liabilities	180.3	199.8
Total current liabilities	924.0	2,397.8
Long-term debt	3,682.0	2,234.7
Deferred taxes	395.1	391.3
Contract liabilities	487.4	492.8
Other non-current liabilities	469.9	476.0
Total liabilities	<u>5,958.4</u>	<u>5,992.6</u>
Stockholders' equity:		
Preferred stock: Authorized, 25.0 shares; issued and outstanding, none	—	—
Common stock, \$0.01 par value: Authorized, 650.0 shares; issued, 154.5 and 154.5 shares, respectively; outstanding, 117.6 and 118.1 shares, respectively	1.6	1.6
Additional paid-in capital	1,481.0	1,436.8
Retained earnings	3,109.8	3,113.0
Treasury stock, at cost: 36.8 and 36.4 shares, respectively	(2,178.6)	(2,026.1)
Accumulated other comprehensive income (loss)	(301.0)	(284.7)
Total stockholders' equity	<u>2,112.7</u>	<u>2,240.6</u>
Total liabilities and stockholders' equity	<u>\$ 8,071.2</u>	<u>\$ 8,233.2</u>

Amounts may not sum due to rounding.

Condensed Consolidated Statements of Cash Flows
(Unaudited)

In millions

	Three Months Ended September 30,	
	2023	2022
Cash Flows From Operating Activities		
Net earnings	\$ 90.9	\$ 50.4
Adjustments to reconcile net earnings to net cash flows from operating activities:		
Depreciation and amortization	29.4	20.7
Amortization of acquired intangibles and purchased intellectual property	50.8	55.9
Amortization of other assets	39.3	32.1
Write-down of long-lived assets and related charges	5.6	0.1
Stock-based compensation expense	16.4	15.6
Deferred income taxes	2.2	(9.7)
Other	(15.3)	3.5
Changes in operating assets and liabilities, net of assets and liabilities acquired:		
Current assets and liabilities:		
Accounts receivable, net	68.4	115.6
Other current assets	(8.6)	1.5
Payables and accrued expenses	(294.2)	(319.3)
Contract liabilities	(18.4)	(17.1)
Non-current assets and liabilities:		
Other non-current assets	(38.8)	(167.4)
Other non-current liabilities	10.4	13.6
Net cash flows from operating activities	(62.0)	(204.5)
Cash Flows From Investing Activities		
Capital expenditures	(4.7)	(5.5)
Software purchases and capitalized internal use software	(9.7)	(8.1)
Net cash flows from investing activities	(14.4)	(13.6)
Cash Flows From Financing Activities		
Debt proceeds	462.7	410.0
Debt repayments	(192.7)	(140.0)
Dividends paid	(85.6)	(75.0)
Purchases of Treasury stock	(161.1)	(2.1)
Proceeds from exercise of stock options	37.7	30.2
Other financing activities	(3.7)	(0.3)
Net cash flows from financing activities	57.3	222.8
Effect of exchange rate changes on Cash and cash equivalents	0.8	(2.3)
Net change in Cash and cash equivalents	(18.3)	2.4
Cash and cash equivalents, beginning of period	252.3	224.7
Cash and cash equivalents, end of period	\$ 234.0	\$ 227.1

Amounts may not sum due to rounding.

**Segment Results
(Unaudited)**

In millions

	Three Months Ended September 30,	
	2023	2022
Revenues		
Investor Communication Solutions	\$ 1,028.6	\$ 920.6
Global Technology and Operations	402.4	362.7
Total	<u>\$ 1,431.1</u>	<u>\$ 1,283.3</u>
Earnings before Income Taxes		
Investor Communication Solutions	\$ 115.2	\$ 60.0
Global Technology and Operations	33.7	40.3
Other	(36.0)	(44.8)
Total	<u>\$ 112.9</u>	<u>\$ 55.4</u>
Pre-tax margins:		
Investor Communication Solutions	11.2%	6.5%
Global Technology and Operations	8.4%	11.1%
Amortization of acquired intangibles and purchased intellectual property		
Investor Communication Solutions	\$ 11.4	\$ 15.5
Global Technology and Operations	39.4	40.4
Total	<u>\$ 50.8</u>	<u>\$ 55.9</u>

Amounts may not sum due to rounding.

Supplemental Reporting Detail - Additional Product Line Reporting
(Unaudited)

In millions

	Three Months Ended September 30,		
	2023	2022	Change
Investor Communication Solutions			
Regulatory	\$ 179.4	\$ 170.8	5%
Data-driven fund solutions	101.8	92.5	10%
Issuer	28.5	23.9	19%
Customer communications	159.1	155.9	2%
Total ICS Recurring revenues	468.8	443.1	6%
Equity and other	40.8	29.5	38%
Mutual funds	46.1	33.2	39%
Total ICS Event-driven revenues	86.9	62.7	39%
Distribution revenues	473.0	414.8	14%
Total ICS Revenues	\$1,028.6	\$ 920.6	12%
Global Technology and Operations			
Capital markets	\$ 248.5	\$ 226.7	10%
Wealth and investment management	153.9	136.0	13%
Total GTO Recurring revenues	402.4	362.7	11%
Total Revenues	\$1,431.1	\$1,283.3	12%
Revenues by Type			
Recurring revenues	\$ 871.2	\$ 805.8	8%
Event-driven revenues	86.9	62.7	39%
Distribution revenues	473.0	414.8	14%
Total Revenues	\$1,431.1	\$1,283.3	12%

Amounts may not sum due to rounding.

**Select Operating Metrics
(Unaudited)**

In millions

	Three Months Ended September 30,		
	2023	2022	Change
Closed sales (a)	\$47.6	\$29.0	64%
Record Growth (b)			
Equity positions (Stock records)	8%	9%	
Mutual fund/ETF positions (Interim records)	3%	11%	
Internal Trade Growth (c)	15%	6%	

Amounts may not sum due to rounding.

(a) Refer to the “Results of Operations” section of Broadridge’s Form 10-Q for a description of Closed sales and its calculation.

(b) Equity positions growth (also referred to as “stock records” or “SRG”) measures the estimated annual change in positions eligible for equity proxy materials. Mutual fund / ETF positions growth (also referred to as “interim records” or “IRG”) measures the estimated change in mutual fund and exchange traded fund positions eligible for interim communications. These metrics are calculated from equity proxy and mutual fund/ETF position data reported to Broadridge for the same issuers or funds in both the current and prior year periods.

(c) Represents the estimated change in daily average trade volumes for clients whose contracts are linked to trade volumes and who were on Broadridge’s trading platforms in both the current and prior year periods.

**Reconciliation of Non-GAAP to GAAP Measures
(Unaudited)**

In millions, except per share amounts

	Three Months Ended September 30,	
	2023	2022
Reconciliation of Adjusted Operating Income		
Operating income (GAAP)	\$ 148.4	\$ 87.5
Adjustments:		
Amortization of Acquired Intangibles and Purchased Intellectual Property	50.8	55.9
Acquisition and Integration Costs	—	4.1
Russia-Related Exit Costs	—	2.6
Adjusted Operating income (Non-GAAP)	<u>\$ 199.3</u>	<u>\$ 150.1</u>
Operating income margin (GAAP)	10.4%	6.8%
Adjusted Operating income margin (Non-GAAP)	13.9%	11.7%
Reconciliation of Adjusted Net earnings		
Net earnings (GAAP)	\$ 90.9	\$ 50.4
Adjustments:		
Amortization of Acquired Intangibles and Purchased Intellectual Property	50.8	55.9
Acquisition and Integration Costs	—	4.1
Russia-Related Exit Costs	—	2.6
Subtotal of adjustments	50.8	62.5
Tax impact of adjustments (a)	(12.2)	(13.2)
Adjusted Net earnings (Non-GAAP)	<u>\$ 129.6</u>	<u>\$ 99.7</u>
Reconciliation of Adjusted EPS		
Diluted earnings per share (GAAP)	\$ 0.76	\$ 0.42
Adjustments:		
Amortization of Acquired Intangibles and Purchased Intellectual Property	0.43	0.47
Acquisition and Integration Costs	—	0.03
Russia-Related Exit Costs	—	0.02
Subtotal of adjustments	0.43	0.53
Tax impact of adjustments (a)	(0.10)	(0.11)
Adjusted earnings per share (Non-GAAP)	<u>\$ 1.09</u>	<u>\$ 0.84</u>

(a) Calculated using the GAAP effective tax rate, adjusted to exclude \$5.0 million and \$6.7 million of excess tax benefits associated with stock-based compensation for the three months ended September 30, 2023 and 2022, respectively. For purposes of calculating the Adjusted earnings per share, the same adjustments were made on a per share basis.

	Three Months Ended September 30,	
	2023	2022
Reconciliation of Free cash flow		
Net cash flows from operating activities (GAAP)	\$ (62.0)	\$ (204.5)
Capital expenditures and Software purchases and capitalized internal use software	(14.4)	(13.6)
Free cash flow (Non-GAAP)	<u>\$ (76.4)</u>	<u>\$ (218.1)</u>

Reconciliation of Recurring Revenue Growth Constant Currency

	Three Months Ended September 30, 2023				
		Data-Driven Fund Solutions	Issuer	Customer Comms.	Total
Investor Communication Solutions	Regulatory				
Recurring revenue growth (GAAP)	5%	10%	19%	2%	6%
Impact of foreign currency exchange	—%	(1%)	—%	—%	—%
Recurring revenue growth constant currency (Non-GAAP)	<u>5%</u>	<u>9%</u>	<u>19%</u>	<u>2%</u>	<u>6%</u>

	Three Months Ended September 30, 2022				
		Data-Driven Fund Solutions	Issuer	Customer Comms.	Total
Investor Communication Solutions	Regulatory				
Recurring revenue growth (GAAP)	3%	11%	16%	11%	8%
Impact of foreign currency exchange	—%	2%	—%	—%	1%
Recurring revenue growth constant currency (Non-GAAP)	<u>4%</u>	<u>13%</u>	<u>16%</u>	<u>11%</u>	<u>9%</u>

	Three Months Ended September 30, 2023		
		Wealth and Investment Management	Total
Global Technology and Operations	Capital Markets		
Recurring revenue growth (GAAP)	10%	13%	11%
Impact of foreign currency exchange	(1%)	1%	—%
Recurring revenue growth constant currency (Non-GAAP)	<u>9%</u>	<u>14%</u>	<u>11%</u>

	Three Months Ended September 30, 2022		
		Wealth and Investment Management	Total
Global Technology and Operations	Capital Markets		
Recurring revenue growth (GAAP)	9%	4%	7%
Impact of foreign currency exchange	5%	2%	4%
Recurring revenue growth constant currency (Non-GAAP)	<u>14%</u>	<u>5%</u>	<u>10%</u>

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022
Consolidated	Total	Total
Recurring revenue growth (GAAP)	8%	7%
Impact of foreign currency exchange	—%	2%
Recurring revenue growth constant currency (Non-GAAP)	8%	9%

Amounts may not sum due to rounding.

Fiscal Year 2024 Guidance
Reconciliation of Non-GAAP to GAAP Measures
Adjusted Earnings Per Share Growth and Adjusted Operating Income Margin
(Unaudited)

FY24 Recurring revenue growth	
Impact of foreign currency exchange (a)	0.5%
Recurring revenue growth constant currency (Non-GAAP)	6 - 9%
FY24 Adjusted Operating income margin (b)	
Operating income margin % (GAAP)	~16%
Adjusted Operating income margin % (Non-GAAP)	~20%
FY24 Adjusted earnings per share growth rate (c)	
Diluted earnings per share (GAAP)	15 - 20% growth
Adjusted earnings per share (Non-GAAP)	8 - 12% growth

(a) Based on forward rates as of September 2023.

(b) Adjusted Operating income margin guidance (Non-GAAP) is adjusted to exclude the approximately \$230 million impact of Amortization of Acquired Intangibles and Purchased Intellectual Property, Restructuring Charges, and Acquisition and Integration Costs.

(c) Adjusted earnings per share growth guidance (Non-GAAP) is adjusted to exclude the approximately \$1.50 per share impact of Amortization of Acquired Intangibles and Purchased Intellectual Property, Restructuring Charges, and Acquisition and Integration Costs, and is calculated using diluted shares outstanding.