



Corpay's Fourth Quarter and Full Year 2025 Earnings Conference Call - Prepared Remarks

February 4, 2026 at 5:30p.m. ET

Ron Clarke

Chief Executive Officer

Peter Walker

Chief Financial Officer

Jim Eglseder

SVP, Global Investor Relations



Jim Eglseder, SVP, Global Investor Relations

Our earnings release and supplemental materials for the quarter are available on the Investor Relations section of Corpay.com. Please refer to these materials for an explanation of the non- GAAP financial measures discussed on this call, along with a reconciliation of those measures to the nearest applicable GAAP measures. Our remarks today will include forward-looking statements about expected operating and financial results, strategic initiatives, acquisitions and synergies, and divestitures, among other matters. Forward-looking statements may differ materially from actual results and are subject to a number of risks and uncertainties. Some of those risks are mentioned in today's press release on Form 8-K, and can also be found in our annual report on Form 10-k. These documents are available on our website, and at SEC.gov.

Ron Clarke, Chief Executive Officer

Up front here, I'll plan to cover 3 subjects...

- First, I'll provide my take on Q4 results, along with highlights for 2025
- Second, I'll share our 2026 Guidance
- And then lastly, I'll outline our major priorities for 2026

Q4 Results

Ok, let me begin with our Q4 results ...We reported revenue of \$1,248 million, up 21%, and cash eps of \$6.04, up 13%, but up 20% at a constant tax rate. These results came in ahead of our expectations, mostly driven by cross border over-performance, including contribution from our new Alpha acquisition. We called the macro spot on...So neutral vs. our guide



Q4 Overall organic revenue growth was 11%...for the 3rd consecutive quarter...

- With our vehicle segment growing 10%
- And our Corporate Payments segment growing 16%

Our 2 biggest businesses performing quite well, against pretty difficult comps.

Importantly, our trends in Q4 also continued quite positively...

- New sales or bookings, up 29% vs. LY
- Same Store Sales, up 1%
- And overall revenue retention stable at 92%

Cash EBITDA surpassed \$700M in the quarter

All of this produced a record cash eps print of over \$6/share...so really a terrific quarter for us.

Full Year 2025 Highlights

Ok, let me turn to highlights from full year 2025. First, our 2025 “Financial Performance” was very good...

- Full year revenue of \$4.5B, up 14%
- Cash eps of \$21.38, up 12%, or up 17% at a constant tax rate
- Organic revenue growth for the full year of 10% (That’s 4 of the last 5 years of 10% organic revenue growth or higher)
- And full year sales growth of 29%, with improving productivity



Additionally, we made a number of moves to “better position” the company for the mid-term...

- We acquired Alpha...giving us greater access to a “global bank account product” and the asset management market segment
- Mastercard invested \$300M in our Cross Border business, at a \$13B valuation, to help better serve the FI channel
- We invested in Avid...deepening our position in the middle market AP automation and payments space
- And we acquired a second vehicle debts company in Brazil, to help further accelerate Brazil’s non-toll revenue growth

So financial performance ahead of our initial 2025 guide, and a further rotation of our portfolio towards Corporate Payments.

2026 Guidance

Ok, let me transition to our 2026 guidance, which we’re quite excited about. Today, we’re providing full year 2026 guidance at the midpoint of...

- Print revenue of \$5,265, up over \$700M, or 16% vs. 2025
- And cash eps of \$26, up 22%

The 3 primary drivers underlying this 2026 outlook are...

1. Fundamentals: The business is working...
 - A record Q4 finish...and exit rate
 - Positive sales, SSS, and retention trends
 - Record 2025 sales rolling into 2026 revenue
 - Expect continued 10% organic revenue growth

2. Accretive acquisitions: our Alpha acquisition should contribute \$300M of incremental revenue, and Alpha and Avid together should contribute \$1.00 of cash eps to our 2026 outlook

3. Macro: We're currently expecting the macro to be supportive in 2026.
 - With favorable fx rates
 - With lower SOFR rates, and thus interest expense
 - And a constant year over year tax rate

So lots of reasons for confidence in our 2026 guide.

This 2026 guide does not include the impact of expected divestitures, nor the impact of any material capital allocation actions beyond de-levering.

2026 Major Priorities

Ok, let me turn to our top 5 priorities for 2026, which are pretty consistent with last year's priorities.

1. **Portfolio**: So first is our portfolio. Our goal is to further simplify the company resulting in fewer, bigger businesses and accelerate our rotation to Corporate Payments. We've announced one vehicle payment divestiture, and have 2 additional divestitures in process. And as always, we continue to work the acquisition pipeline for new Corporate Payments acquisition opportunities.

2. **USA Sales**: Second, we continue to work to improve USA sales of our Vehicle Payments and Lodging solutions. We've hired a new CMO, developed new Corpay



Brand ads to raise awareness, and are growing our new Zoom sales teams in 2026. We've also re-thinking entirely new ways to sell our USA vehicle payments solutions as we de-emphasize digital sales.

3. **Payables**: Ok, priority #3, payables, we are working to add new enterprise accounts after our success with our first elephant last year. We're seeing initial traction on new payables sales in the UK, and plan to double the payables salesforce there. Lastly, we're exploring new monetization options with our merchant base including instant payment, Debit Card payments, and E checks to accelerate revenue growth in the AP segment.
4. **Cross Border**: Fourth, our Cross Border priorities are to expand our MCA and International bank account capabilities, further our stablecoin capabilities, and implement the synergies of our Alpha acquisition. We're progressing our FI channel opportunity with Mastercard...having logged our first joint sale, and now building a pretty meaningful pipeline.
5. **AI**: And lastly, we've gotten religion around AI. We're in pilot with conversational AI being added to a number of our client UI's. We're using AI agents to reduce our live agent expense, particularly in our lodging business. And we're using AI to speed our "merchant matching process" against our internal merchant database to support new Payables sales efforts.

So five 2026 priorities that are well defined and being worked... our portfolio, USA sales, Payables expansion, Cross Border capabilities, and AI implementation.

A busy year for sure.

Conclusion

So in conclusion today...

- We had a strong finish and record earnings in Q4, on the high side of our guide, and with very encouraging organic revenue, new sales, SSS, and retention trends.
- Our full year 2025 financial performance finished ahead of our initial guide, logging another 10% organic revenue growth year...making that 4 of the last 5.
 - 2025 was also an active re-positioning year, with further simplification, and the addition of more Corporate Payment assets
- We're outlooking a terrific 2026...with eps expected to be up over 20%...driven by a favorable macro, favorable fundamentals, and accretive acquisitions

We've laid out a clear set of priorities to better position the company to continue to compound over the mid-term.

So with that, let me turn the call over to Peter to provide some additional detail on the quarter, the year, and our 26 outlook.

Peter Walker, Chief Financial Officer

Q4 revenue was \$1.248 billion, overperforming the midpoint of our guidance driven by strong corporate payments performance. GAAP revenue grew 21% year over year driven by 11% organic revenue growth. Q4 Adjusted EPS of \$6.04 per share overperformed the midpoint of guidance and grew 13% year over year due to strong top-line performance and solid expense management.



The headline for the quarter is overperformance, with over 20% top line and low teens bottom-line growth, driven by our third consecutive quarter of delivering 11% organic revenue growth. We grew Q4 new sales 29% year over year and delivered a 92.3% retention rate, fueling our business for 2026.

Full year revenue was \$4.528 billion, delivering organic revenue growth of 10% for the full year, and for four out of the last five years. Full year adjusted EPS was \$21.38, growing 12% but growing 17% at a constant tax rate. These strong year over year results are further reinforced by the healthy, consistent sequential quarterly growth in revenue, EBITDA, and adjusted EPS throughout 2025, which positions us well for 2026. We are exiting 2025 as an even stronger company than we entered the year.

Corporate Payments

Corporate payments delivered 16% organic growth for the quarter, despite a 200-basis point drag from float revenue compression due to lower interest rates. This exceeded our expectations by 100 basis points partially driven by Alpha revenue overperformance, setting us up well for 2026. Overall, corporate payments performance was driven by growth in spend volumes, which increased 44% on a proforma basis to over \$81 billion in spend.

Cross-Border continued to deliver strong sales and revenue performance in Q4. This business is quite resilient, with significant demand even in the face of trade-related uncertainty throughout the year. Additionally, the Alpha Group integration efforts are progressing well.



The payables business continues to perform, with especially strong sales performance in Q4. We are optimistic about the future of the business, as we're in the early innings of market penetration and closed our strategic investment in Avid Exchange during the fourth quarter. We see tremendous upside over a very long period of time for this business.

Vehicle Payments

Vehicle Payments organic revenue growth was 10% again this quarter. As a reminder we operate three approximately equal sized vehicle payments businesses across the globe in the US, Europe and Brazil. We saw continued strong results in all 3 geographies which drove the performance. Improving US Vehicle payments performance throughout the year is particularly encouraging.

Lodging Payments

Lodging, representing less than 10% of our total revenue, decreased 7% year over year, or was roughly flat for the quarter when adjusting for a 600-basis point drag from lower FEMA emergency revenue year over year. While clearly not recovering, progress continues and we are assuming low single digit growth in our 2026 outlook...with headwinds in the first half of the year and returning to positive organic growth in the back half of the year as new sales and implementations come online.

In summary, we delivered 11% organic growth in Q4, at the high end of our target range, driven by continued strong corporate payments organic growth and double-digit vehicle payments organic growth.



Income Statement

Operating expenses of \$684 million increased 25% primarily driven by a lower net gain on business dispositions year over year, acquisitions/divestitures and related addbacks, and FX, partially offset by a non-cash impairment charge in Q4 of last year. Excluding these impacts, operating expenses increased 8%, driven primarily by investments in sales and processing expenses related to higher transaction volumes. As we exited the quarter, we're starting to see benefit from expense rationalization initiatives recently executed that will deliver additional savings in 2026. Our Adjusted EBITDA margin was 57.1%, and our adjusted effective tax rate for the quarter was 25.8%. The increase in the rate was due to the favorable impact of employee stock options on the tax rate last year.

Balance Sheet

We ended the quarter in excellent shape with a leverage ratio of 2.8 times, spot on our guidance. We repurchased 1.7 million shares in the quarter for \$500 million, and a total of 2.6 million shares for the year. This leaves us with ~\$1.5 billion authorized for share repurchases inclusive of the \$1 billion of additional authorization approved by the Board at the December meeting. We will continue to pursue M&A opportunities and will continue to buy back shares at this valuation, while maintaining leverage within our target range.

Guidance and Outlook

As Ron mentioned, as part of our continued rotation into corporate payments, we signed a definitive agreement to sell PayByPhone, a non-core vehicle payments asset. The



transaction is expected to close in the second quarter of 2026. The impact of this sale is not included in our guidance we are sharing today as our policy is to update guidance for closed deals. PayByPhone is expected to produce 2026 annual revenues of ~\$100M and the transaction is not expected to have a material impact to adjusted EPS as we plan to use the proceeds to buy back shares. We'll provide more information when the deal is closed.

Our 2026 revenue guidance is \$5.265 billion at the midpoint of our range, growing 16% year over year. This assumes 10% organic revenue growth, also at the midpoint of our range. 2026 organic revenue growth is lower than our 2025 exit rate of 11% due to additional float headwinds, more heavily weighted in the first half of 2026 in our corporate payments business. Our 2026 guidance for adjusted EPS is \$26.00 per share at the midpoint, growing 22% year over year. Our confidence in our guidance is high given most of the building blocks for this performance are already in place. This includes our strong organic revenue growth exit rate and annualized Q4 trends, our expense rationalization initiatives which are already producing savings and our Q4 share buybacks. The \$1.00 of accretion from the Alpha and Avid deals is achievable given our strong track record of M&A integration. The current macro environment provides additional tailwinds, including a flat tax rate year over year.

As a reminder, our revenue and adjusted EPS build throughout the year. You can see on page 19 of the supplement the percentage of full year revenue and adjusted EPS are lowest in Q1 and highest in Q4. This pattern is driven by our client's highest business volumes occurring in Q2 and Q3, along with acquisition synergy realization increasing through the year, all over a relatively fixed cost basis. This consistent historical pattern gives us confidence in our ability to deliver our 2026 guidance.



Below EBITDA, we're expecting net interest expense to be between \$370 million and \$400 million, the adjusted tax rate to be between 25.0% and 27.0%, and weighted average shares to be flat with period end shares in 4Q25. Related to capital allocation, our forecast assumes free cash flow is used to pay down debt, which provides some potential upside opportunity should we deploy capital for buybacks or M&A. Our guidance does not include any share buybacks.

From a segment perspective, we expect the following organic revenue growth rates:

- Corporate Payments – mid-teens, inclusive of the drag on float revenue from lower interest rates
- Vehicle Payments – high-single digits
- Lodging Payments – low-single digits

Our Q1 revenue guidance is \$1.210B at the midpoint, growing 20% year over year. We expect Q1 organic revenue growth of 9% at the midpoint, lower than the full year 10% organic growth guide driven by the float headwind I mentioned earlier. We are expecting adjusted EPS of \$5.45 at the midpoint, growing 21% year over year. We're planning organic revenue growth to increase in the remaining quarters as we digest the float headwinds.

We've provided additional details regarding our full year and Q1 outlook in our press release and earnings supplement.

I'm delighted to share that we've remediated the outstanding material weakness related to user access, and you'll see this formally in our 10-K. I want to thank the team that made this happen.

About Corpay

Corpay (NYSE: CPAY), the Corporate Payments Company, is a global S&P 500 provider of commercial cards (e.g. business cards, fleet cards, virtual cards) and AP modernization solutions (e.g., invoice and payments automation, cross border payments) to businesses worldwide. Corpay solutions “keep business moving” and result in our customers better controlling purchases, mitigating fraud, and ultimately spending less. To learn more visit www.corpay.com