

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): October 30, 2018

FleetCor Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-35004

(Commission
File Number)

72-1074903

(I.R.S. Employer
Identification No.)

**5445 Triangle Parkway, Suite 400,
Peachtree Corners, Georgia**

(Address of principal executive offices)

30092

(Zip Code)

Registrant's telephone number, including area code: (770) 449-0479

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On October 30, 2018, FLEETCOR Technologies, Inc. (the "Company") issued a press release announcing its financial results for the three and nine months ended September 30, 2018. A copy of the press release is attached as Exhibit 99.1, which is incorporated by reference in its entirety. The information in this item, including Exhibit 99.1, is being furnished, not filed. Accordingly, the information in this item will not be incorporated by reference into any registration statement filed by FleetCor Technologies, Inc. under the Securities Act of 1933, as amended, unless specifically identified as being incorporated into it by reference.

Item 7.01 Regulation FD Disclosure.

The Company has made available on its website in the investor relations section an earnings release supplement.

Item 9.01 Financial Statements and Exhibits.

[\(d\) Exhibits. 99.1 FleetCor Technologies, Inc. press release dated October 30, 2018.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FleetCor Technologies, Inc.

October 30, 2018

By: /s/ Eric R. Dey

Eric R. Dey

Chief Financial Officer

Exhibit Index

| Exhibit No. | Description |
|----------------------|---|
| 99.1 | FleetCor Technologies, Inc. press release dated October 30, 2018. |

FLEETCOR Reports Third Quarter 2018 Financial Results

PEACHTREE CORNERS, Ga., October 30, 2018 — FLEETCOR Technologies, Inc. (NYSE: FLT), a leading global provider of commercial payment solutions, today reported financial results for its third quarter of 2018.

“Our third quarter revenues and profits once again finished above our expectations, with adjusted net income per diluted share growth of 23%. We delivered another solid organic revenue growth quarter of 11% overall, driven primarily by strong double digit growth rates in our Corporate Payments, Tolls, and Lodging categories,” said Ron Clarke, chairman and chief executive officer, FLEETCOR Technologies, Inc. “Also we continue to advance our beyond tolls strategy in Brazil by recently signing Estapar, the largest parking facility operator in Brazil, and McDonald’s to provide acceptance at their drive-thru’s. We believe both of these agreements will be supportive of our growth in 2019 and beyond.”

Financial Results for Third Quarter of 2018:

GAAP Results

- Total revenues, including the impact of the new revenue recognition standard ASC 606, increased 7% to \$619.6 million in the third quarter of 2018, compared to \$577.9 million in the third quarter of 2017.
- Net income decreased 22% to \$157.7 million in the third quarter of 2018, compared to \$202.8 million in the third quarter of 2017. Included in the third quarter of 2017 was a net benefit of approximately \$65 million from the sale of the Nextraq business, partially offset by changes in our investment arrangement in Masternaut that caused a change in our accounting for the investment to change from the equity method to cost method.
- Net income per diluted share decreased 21% to \$1.71 in the third quarter of 2018, compared to \$2.18 per diluted share in the third quarter of 2017, due to the reason discussed above.

On January 1, 2018, the Company adopted FASB ASC Topic 606, "Revenue from Contracts with Customers" ("ASC 606") and related cost capitalization guidance, using the modified retrospective method by recognizing the cumulative effect of initially applying ASC 606 as an adjustment to opening retained earnings at January 1, 2018. As such, the Company is not required to restate comparative financial information prior to the adoption of ASC 606 and, therefore, such information for the three months ended September 30, 2017 continues to be reported under FASB ASC Topic 605, "Revenue Recognition" ("ASC 605"). The adoption of ASC 606 did not materially impact the Company’s financial position. For the three months ended September 30, 2018, the adoption of ASC 606 reduced revenue by \$28 million and increased operating income by \$1.3 million. The adoption of ASC 606 did not have a material impact on net income or net income per diluted share for the three months ended September 30, 2018. A comparison of the current presentation under ASC 606 to the prior presentation under ASC 605 is provided below:

| (millions) | 2018 Reported under ASC 606 | 2018 Impact of ASC 606 | 2018 Excluding Impact of Adoption of ASC 606 |
|-------------------|--------------------------------|---------------------------|--|
| Revenue | \$619.6 | \$28.0 | \$647.5 |
| Operating Expense | \$338.5 | \$29.3 | \$367.8 |
| Operating Income | \$281.1 | \$(1.3) | \$279.8 |

The above table presents the U.S. GAAP financial measures of Revenue, Operating Expense and Operating Income as reported, as well as the impact of the adoption of ASC 606 on these measures for the period presented. The impact of the adoption of ASC 606 on net income and net income per diluted share was not material.

Non-GAAP Results¹

- Revenues under ASC 605 increased 12% to \$647.5 million in the third quarter of 2018, compared to \$577.9 million in the third quarter of 2017.
- Adjusted net income¹ increased 22% to \$246.6 million in the third quarter of 2018, compared to \$202.8 million in the third quarter of 2017.
- Adjusted net income per diluted share¹ increased 23% to \$2.68 in the third quarter of 2018, compared to \$2.18 per diluted share in the third quarter of 2017.

Fiscal-Year 2018 Outlook:

“We are raising our full year 2018 guidance to reflect our third quarter results compared to our prior guidance. In the quarter we successfully offset approximately \$20 million of unfavorable macro through solid execution across our businesses,” said Eric Dey, chief financial officer, FLEETCOR Technologies, Inc. “We expect the macro in the fourth quarter to be similar to the third quarter and expect to again offset this negative impact, through revenue over achievement in our businesses and expense control.”

For fiscal 2018, FLEETCOR Technologies, Inc. updated financial guidance is as follows:

- Total revenues including the adoption of ASC 606 to be between \$2,390 million and \$2,420 million;
- Net income to be between \$695 million and \$705 million;
- Net income per diluted share to be between \$7.50 and \$7.60;
- Revenues excluding the impact of ASC 606 to be between \$2,495 million and \$2,525 million;
- Adjusted net income to be between \$960 million and \$970 million; and
- Adjusted net income per diluted share to be between \$10.40 and \$10.50.

FLEETCOR’s guidance assumptions for the remainder of 2018 are as follows:

- Weighted fuel prices equal to \$2.95 per gallon average in the U.S. for those businesses sensitive to the movement in the retail price of fuel for the balance of the year;
- Market spreads equal to the 2017 average;
- Foreign exchange rates equal to the seven-day average as of October 7, 2018;
- Interest expense of \$140 million;
- Fully diluted shares outstanding of approximately 93 million shares;
- An adjusted tax rate of 22% to 24%; and
- No impact related to acquisitions or material new partnership agreements not already disclosed.

¹Reconciliations of GAAP results to non-GAAP results are provided in Exhibit 1 attached. Additional supplemental data is provided in Exhibits 2-3 and 5, and segment information is provided in Exhibit 4. A reconciliation of GAAP guidance to non-GAAP guidance is provided in Exhibit 6. A reconciliation of the impact of the adoption of ASC 606 is provided in exhibit 7.

Conference Call

The Company will host a conference call to discuss third quarter 2018 financial results today at 5:00 pm ET. Hosting the call will be Ron Clarke, chief executive officer, Eric Dey, chief financial officer and Jim Eglseder, investor relations. The conference call can be accessed live over the phone by dialing (877) 407-0784, or for international callers (201) 689-8560. A replay will be available one hour after the call and can be accessed by dialing (844) 512-2921 or (412) 317-6671 for international callers; the conference ID is 13684086. The replay will be available until Tuesday, November 6, 2018. The call will be webcast live from the Company's investor relations website at <http://investor.fleetcor.com>. Prior to the conference call, the Company will post supplemental financial information that will be discussed during the call and live webcast.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. Statements that are not historical facts, including statements about FLEETCOR's beliefs, expectations and future performance, are forward-looking statements. Forward-looking statements can be identified by the use of words such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project," "expect," "may," "will," "would," "could" or "should," the negative of these terms or other comparable terminology. Examples of forward-looking statements in this press release include statements relating to macro- economic conditions, expected organic growth rates, impact of the new Tax Act, and estimated impact of these conditions on our operations and financial results, the impact of new asset initiatives, revenue and earnings guidance and assumptions underlying financial guidance. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from those contained in any forward-looking statement, such as fuel price and spread volatility; the impact of foreign exchange rates on operations, revenue and income; the effects of general economic conditions on fueling patterns and the commercial activity of fleets; changes in credit risk of customers and associated losses; the actions of regulators relating to payment cards or resulting from investigations; failure to maintain or renew key business relationships; failure to maintain competitive offerings; failure to maintain or renew sources of financing; failure to complete, or delays in completing, anticipated new customer arrangements or acquisitions and the failure to successfully integrate or otherwise achieve anticipated benefits from such customer arrangements or acquired businesses; failure to successfully expand business internationally, risks related to litigation: risks related to the unauthorized access to systems and information; as well as the other risks and uncertainties identified under the caption "Risk Factors" in FLEETCOR's Annual Report on Form 10-K for the year ended December 31, 2017 and FLEETCOR's quarterly reports on Form 10-Q for the three months ended March 31, 2018 and June 30, 2018. FLEETCOR believes these forward-looking statements are reasonable; however, forward-looking statements are not a guarantee of performance, and undue reliance should not be placed on such statements. The forward-looking statements included in this press release are made only as of the date hereof, and FLEETCOR does not undertake, and specifically disclaims, any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments except as specifically stated in this press release or to the extent required by law.

About Non-GAAP Financial Measures

Adjusted net income is calculated as net income, adjusted to eliminate (a) non-cash stock based compensation expense related to share based compensation awards, (b) amortization of deferred financing costs, discounts and intangible assets, amortization of the premium recognized on the purchase of receivables, and our proportionate share of amortization of intangible assets at our equity method investment, (c) other non-recurring items, including the impact of the Tax Reform Act, impairment charges, restructuring costs, gains due to disposition of business, loss on extinguishment of debt and the unauthorized access impact. We calculate adjusted net income to eliminate the effect of items that we do not consider indicative of our core operating performance. Adjusted net income is a supplemental measure of operating performance that does not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by U.S. generally accepted accounting principles, or U.S. GAAP, and our calculation thereof may not be comparable to that reported by other companies. We believe it is useful to exclude non-cash stock based compensation expense from adjusted net income because non-cash equity grants made at a certain price and point in time do not necessarily reflect how our business is performing at any particular time and stock based compensation expense is not a key measure of our core operating performance. We also believe that amortization expense can vary substantially from company to company and from period to period depending upon their financing and accounting methods, the fair value and average expected life of their acquired intangible assets, their capital structures and the method by which their assets were acquired; therefore, we have excluded amortization expense from our adjusted net income. We also believe one-time non-recurring gains, losses, and impairment charges do not necessarily reflect how our investments and business are performing. Reconciliations of GAAP results to non-GAAP results are provided in the attached exhibit 1. A

reconciliation of GAAP to non-GAAP product revenue organic growth calculation is provided in the attached exhibit 5. A reconciliation of GAAP to non-GAAP guidance is provided in the attached exhibit 6. Furthermore, a reconciliation of the impact of the Company's adoption of the new revenue standard, ASC 606, is provided in exhibit 7, along with its impact on 2018 guidance in exhibit 6.

Management uses adjusted net income:

- as measurement of operating performance because it assists us in comparing our operating performance on a consistent basis;
- for planning purposes, including the preparation of our internal annual operating budget;
- to allocate resources to enhance the financial performance of our business; and
- to evaluate the performance and effectiveness of our operational strategies.

We believe adjusted net income and adjusted net income per diluted share are key measures used by the Company and investors as supplemental measures to evaluate the overall operating performance of companies in our industry. By providing these non-GAAP financial measures, together with reconciliations, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing strategic initiatives.

About FLEETCOR

FLEETCOR Technologies (NYSE: FLT) is a leading global provider of commercial payment solutions. The Company helps businesses of all sizes better control, simplify and secure payment of their fuel, toll, lodging and other general payables. With its proprietary payment acceptance networks, FLEETCOR provides affiliated merchants with incremental sales and loyalty. FLEETCOR serves businesses, partners and merchants in North America, Latin America, Europe, and Australasia. For more information, please visit www.FLEETCOR.com.

Contact

Investor Relations

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FLEETCOR Technologies, Inc. and Subsidiaries
Unaudited Consolidated Statements of Income
(In thousands, except per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--------------------------------------|----------------------------------|------------|---------------------------------|--------------|
| | 2018 ¹ | 2017 | 2018 ¹ | 2017 |
| Revenues, net | \$ 619,586 | \$ 577,877 | \$ 1,790,070 | \$ 1,639,547 |
| Expenses: | | | | |
| Merchant commissions | — | 27,687 | — | 82,690 |
| Processing | 128,400 | 111,283 | 356,086 | 316,429 |
| Selling | 44,806 | 45,060 | 135,926 | 122,854 |
| General and administrative | 98,023 | 92,054 | 284,718 | 275,095 |
| Depreciation and amortization | 67,267 | 69,156 | 207,379 | 198,731 |
| Operating income | 281,090 | 232,637 | 805,961 | 643,748 |
| Investment loss | 7,147 | 47,766 | 7,147 | 52,497 |
| Other expense (income), net | 303 | (175,271) | 465 | (173,626) |
| Interest expense, net | 36,072 | 29,344 | 100,287 | 76,322 |
| Loss on extinguishment of debt | — | 3,296 | — | 3,296 |
| Total other expense (income) | 43,522 | (94,865) | 107,899 | (41,511) |
| Income before income taxes | 237,568 | 327,502 | 698,062 | 685,259 |
| Provision for income taxes | 79,874 | 124,679 | 188,579 | 227,756 |
| Net income | \$ 157,694 | \$ 202,823 | \$ 509,483 | \$ 457,503 |
| Basic earnings per share | \$ 1.78 | \$ 2.23 | \$ 5.72 | \$ 4.99 |
| Diluted earnings per share | \$ 1.71 | \$ 2.18 | \$ 5.50 | \$ 4.87 |
| Weighted average shares outstanding: | | | | |
| Basic shares | 88,456 | 90,751 | 89,126 | 91,619 |
| Diluted shares | 92,081 | 93,001 | 92,671 | 93,923 |

¹Reflects the impact of the Company's adoption of Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASC 606") and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606. See exhibit 7 for a reconciliation of the impact of adoption of ASC 606.

FLEETCOR Technologies, Inc. and Subsidiaries
Consolidated Balance Sheets
(In thousands, except share and par value amounts)

| | September 30, 2018 ¹ | December 31, 2017 |
|---|---------------------------------|-------------------|
| | (Unaudited) | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 924,442 | \$ 913,595 |
| Restricted cash | 264,108 | 217,275 |
| Accounts and other receivables (less allowance for doubtful accounts of \$55,022 at September 30, 2018 and \$46,031 at December 31, 2017, respectively) | 1,811,339 | 1,420,011 |
| Securitized accounts receivable — restricted for securitization investors | 931,000 | 811,000 |
| Prepaid expenses and other current assets | 202,102 | 187,820 |
| Total current assets | 4,132,991 | 3,549,701 |
| Property and equipment, net | 184,979 | 180,057 |
| Goodwill | 4,517,348 | 4,715,823 |
| Other intangibles, net | 2,438,627 | 2,724,957 |
| Investments | 33,032 | 32,859 |
| Other assets | 143,913 | 114,962 |
| Total assets | \$ 11,450,890 | \$ 11,318,359 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,616,949 | \$ 1,437,314 |
| Accrued expenses | 252,069 | 238,472 |
| Customer deposits | 825,371 | 732,171 |
| Securitization facility | 931,000 | 811,000 |
| Current portion of notes payable and lines of credit | 768,548 | 805,512 |
| Other current liabilities | 90,531 | 71,033 |
| Total current liabilities | 4,484,468 | 4,095,502 |
| Notes payable and other obligations, less current portion | 2,773,378 | 2,902,104 |
| Deferred income taxes | 506,310 | 518,912 |
| Other noncurrent liabilities | 124,486 | 125,319 |
| Total noncurrent liabilities | 3,404,174 | 3,546,335 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Common stock, \$0.001 par value; 475,000,000 shares authorized; 122,823,669 shares issued and 88,648,486 shares outstanding at September 30, 2018; and 122,083,059 shares issued and 89,803,982 shares outstanding at December 31, 2017 | 123 | 122 |
| Additional paid-in capital | 2,316,753 | 2,214,224 |
| Retained earnings | 3,515,657 | 2,958,921 |
| Accumulated other comprehensive loss | (944,746) | (551,857) |
| Less treasury stock, 34,175,183 shares at September 30, 2018 and 32,279,077 shares at December 31, 2017 | (1,325,539) | (944,888) |
| Total stockholders' equity | 3,562,248 | 3,676,522 |
| Total liabilities and stockholders' equity | \$ 11,450,890 | \$ 11,318,359 |

¹ Reflects the impact of the Company's adoption of ASC 606 and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606. See exhibit 7 for a reconciliation of the impact of adoption of ASC 606.

FLEETCOR Technologies, Inc. and Subsidiaries
Unaudited Consolidated Statements of Cash Flows
(In thousands)

| | Nine Months Ended September 30, | |
|---|--|-------------------------|
| | 2018¹ | 2017¹ |
| Operating activities | | |
| Net income | \$ 509,483 | \$ 457,503 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 38,174 | 35,096 |
| Stock-based compensation | 54,207 | 68,897 |
| Provision for losses on accounts receivable | 43,520 | 35,949 |
| Amortization of deferred financing costs and discounts | 4,035 | 5,411 |
| Amortization of intangible assets | 165,002 | 158,897 |
| Amortization of premium on receivables | 4,202 | 4,738 |
| Loss on extinguishment of debt | — | 3,296 |
| Deferred income taxes | (6,334) | (38,092) |
| Investment loss | 7,147 | 52,497 |
| Gain on disposition of business | — | (174,984) |
| Other non-cash operating income | (140) | (49) |
| Changes in operating assets and liabilities (net of acquisitions): | | |
| Accounts and other receivables | (640,859) | (440,011) |
| Prepaid expenses and other current assets | (19,618) | (86,648) |
| Other assets | (19,922) | (15,378) |
| Accounts payable, accrued expenses and customer deposits | 416,483 | 364,473 |
| Net cash provided by operating activities | <u>555,380</u> | <u>431,595</u> |
| Investing activities | | |
| Acquisitions, net of cash acquired | (3,799) | (602,298) |
| Purchases of property and equipment | (56,312) | (49,459) |
| Proceeds from disposal of a business | — | 316,501 |
| Other | (11,192) | (6,327) |
| Net cash used in investing activities | <u>(71,303)</u> | <u>(341,583)</u> |
| Financing activities | | |
| Proceeds from issuance of common stock | 48,322 | 20,192 |
| Repurchase of common stock | (380,651) | (402,392) |
| Borrowings on securitization facility, net | 120,000 | 203,000 |
| Deferred financing costs paid and debt discount | (166) | (11,230) |
| Proceeds from notes payable | — | 780,656 |
| Principal payments on notes payable | (103,500) | (388,656) |
| Borrowings from revolver | 834,019 | 845,000 |
| Payments on revolver | (897,861) | (804,808) |
| Borrowings on swing line of credit, net | 23,735 | 7,800 |
| Other | (230) | 537 |
| Net cash (used in) provided by financing activities | <u>(356,332)</u> | <u>250,099</u> |
| Effect of foreign currency exchange rates on cash | (70,065) | 34,390 |
| Net increase in cash and cash equivalents and restricted cash | 57,680 | 374,501 |
| Cash and cash equivalents and restricted cash, beginning of period | 1,130,870 | 643,770 |
| Cash and cash equivalents and restricted cash, end of period | <u>\$ 1,188,550</u> | <u>\$ 1,018,271</u> |
| Supplemental cash flow information | | |
| Cash paid for interest | <u>\$ 113,785</u> | <u>\$ 79,144</u> |
| Cash paid for income taxes | <u>\$ 162,563</u> | <u>\$ 257,349</u> |

¹ Reflects the impact of the Company's adoption of Accounting Standards Update 2016-18, *Statement of Cash Flows (Topic 230)*, which was adopted by the Company on January 1, 2018 and applied retrospectively to results for 2017. The adoption of Topic 230 resulted in the statement of cash flows presenting the changes in the total of cash, cash equivalents and restricted cash. As a result, the Company will no longer present transfers between cash and cash equivalents and restricted cash in the statement of cash flows.

Exhibit 1
RECONCILIATION OF NON-GAAP MEASURES
(In thousands, except shares and per share amounts)
(Unaudited)

The following table reconciles net income to adjusted net income and adjusted net income per diluted share:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|----------------------------------|-------------------|---------------------------------|-------------------|
| | 2018 | 2017 | 2018 | 2017 |
| Net income | \$ 157,694 | \$ 202,823 | \$ 509,483 | \$ 457,503 |
| Stock based compensation | 20,702 | 24,654 | 54,207 | 68,897 |
| Amortization of intangible assets, premium on receivables, deferred financing costs and discounts | 55,482 | 60,229 | 173,239 | 177,387 |
| Impairment of investment | 7,147 | 44,600 | 7,147 | 44,600 |
| Net gain on disposition of business | — | (109,205) | — | (109,205) |
| Loss on extinguishment of debt | — | 3,296 | — | 3,296 |
| Non recurring loss due to merger of entities | — | 2,028 | — | 2,028 |
| Restructuring costs | 481 | — | 3,917 | — |
| Unauthorized access impact | 322 | — | 2,065 | — |
| Total pre-tax adjustments | 84,134 | 25,602 | 240,575 | 187,003 |
| Income tax impact of pre-tax adjustments at the effective tax rate ¹ | (17,977) | (25,656) | (54,904) | (69,711) |
| Impact of tax reform | 22,731 | — | 22,731 | — |
| Adjusted net income | <u>\$ 246,582</u> | <u>\$ 202,769</u> | <u>\$ 717,885</u> | <u>\$ 574,795</u> |
| Adjusted net income per diluted share | <u>\$ 2.68</u> | <u>\$ 2.18</u> | <u>\$ 7.75</u> | <u>\$ 6.12</u> |
| Diluted shares | 92,081 | 93,001 | 92,671 | 93,923 |

¹ Excludes the results of the Company's investments on our effective tax rate, as results from our investments are reported within the consolidated statements of income on a post-tax basis and no tax-over-book outside basis differences related to our investments reversed during 2017. Excludes impact of tax reform adjustments during the period included in our effective tax rate. Also excludes the net gain realized upon our disposition of Nextraq, representing a pretax gain of \$175.0 million and tax on gain of \$65.8 million. The tax on the gain is included in "Net gain on disposition of business".

Exhibit 2
Transaction Volume and Revenues Per Transaction by Segment and by Product Category, on a GAAP Basis and Pro Forma and Macro Adjusted
(In millions except revenues, net per transaction)
(Unaudited)

The following table presents revenue and revenue per transaction, by segment.

| | As Reported | | | | As Reported and Pro Forma for Impact of Adoption of ASC 606 | | | |
|--|----------------------------------|----------|-----------|----------|---|-------------------|---------|----------|
| | Three Months Ended September 30, | | | | Three Months Ended September 30, | | | |
| | 2018 ¹ | 2017 | Change | % Change | 2018 ¹ | 2017 ¹ | Change | % Change |
| <u>NORTH AMERICA</u> | | | | | | | | |
| - Transactions | 380.8 | 398.4 | (17.6) | (4)% | 380.8 | 398.4 | (17.6) | (4)% |
| - Revenues, net per transaction | \$ 1.08 | \$ 0.92 | \$ 0.16 | 17 % | \$ 1.08 | \$ 0.86 | \$ 0.22 | 26 % |
| - Revenues, net | \$ 412.8 | \$ 368.0 | \$ 44.8 | 12 % | \$ 412.8 | \$ 343.9 | \$ 68.9 | 20 % |
| <u>INTERNATIONAL</u> | | | | | | | | |
| - Transactions ² | 277.8 | 275.9 | 1.9 | 1 % | 277.8 | 275.9 | 1.9 | 1 % |
| - Revenues, net per transaction | \$ 0.74 | \$ 0.76 | \$ (0.02) | (2)% | \$ 0.74 | \$ 0.74 | \$ — | — % |
| - Revenues, net | \$ 206.8 | \$ 209.9 | \$ (3.1) | (1)% | \$ 206.8 | \$ 205.0 | \$ 1.8 | 1 % |
| <u>FLEETCOR CONSOLIDATED REVENUES</u> | | | | | | | | |
| - Transactions | 658.6 | 674.3 | (15.7) | (2)% | 658.6 | 674.3 | (15.7) | (2)% |
| - Revenues, net per transaction | \$ 0.94 | \$ 0.86 | \$ 0.08 | 10 % | \$ 0.94 | \$ 0.81 | \$ 0.13 | 16 % |
| - Revenues, net | \$ 619.6 | \$ 577.9 | \$ 41.7 | 7 % | \$ 619.6 | \$ 548.9 | \$ 70.7 | 13 % |

The following table presents revenue and revenue per transaction, by product category.

| | As Reported | | | | Pro Forma and Macro Adjusted ⁴ | | | |
|--|----------------------------------|----------|-----------|----------|---|-------------------|---------|----------|
| | Three Months Ended September 30, | | | | Three Months Ended September 30, | | | |
| | 2018 ¹ | 2017 | Change | % Change | 2018 ¹ | 2017 ¹ | Change | % Change |
| <u>FUEL⁵</u> | | | | | | | | |
| - Transactions | 122.9 | 119.3 | 3.6 | 3 % | 122.9 | 121.1 | 1.9 | 2 % |
| - Revenues, net per transaction | \$ 2.25 | \$ 2.32 | \$ (0.07) | (3)% | \$ 2.15 | \$ 2.07 | \$ 0.08 | 4 % |
| - Revenues, net | \$ 276.0 | \$ 276.2 | \$ (0.3) | — % | \$ 263.8 | \$ 250.5 | \$ 13.3 | 5 % |
| <u>CORPORATE PAYMENTS</u> | | | | | | | | |
| - Transactions | 13.1 | 10.9 | 2.2 | 20 % | 13.1 | 11.1 | 2.0 | 18 % |
| - Revenues, net per transaction | \$ 8.05 | \$ 6.63 | \$ 1.42 | 21 % | \$ 8.10 | \$ 7.52 | \$ 0.59 | 8 % |
| - Revenues, net | \$ 105.5 | \$ 72.2 | \$ 33.3 | 46 % | \$ 106.2 | \$ 83.2 | \$ 23.0 | 28 % |
| <u>TOLLS</u> | | | | | | | | |
| - Transactions ² | 221.9 | 226.1 | (4.2) | (2)% | 221.9 | 226.1 | (4.2) | (2)% |
| - Revenues, net per transaction | \$ 0.35 | \$ 0.37 | \$ (0.02) | (4)% | \$ 0.44 | \$ 0.37 | \$ 0.07 | 19 % |
| - Revenues, net | \$ 77.8 | \$ 82.9 | \$ (5.2) | (6)% | \$ 97.0 | \$ 82.9 | \$ 14.1 | 17 % |
| <u>LODGING</u> | | | | | | | | |
| - Transactions | 4.5 | 4.1 | 0.4 | 11 % | 4.5 | 4.6 | (0.1) | (3)% |
| - Revenues, net per transaction | \$ 10.64 | \$ 8.14 | \$ 2.49 | 31 % | \$ 10.64 | \$ 8.53 | \$ 2.10 | 25 % |
| - Revenues, net | \$ 48.0 | \$ 33.2 | \$ 14.8 | 45 % | \$ 48.0 | \$ 39.6 | \$ 8.4 | 21 % |
| <u>GIFT</u> | | | | | | | | |
| - Transactions | 277.6 | 294.1 | (16.5) | (6)% | 277.6 | 294.1 | (16.5) | (6)% |
| - Revenues, net per transaction | \$ 0.20 | \$ 0.19 | \$ 0.02 | 10 % | \$ 0.20 | \$ 0.19 | \$ 0.02 | 10 % |
| - Revenues, net | \$ 56.7 | \$ 54.8 | \$ 1.9 | 4 % | \$ 56.7 | \$ 54.8 | \$ 1.9 | 4 % |
| <u>OTHER^{3,5}</u> | | | | | | | | |
| - Transactions | 18.6 | 19.7 | (1.2) | (6)% | 18.6 | 19.7 | (1.1) | (6)% |
| - Revenues, net per transaction | \$ 3.00 | \$ 2.97 | \$ 0.03 | 1 % | \$ 3.13 | \$ 2.84 | \$ 0.29 | 10 % |
| - Revenues, net | \$ 55.7 | \$ 58.5 | \$ (2.9) | (5)% | \$ 58.1 | \$ 55.8 | \$ 2.3 | 4 % |
| <u>FLEETCOR CONSOLIDATED REVENUES</u> | | | | | | | | |
| - Transactions | 658.6 | 674.3 | (15.7) | (2)% | 658.6 | 676.7 | (18.1) | (3)% |
| - Revenues, net per transaction | \$ 0.94 | \$ 0.86 | \$ 0.08 | 10 % | \$ 0.96 | \$ 0.84 | \$ 0.12 | 14 % |
| - Revenues, net | \$ 619.6 | \$ 577.9 | \$ 41.7 | 7 % | \$ 629.8 | \$ 566.8 | \$ 63.0 | 11 % |

¹ Reflects the impact of the Company's adoption of ASC 606 and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606. For purposes of comparability, 2017 revenue has been recast in this exhibit and is reconciled to GAAP in Exhibit 5, which includes certain estimates and assumptions made by the Company for the impact of ASC 606 on 2017 revenues, as the Company did not apply a full retrospective adoption.

² Reflects adjustments from previously disclosed amounts for the prior period to conform to current presentation.

³ Other includes telematics, maintenance, food, and transportation related businesses.

⁴ See Exhibit 5 for a reconciliation of Pro forma and Macro Adjusted revenue by product, non gaap measures, to the gaap equivalent.

⁵ Fuel Cards product category further refined to Fuel, to reflect different ways that fuel is paid for by our customers and as a result, reflects immaterial reclassifications from previously disclosed amounts for the prior period.

Exhibit 3
Revenues by Geography, Product and Source
(In millions)
(Unaudited)

| <u>Revenue by Geography*</u> | <u>Three Months Ended September 30,</u> | | | | <u>Nine Months Ended September 30,</u> | | | |
|------------------------------|---|----------|-------------|----------|--|----------|-------------|----------|
| | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> |
| US | \$ 391 | 63% | \$ 358 | 62% | \$ 1,082 | 60% | \$ 1,031 | 63% |
| Brazil | 92 | 15% | 101 | 17% | 296 | 17% | 287 | 17% |
| UK | 63 | 10% | 61 | 11% | 192 | 11% | 174 | 11% |
| Other | 73 | 12% | 58 | 10% | 220 | 12% | 148 | 9% |
| Consolidated Revenues, net | \$ 620 | 100% | \$ 578 | 100% | \$ 1,790 | 100% | \$ 1,640 | 100% |

*Columns may not calculate due to rounding.

| <u>Revenue by Product Category*</u> | <u>Three Months Ended September 30,</u> | | | | <u>Nine Months Ended September 30,</u> | | | |
|-------------------------------------|---|----------|-------------|----------|--|----------|-------------|----------|
| | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> |
| Fuel | \$ 276 | 45% | \$ 276 | 48% | \$ 805 | 45% | \$ 815 | 50% |
| Corporate Payments | 105 | 17% | 72 | 12% | 300 | 17% | 150 | 9% |
| Tolls | 78 | 13% | 83 | 14% | 250 | 14% | 236 | 14% |
| Lodging | 48 | 8% | 33 | 6% | 132 | 7% | 86 | 5% |
| Gift | 57 | 9% | 55 | 9% | 139 | 8% | 144 | 9% |
| Other | 56 | 9% | 59 | 10% | 164 | 9% | 209 | 13% |
| Consolidated Revenues, net | \$ 620 | 100% | \$ 578 | 100% | \$ 1,790 | 100% | \$ 1,640 | 100% |

*Columns may not calculate due to rounding.

| <u>Major Sources of Revenue*</u> | <u>Three Months Ended September 30,</u> | | | | <u>Nine Months Ended September 30,</u> | | | |
|---|---|----------|-------------|----------|--|----------|-------------|----------|
| | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> | <u>2018¹</u> | <u>%</u> | <u>2017</u> | <u>%</u> |
| Processing and Program Revenue ² | \$ 322 | 52% | \$ 288 | 50% | \$ 932 | 52% | \$ 781 | 48% |
| Late Fees and Finance Charges ³ | 38 | 6% | 34 | 6% | 109 | 6% | 105 | 6% |
| Miscellaneous Fees ⁴ | 39 | 6% | 32 | 5% | 113 | 6% | 97 | 6% |
| Discount Revenue (Fuel) ⁵ | 87 | 14% | 77 | 13% | 257 | 14% | 223 | 14% |
| Discount Revenue (NonFuel) ⁶ | 51 | 8% | 45 | 8% | 139 | 8% | 130 | 8% |
| Tied to Fuel-Price Spreads ⁷ | 31 | 5% | 53 | 9% | 86 | 5% | 165 | 10% |
| Merchant Program Revenue ⁸ | 53 | 9% | 49 | 8% | 154 | 9% | 139 | 8% |
| Consolidated Revenues, net | \$ 620 | 100% | \$ 578 | 100% | \$ 1,790 | 100% | \$ 1,640 | 100% |

¹ Reflects the impact of the Company's adoption of ASC 606 and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606. See exhibit 7 for a reconciliation of the impact of adoption of ASC 606.

² Includes revenue from customers based on accounts, cards, devices, transactions, load amounts and/or purchase amounts, etc. for participation in our various fleet and workforce related programs; as well as, revenue from partners (e.g., major retailers, leasing companies, oil companies, petroleum marketers, etc.) for processing and network management services. Primarily represents revenue from North American trucking, lodging, prepaid benefits, telematics, gift cards and toll related businesses.

³ Fees for late payment and interest charges for carrying a balance charged to a customer.

⁴ Non-standard fees charged to customers based on customer behavior or optional participation, primarily including high credit risk surcharges, over credit limit charges, minimum processing fees, printing and mailing fees, environmental fees, etc.

⁵ Interchange revenue directly influenced by the absolute price of fuel and other interchange related to fuel products.

⁶ Interchange revenue related to nonfuel products.

⁷ Revenue derived from the difference between the price charged to a fleet customer for a transaction and the price paid to the merchant for the same transaction.

⁸ Revenue derived primarily from the sale of equipment, software and related maintenance to merchants.

* We may not be able to precisely calculate revenue by source, as certain estimates were made in these allocations. Columns may not calculate due to rounding.

Exhibit 4
Segment Results
(In thousands)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---------------------------------------|----------------------------------|-------------------|---------------------------------|-------------------|
| | 2018 ¹ | 2017 ² | 2018 ¹ | 2017 ² |
| Revenues, net: | | | | |
| North America | \$ 412,816 | \$ 368,006 | \$ 1,148,034 | \$ 1,040,949 |
| International | 206,770 | 209,871 | 642,036 | 598,598 |
| | \$ 619,586 | \$ 577,877 | \$ 1,790,070 | \$ 1,639,547 |
| Operating income: | | | | |
| North America | \$ 177,769 | \$ 138,480 | \$ 495,095 | \$ 394,378 |
| International | 103,321 | 94,157 | 310,866 | 249,370 |
| | \$ 281,090 | \$ 232,637 | \$ 805,961 | \$ 643,748 |
| Depreciation and amortization: | | | | |
| North America | \$ 39,049 | \$ 38,399 | \$ 116,041 | \$ 104,960 |
| International | 28,218 | 30,757 | 91,338 | 93,771 |
| | \$ 67,267 | \$ 69,156 | \$ 207,379 | \$ 198,731 |
| Capital expenditures: | | | | |
| North America | \$ 12,604 | \$ 9,167 | \$ 32,700 | \$ 30,901 |
| International | 9,094 | 7,692 | 23,612 | 18,558 |
| | \$ 21,698 | \$ 16,859 | \$ 56,312 | \$ 49,459 |

¹Reflects the impact of the Company's adoption of ASC 606 and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606. See exhibit 7 for a reconciliation of the impact of adoption of ASC 606.

²The results from our Cambridge business acquired in the third quarter of 2017 are reported in our North America segment. As we have concluded that this business is part of our North America segment, the results for this business have been recast into our North America segment for the three and nine month periods ended September 30, 2017.

Exhibit 5
Reconciliation of Non-GAAP Revenue and Transactions by Product to GAAP
(In millions)
(Unaudited)

| | Revenue | | Transactions | |
|---------------------------------------|----------------------------------|----------|----------------------------------|-------|
| | Three Months Ended September 30, | | Three Months Ended September 30, | |
| | 2018* | 2017* | 2018* | 2017* |
| FUEL | | | | |
| Pro forma and macro adjusted | \$ 263.8 | \$ 250.5 | 122.9 | 121.1 |
| Impact of acquisitions/dispositions | — | (2.3) | — | (1.8) |
| Impact of fuel prices/spread | 16.8 | — | — | — |
| Impact of foreign exchange rates | (4.6) | — | — | — |
| Impact of adoption of ASC 606 | — | 28.0 | — | — |
| As reported | \$ 276.0 | \$ 276.2 | 122.9 | 119.3 |
| CORPORATE PAYMENTS | | | | |
| Pro forma and macro adjusted | \$ 106.2 | \$ 83.2 | 13.1 | 11.1 |
| Impact of acquisitions/dispositions | — | (11.5) | — | (0.2) |
| Impact of fuel prices/spread | 0.2 | — | — | — |
| Impact of foreign exchange rates | (0.9) | — | — | — |
| Impact of adoption of ASC 606 | — | 0.5 | — | — |
| As reported | \$ 105.5 | \$ 72.2 | 13.1 | 10.9 |
| TOLLS | | | | |
| Pro forma and macro adjusted | \$ 97.0 | \$ 82.9 | 221.9 | 226.1 |
| Impact of acquisitions/dispositions | — | — | — | — |
| Impact of fuel prices/spread | — | — | — | — |
| Impact of foreign exchange rates | (19.2) | — | — | — |
| Impact of adoption of ASC 606 | — | — | — | — |
| As reported | \$ 77.8 | \$ 82.9 | 221.9 | 226.1 |
| LODGING | | | | |
| Pro forma and macro adjusted | \$ 48.0 | \$ 39.6 | 4.5 | 4.6 |
| Impact of acquisitions/dispositions | — | (6.4) | — | (0.5) |
| Impact of fuel prices/spread | — | — | — | — |
| Impact of foreign exchange rates | — | — | — | — |
| Impact of adoption of ASC 606 | — | — | — | — |
| As reported | \$ 48.0 | \$ 33.2 | 4.5 | 4.1 |
| GIFT | | | | |
| Pro forma and macro adjusted | \$ 56.7 | \$ 54.8 | 277.6 | 294.1 |
| Impact of acquisitions/dispositions | — | — | — | — |
| Impact of fuel prices/spread | — | — | — | — |
| Impact of foreign exchange rates | — | — | — | — |
| Impact of adoption of ASC 606 | — | — | — | — |
| As reported | \$ 56.7 | \$ 54.8 | 277.6 | 294.1 |
| OTHER¹ | | | | |
| Pro forma and macro adjusted | \$ 58.1 | \$ 55.8 | 18.6 | 19.7 |
| Impact of acquisitions/dispositions | — | 2.2 | — | 0.1 |
| Impact of fuel prices/spread | — | — | — | — |
| Impact of foreign exchange rates | (2.4) | — | — | — |
| Impact of adoption of ASC 606 | — | 0.5 | — | — |
| As reported | \$ 55.7 | \$ 58.5 | 18.6 | 19.7 |
| FLEETCOR CONSOLIDATED REVENUES | | | | |
| Pro forma and macro adjusted | \$ 629.8 | \$ 566.8 | 658.6 | 676.7 |
| Impact of acquisitions/dispositions | — | (18.0) | — | (2.4) |
| Impact of fuel prices/spread | 17.0 | — | — | — |
| Impact of foreign exchange rates | (27.2) | — | — | — |
| Impact of adoption of ASC 606 | — | 29.0 | — | — |
| As reported | \$ 619.6 | \$ 577.9 | 658.6 | 674.3 |

* Columns may not calculate due to rounding.

¹Other includes telematics, maintenance, and transportation related businesses.



Exhibit 6
RECONCILIATION OF NON-GAAP GUIDANCE MEASURES
(In millions, except per share amounts)
(Unaudited)

The following table reconciles 2018 financial guidance for revenues, net to revenues prior to the adoption of ASC 606 and net income to adjusted net income and adjusted net income per diluted share, at both ends of the range:

| | 2018 GUIDANCE | |
|---|----------------------|-----------------|
| | Low* | High* |
| Revenues, net | \$ 2,390 | \$ 2,420 |
| Impact of adoption of ASC 606 | 105 | 105 |
| Revenues, net prior to adoption of ASC 606 | <u>\$ 2,495</u> | <u>\$ 2,525</u> |
| Net income | \$ 695 | \$ 705 |
| Net income per diluted share | \$ 7.50 | \$ 7.60 |
| Stock based compensation | 74 | 74 |
| Amortization of intangible assets, premium on receivables, deferred financing costs and discounts | 228 | 228 |
| Impairment of investment | 7 | 7 |
| Restructuring costs | 4 | 4 |
| Unauthorized access impact | 2 | 2 |
| Total pre-tax adjustments | <u>315</u> | <u>315</u> |
| Income tax impact of pre-tax adjustments at the effective tax rate | (72) | (72) |
| Impact of tax reform | 23 | 23 |
| Adjusted net income | <u>\$ 960</u> | <u>\$ 970</u> |
| Adjusted net income per diluted share | <u>\$ 10.40</u> | <u>\$ 10.50</u> |
| Diluted shares | 93 | 93 |

* Columns may not calculate due to rounding.

Exhibit 7
Reconciliation of Impact of Adoption of ASC 606 to the Consolidated Statement of Income
(In thousands)
(Unaudited)

| | Three Months Ended September 30, | | |
|-------------------------------|----------------------------------|----------------------|---------------------------|
| | 2018 As Reported ¹ | Impact of ASC 606 | 2018 Prior to Adoption |
| Revenues, net | \$ 619,586 | \$ 27,958 | \$ 647,544 |
| Expenses: | | | |
| Merchant commissions | — | 30,909 | 30,909 |
| Processing | 128,400 | (2,498) | 125,902 |
| Selling | 44,806 | 875 | 45,681 |
| General and administrative | 98,023 | — | 98,023 |
| Depreciation and amortization | 67,267 | — | 67,267 |
| Operating income | 281,090 | (1,328) | 279,762 |
| Total other expense | 43,522 | — | 43,522 |
| Income before income taxes | 237,568 | (1,328) | 236,240 |
| Provision for income taxes | 79,874 | (498) | 79,376 |
| Net income | <u>\$ 157,694</u> | <u>\$ (830)</u> | <u>\$ 156,864</u> |

¹Reflects the impact of the Company's adoption of ASC 606 and related cost capitalization guidance, which was adopted by the Company on January 1, 2018 using the modified retrospective transition method. The adoption of ASC 606 resulted in an adjustment to retained earnings in our consolidated balance sheet for the cumulative effective of applying the standard, which included costs incurred to obtain a contract, as well as presentation changes in our statements of income, including the classification of certain amounts previously classified as merchant commissions and processing expense net with revenues. As a result of the application of the modified retrospective transition method, the Company's prior period results within its Form 10-K and quarterly reports on Form 10-Q will not be restated to reflect ASC 606.