



# Investor Presentation Q1 FY'25



# Disclaimer

## Forward-Looking Statements

This presentation contains forward-looking statements that reflect the Company's current expectations and projections with respect to, among other things, its financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "will," "should," "can have," "likely," "outlook," "potential," "targets," "project," "contemplates" and the negatives thereof and other words and terms of similar meaning.

All statements other than statements of historical fact are forward-looking statements. The inclusion of forward-looking statements should not be regarded as a representation by the Company, or any other person that the future plans, estimates, or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relations to the Company's operations, financial results, financial condition, business, prospects, growth strategy, and liquidity. Accordingly, there are, or will be, important factors that could cause the Company's actual results to differ materially from those indicated in these statements. We believe that these risks include, but are not limited to: our ability to manage our growth effectively; the potential breach of our security measures or unauthorized access to our customers' or their employees' personal data; the expansion and retention of our direct sales force with qualified and productive persons and the related effects on the growth of our business; the impact on customer expansion and retention if implementation, user experience, customer service, or performance relating to our solutions is not satisfactory; the timing of payments made to employees and taxing authorities relative to the timing of when a customer's electronic funds transfers are settled to our account; future acquisitions of other companies' businesses, technologies, or customer portfolios; the continued service of our key executives; our ability to innovate and deliver high-quality, technologically advanced products and services; our ability to attract and retain qualified personnel; the proper operation of our software; our relationships with third parties; the ongoing effects of inflation, supply chain disruptions, labor shortages and other adverse macroeconomic conditions in the market in which we and our customers operate; the impact of an economic downturn or recession in the United States or global economy; and the other risks described in our Annual Report on Form 10-K for the year ended June 30, 2023, as well as in our other filings with the Securities and Exchange Commission.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations and assumptions reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. We undertake no obligation to publicly update any forward-looking statement after the date of this presentation, whether as a result of new information, future developments or otherwise, or to conform these statements to actual results or revised expectations, except as may be required by law.

## Market and Industry Data

Unless otherwise indicated, information in this presentation concerning economic conditions, the Company's industry, the Company's markets, and the Company's competitive position is based on a variety of sources, including information from independent industry analysts and publications, as well as the Company's own estimates and research. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While the Company believes the information presented is generally reliable, forecasts, assumptions, expectations, beliefs, estimates, and projections involve risk and uncertainties and are subject to change based on various factors.

## Non-GAAP Financial Measures

This presentation contains financial measures, such as Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Gross Profit Excluding Depreciation and Amortization, Adjusted Gross Profit Margin Excluding Depreciation and Amortization, Adjusted Sales and Marketing Expense, Adjusted General and Administrative Expense, Adjusted Research and Development Expense, and Adjusted Free Cash Flow, which are not recognized under generally accepted accounting principles in the United States ("GAAP").

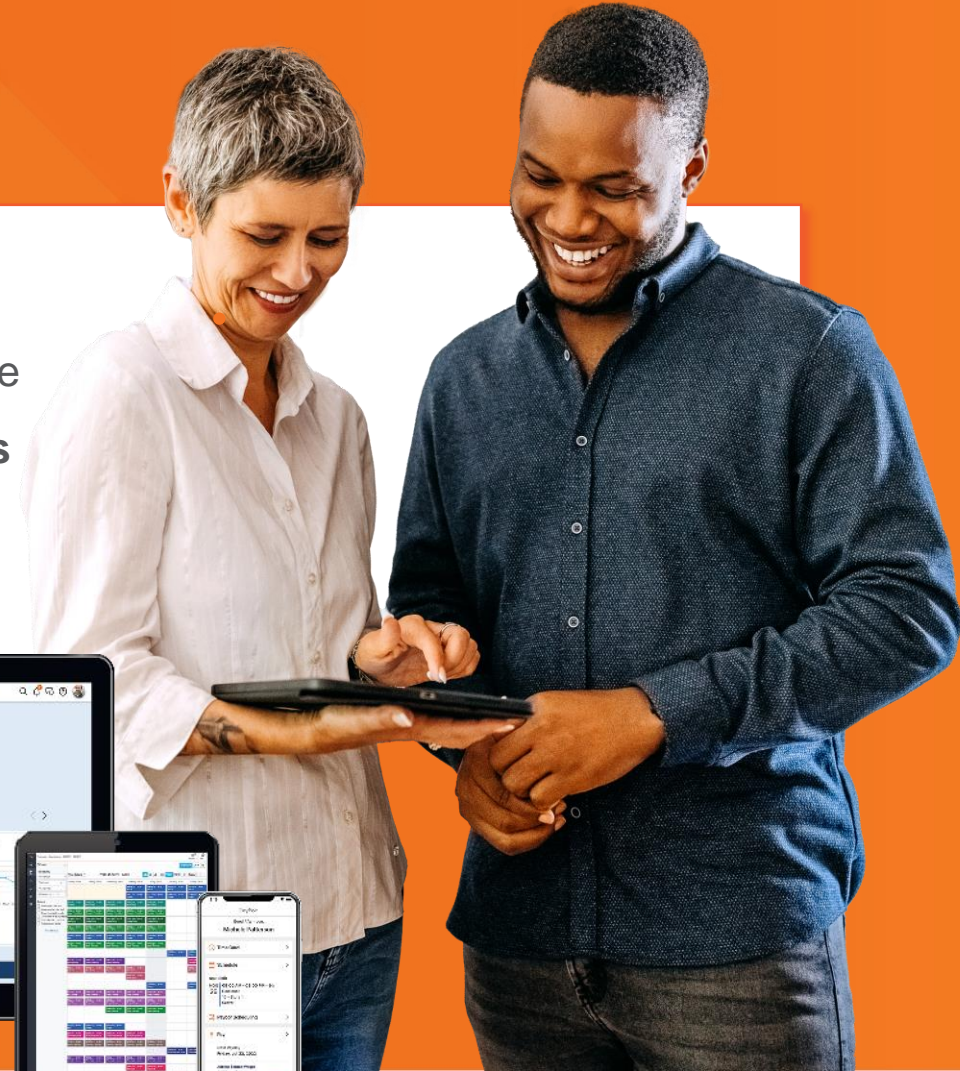
The Company believes that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. The non-GAAP financial information is presented for supplemental informational purposes only, and should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies.

Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Gross Profit Excluding Depreciation and Amortization, Adjusted Gross Profit Margin Excluding Depreciation and Amortization, Adjusted Sales and Marketing Expense, Adjusted General and Administrative Expense, Adjusted Research and Development Expense, Adjusted Free Cash Flow, and Adjusted Free Cash Flow Margin have limitations as an analytical tool, and you should not consider this measure either in isolation or as a substitute for other methods of analyzing the results as reported under GAAP. A reconciliation of Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted Gross Profit Excluding Depreciation and Amortization, Adjusted Gross Profit Margin Excluding Depreciation and Amortization, Adjusted Sales and Marketing Expense, Adjusted General and Administrative Expense, Adjusted Research and Development, Adjusted Free Cash Flow, and Adjusted Free Cash Flow Margin to the most directly comparable GAAP financial measure can be found at the end of this presentation.



# Who We Are

As a leading provider of Human Capital Management (HCM) software for the mid-market, we **empower leaders** to drive business results by connecting them to **people, data and expertise**.



# Paycor Investment Highlights

**\$42B underserved**  
market with strong  
growth potential

**\$655M FY'24 revenue**  
19% revenue growth  
16% recurring growth

**30+ years in business**  
31,000 clients with  
2.6m employees

**Subscription-based**  
business model with 92%  
FY'24 recurring revenue



# Award-winning Software & Culture



# We Empower Leaders to Drive Business Results by Connecting Them to:



## PEOPLE

### CHALLENGE:

Expectations of work have changed, and **employees expect more** from their leaders.

### SOLUTION:

Paycor delivers **technology** to support and reinforce **best in class leadership**.



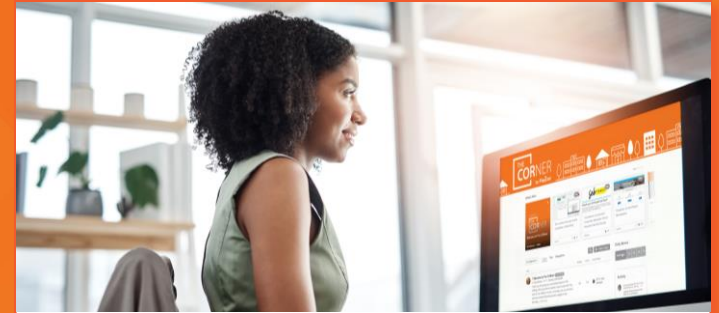
## DATA

### CHALLENGE:

HR leaders juggle a complex, **disconnected tech stack**, causing errors and inefficiencies.

### SOLUTION:

Paycor's **all-in-one HR platform connects** with mission-critical business applications.



## EXPERTISE

### CHALLENGE:

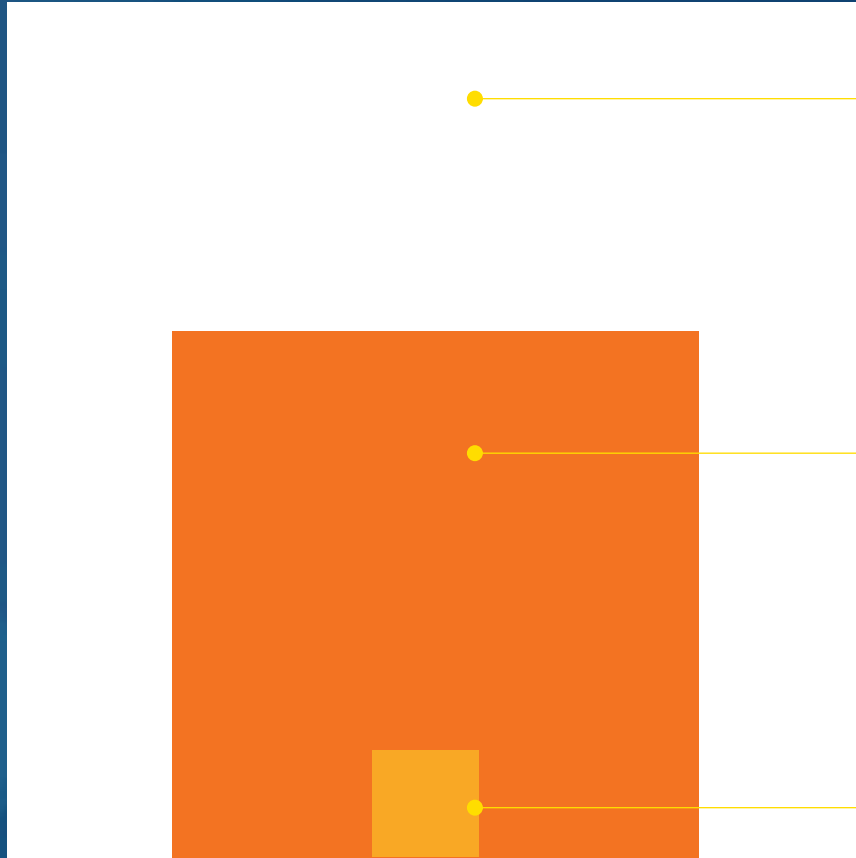
Overburdened HR leaders are being **asked to do more** in a complex regulatory environment.

### SOLUTION:

Paycor automates routine tasks and provides **expert guidance** every step of the way.



# Mid-Market Opportunity is Massive and Growing



**\$45B Projected TAM**

~63M U.S. SMB 10-1000 employees x **\$60** Future List PEPM

**\$42B Current TAM**

~63M U.S. SMB 10-1000 employees x **\$55** List PEPM<sup>(1)</sup>

**<2% PYCR market share<sup>(2)</sup>**

Modern HCM platforms comprise a small portion of the market

Source: U.S. Bureau of Labor Statistics, National Business Employment Dynamics Data by Firm Size Class: November 2024.

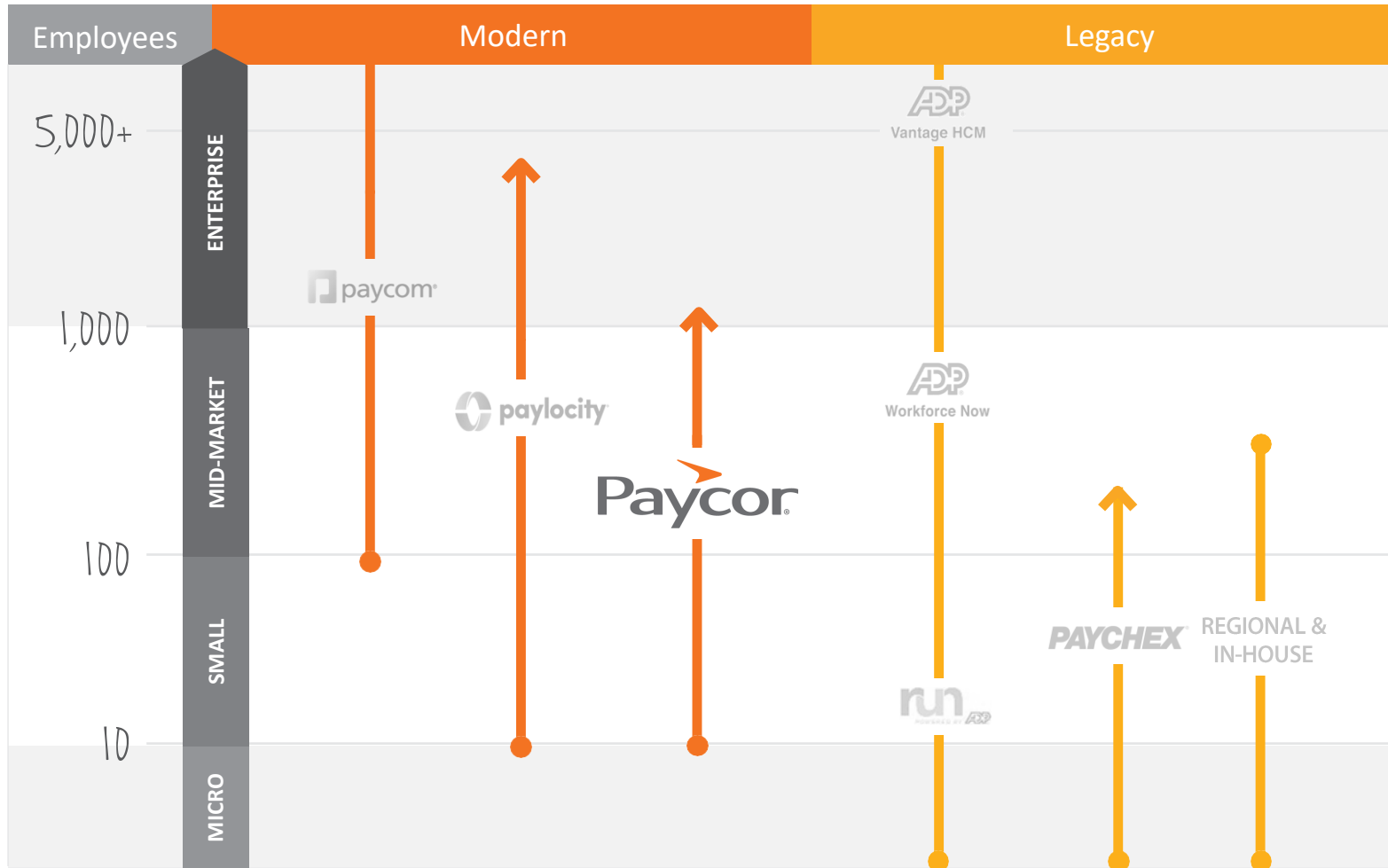
(1) Sources: BLS data, # of U.S. employees at firms with 10-1000 employees through Q1 2024 multiplied by our list per-employee per-month ("PEPM") rate as of September 30, 2024 for our full suite of products.

(2) Represents Paycor revenue for the fiscal year ended June 30, 2024.

# Limited Competition to Win Share in the Mid-Market

**Paycor** Advantage

We Empower Leaders to Drive Business Results by Connecting Them to:



## People

- COR Leadership Framework
- Robust talent suite

## Data

- Seamless connectivity
- Actionable analytics

## Expertise

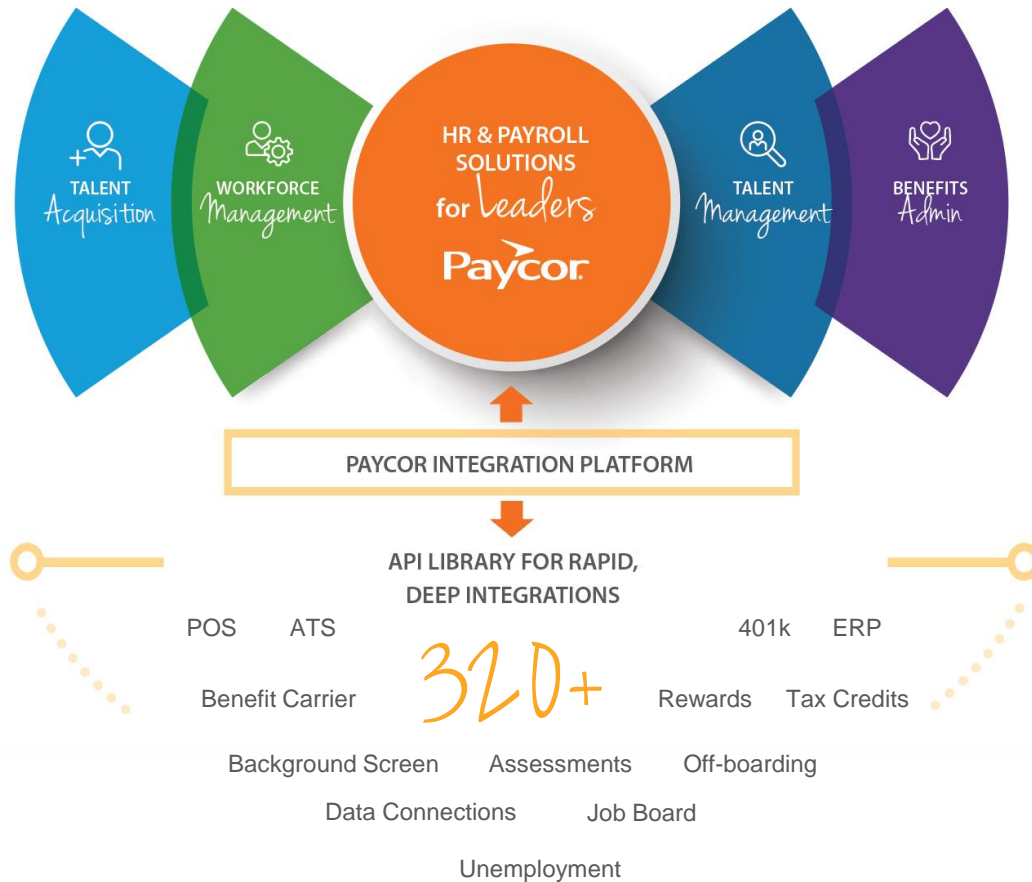
- Scalable support
- Proactive success





# Our Cloud-based Platform Connects Leaders

Delivering the deepest **all-in-one HR platform** that empowers leaders to connect with:



## PEOPLE

Leaders can't succeed if they can't inspire the best in their people. Paycor provides intelligent tools for leaders to communicate, engage, develop, grow, understand, and reward their people.

## DATA

People data is the life blood of the organization. We make it simple and fast to intelligently connect Paycor across the customer ecosystem.

## EXPERTISE

The life of a leader is complex. The Paycor platform makes difficult tasks simple with in-product guidance, notifications, and intelligent assistance.

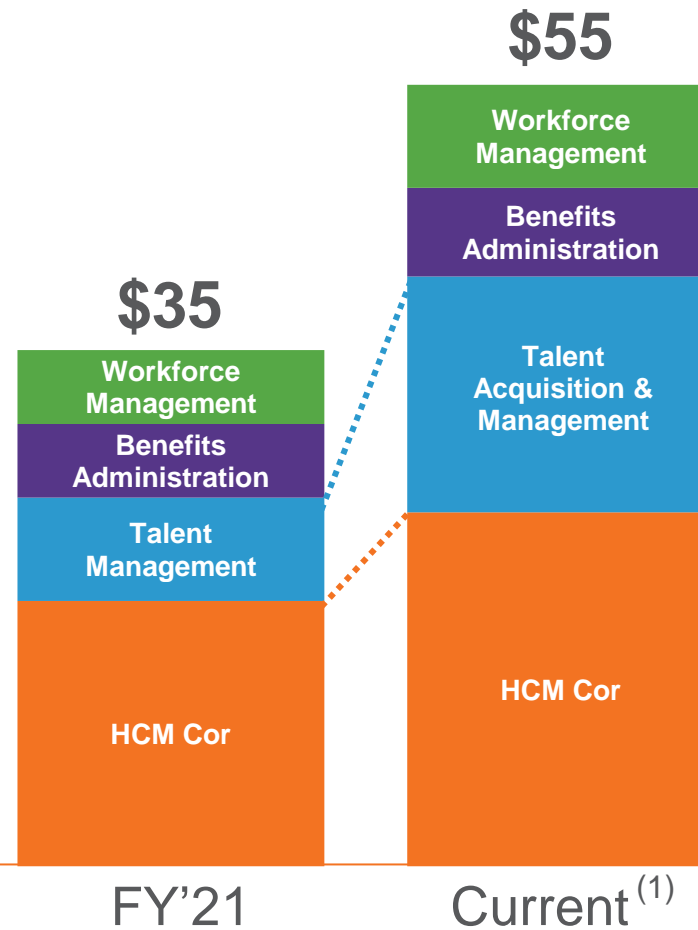
# Highest Rated HCM Platform in the Mid-market



# Expanding our Product Portfolio and PEPM Opportunity

**15% CAGR**

FY'21 to FY'24



**Building an Unrivaled Talent Suite**

**Expanding HCM Cor Universal Functionality**

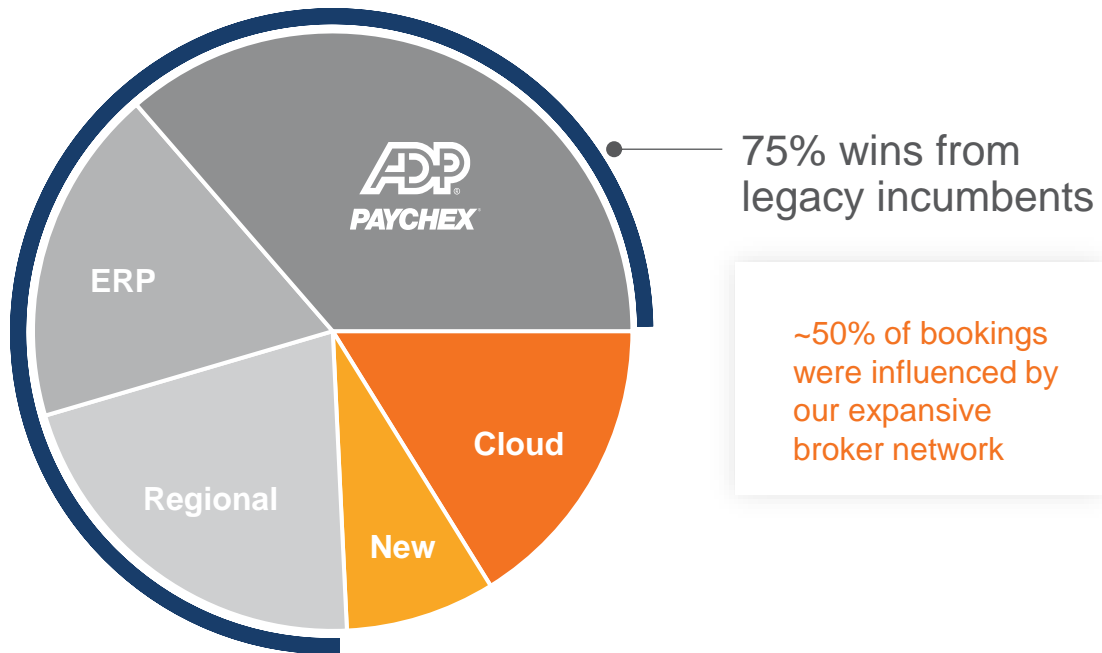
- Paycor Integration Platform
- AI Assistant

(1) Represents our list per-employee per-month (“PEPM”) rate as of November 6, 2024 for our full suite of products.

# Significant Opportunity Powered by a Diversified Go-to-Market Engine

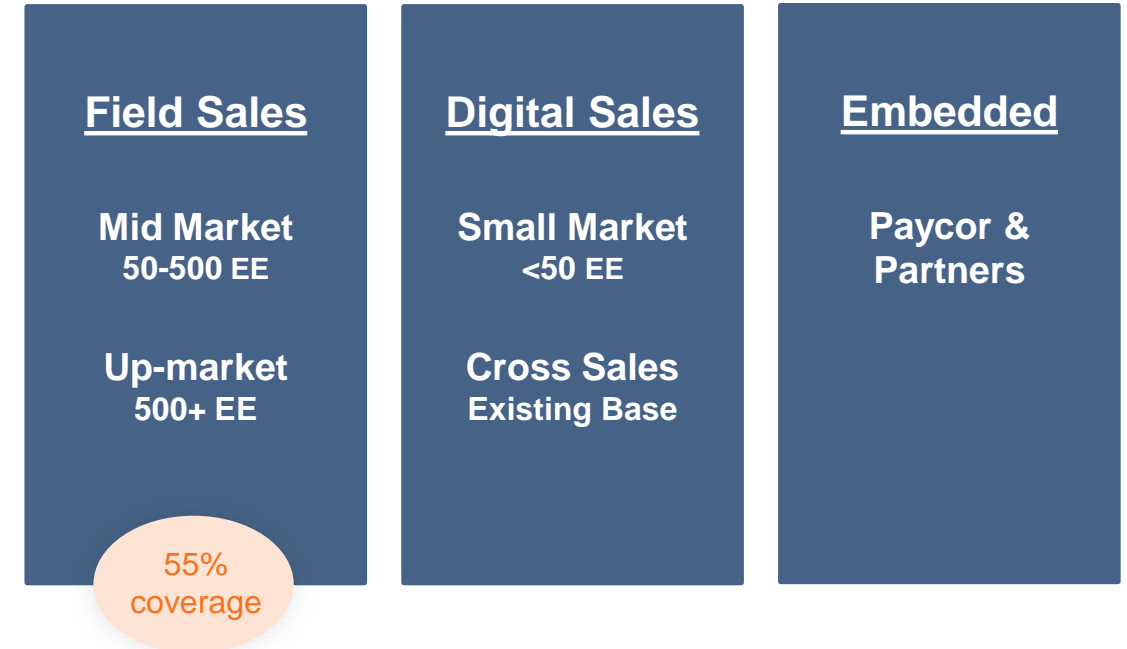
## Source of FY'24 Bookings

Significant market opportunity remains



## GTM Channels

Address multiple, proven growth strategies



# Embedded HCM Channel *Momentum*

**Best-in-class HCM solution for partners to embed, brand, sell and support as part of their solutions.**

Opportunity for Paycor to accelerate employee growth and revenue with accretive margins.



POS Solutions



WFM Technology



ERP Solutions



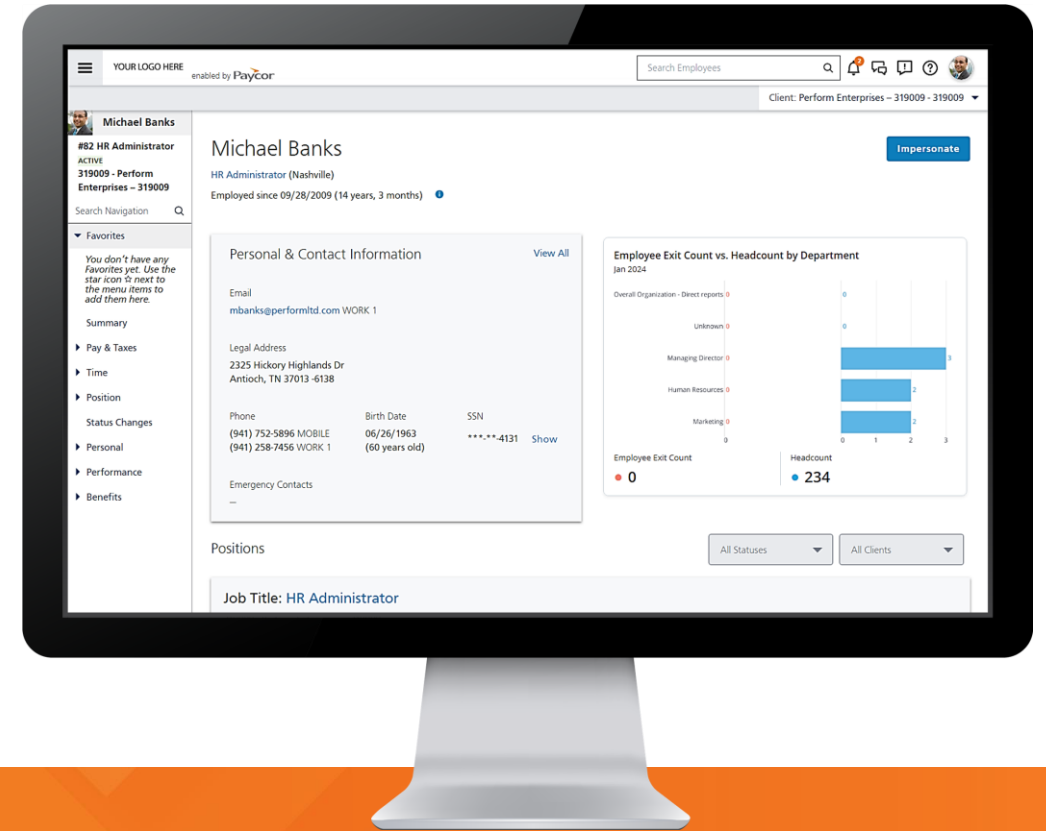
Accounting Solutions



Broker Services



Financial Advisors



10+ embedded partners

2 pts FY'24 employee growth contribution

# Q1 FY'25 Highlights

## Recurring Revenue Growth

5% average employee growth

11% effective PEPM growth

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16% recurring revenue growth

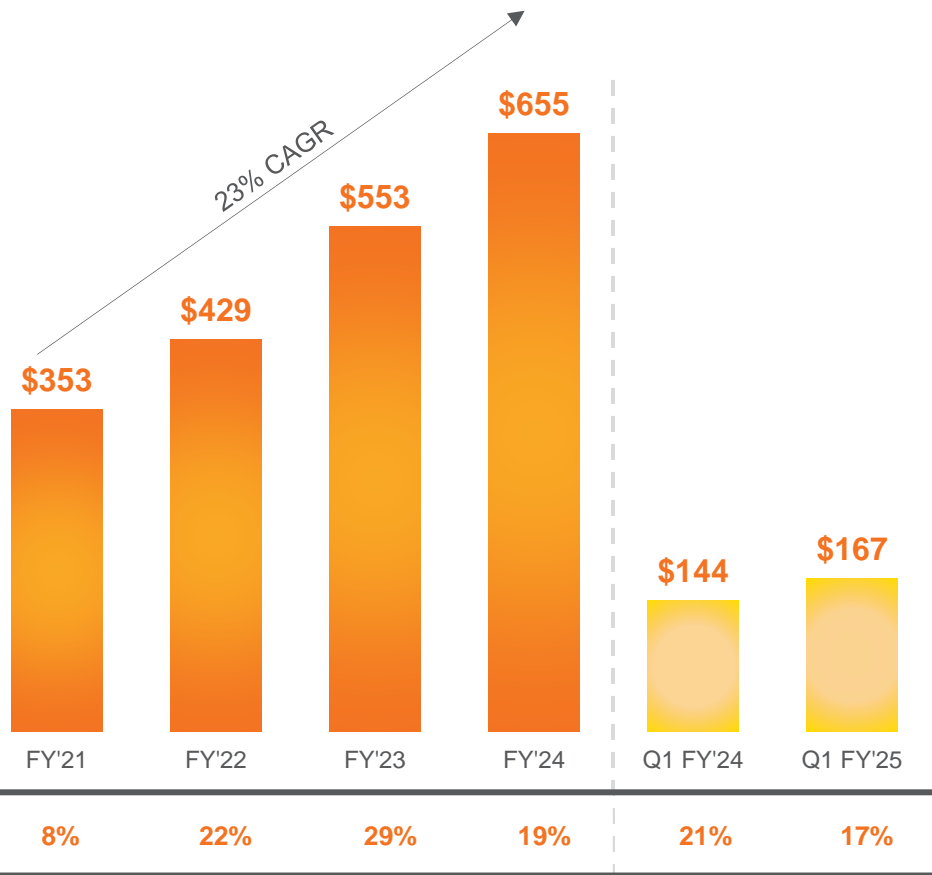
## Margin & FCF Expansion

13.6% AOI margins  
+250 bps

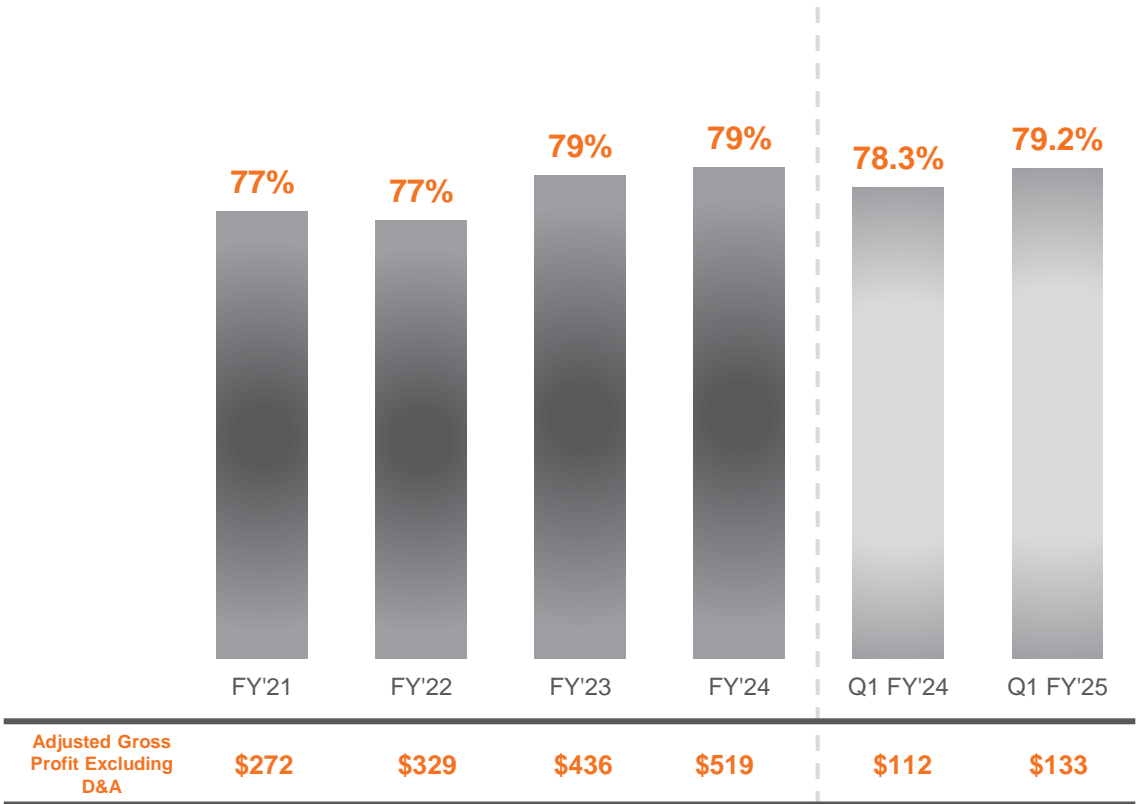
(13.3)% adj. FCF margins  
+1,500 bps

# Strong Revenue Performance

## Total Revenue

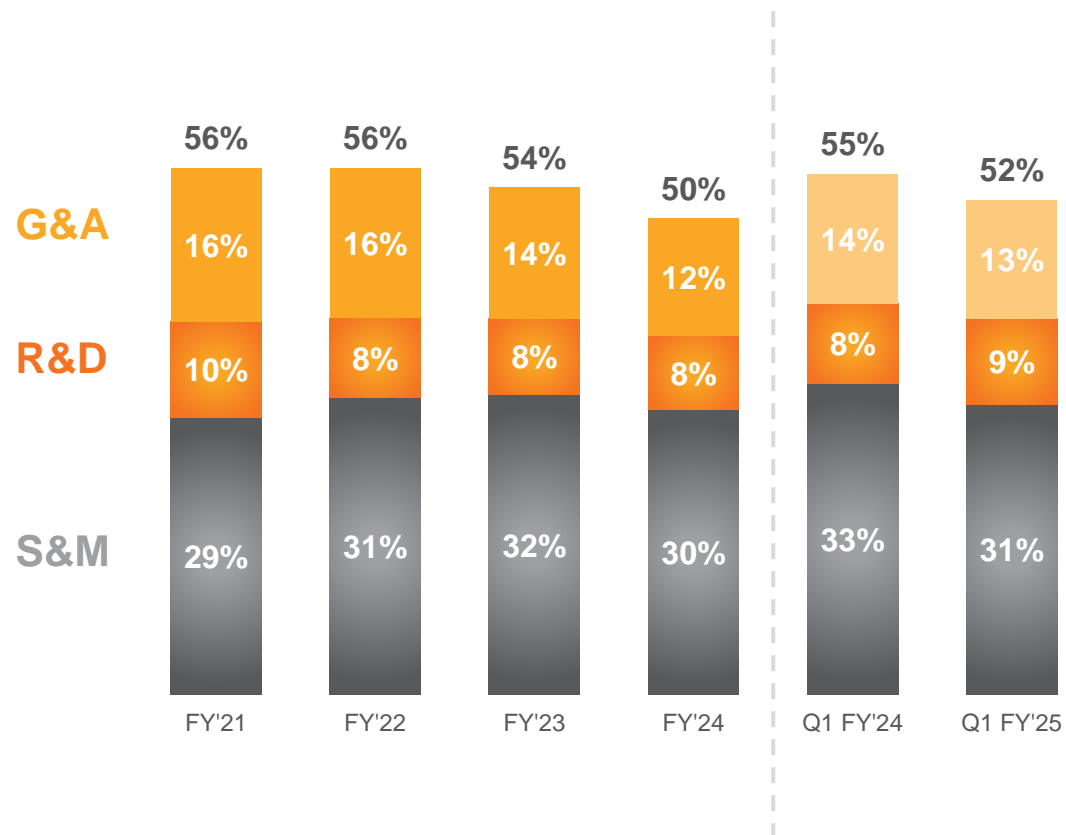


## Adjusted Gross Profit Margin Excluding Depreciation & Amortization

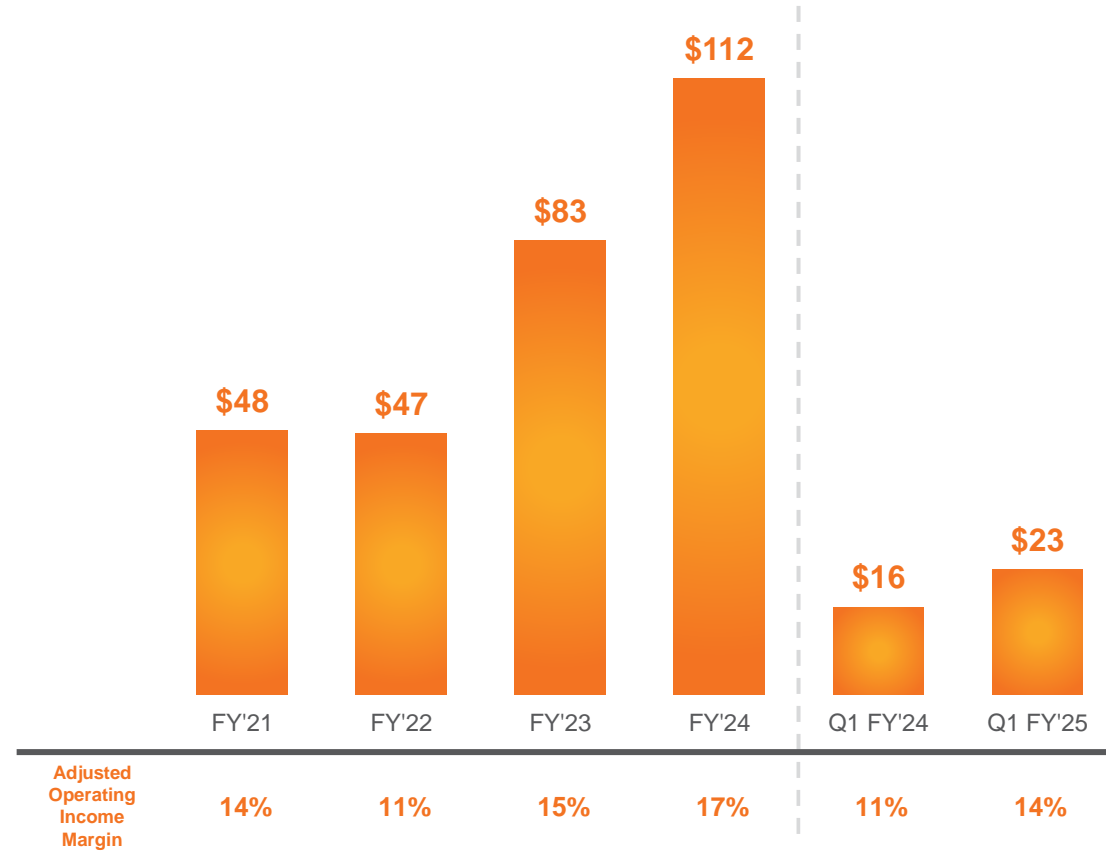


# Operating Structure Built to Drive Growth

## Adjusted Operating Expenses as % of Revenue



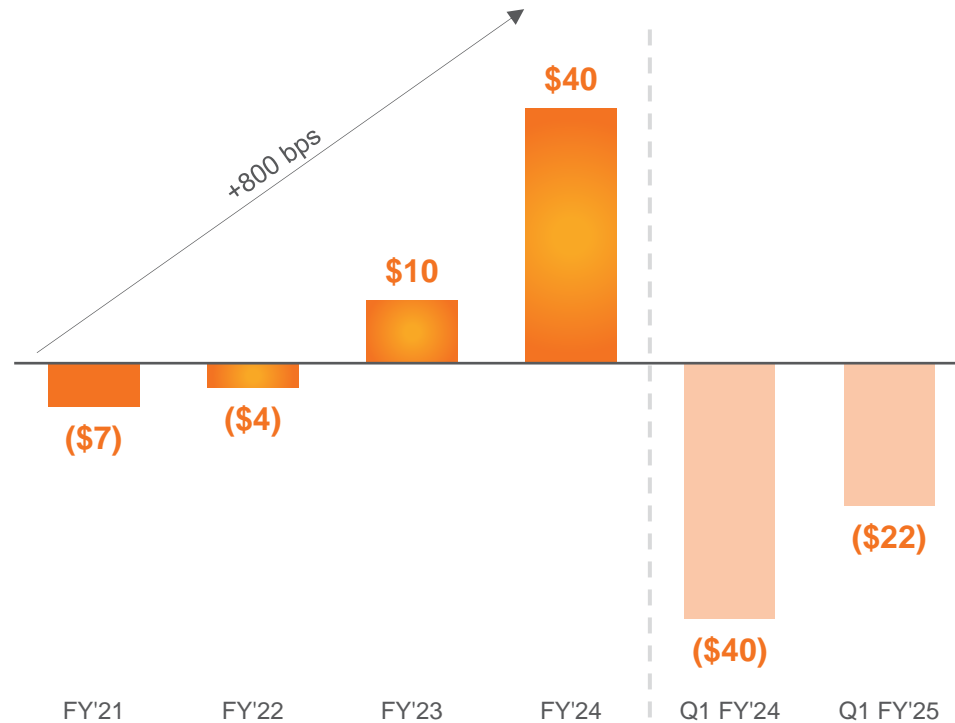
## Adjusted Operating Income





# Scalable Business Model Driving Consistent FCF Expansion

## Free Cash Flow



- **Delivered ~800 bps in Adj. FCF margin expansion since FY'21**
- **Long-term Adj. FCF margin target of 20%+**
- **Ended Q1'25 with \$98 million dollars in cash and no debt**
- **Q1 is our seasonally lowest FCF quarter due to the timing of our annual bonus payout**

	FY'21	FY'22	FY'23	FY'24	Q1 FY'24	Q1 FY'25
<b>Adj. FCF Margin</b>	<b>(2%)</b>	<b>(1%)</b>	<b>2%</b>	<b>6%</b>	<b>(28%)</b>	<b>(13%)</b>



# Q2 & FY'25 Guidance

**Q2 FY'25**

**FY'25**

**Total Revenue**

**\$176 to \$178**

**\$726 to \$733**

*Year-over-year Growth*

*10.3% to 11.6%*

*10.8% to 11.9%*

**Adjusted Operating Income**

**\$26 to \$27**

**\$127 to \$130**

*Adjusted Operating Income Margin*

*14.8% to 15.2%*

*17.5% to 17.7%*

Note: We are unable to reconcile forward-looking adjusted operating income to forward-looking loss from operations, the most closely comparable GAAP financial measure, because the information needed to provide forward-looking loss from operations and to complete a reconciliation is unavailable at this time without unreasonable effort as the Company is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact loss from operations for these periods but would not impact adjusted operating income. Such items include stock-based and liability incentive expenses and corporate adjustments. \$ in millions.

# Paycor® is Positioned to Create Long-term Shareholder Value



**Massive, growing, and underserved TAM**



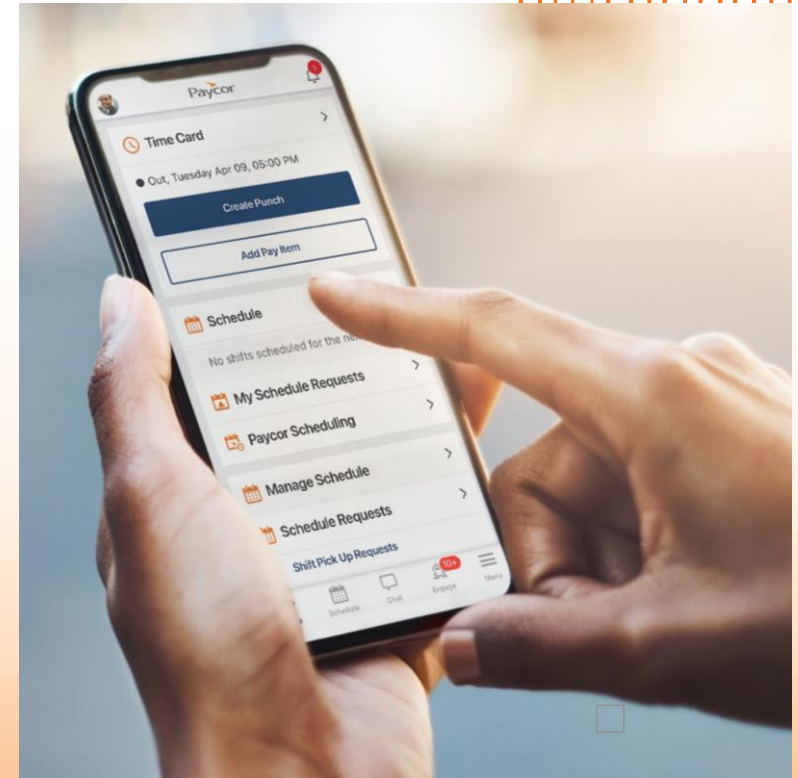
**Connected, disruptive HCM platform for leaders**



**Multiple, proven growth strategies with diversified GTM channels**



**90%+ recurring revenue with durable growth prospects and accelerating FCF generation**





## Appendix

# Key Definitions

**“We,” “us,” “our,” “the Company,” “Paycor,” and similar references** refer to Paycor HCM, Inc., and unless otherwise stated, all of its subsidiaries.

**“Net revenue retention”** refers to the current quarterly period recurring revenue for the cohort of customers at the beginning of the prior year quarterly period, divided by the recurring revenue in the prior year reporting period for that same cohort. In calculating the net revenue retention for a period longer than a quarter, such as a fiscal year, we use the weighted average of the retention rates (calculated in accordance with the preceding sentence) for each applicable quarter included in such period.

**“Recurring revenue”** refers to, with respect to any period, all recurring service revenues attributable to payroll, workforce management, and HR-related cloud-based computing services.

**“Sales Coverage”** refers to the 50 most populous metropolitan statistical areas in the United States.

**“Total customers”** refers to a parent company grouping, which may include multiple subsidiary client accounts with separate taxpayer identification numbers.

**“Enterprise Segment”** customers with 1,000+ EEs

**“Mid-Market Segment” or “MM Segment”** customers with 100-999 EEs

**“Small Market Segment” or “SM Segment”** customers with 10-99 EEs

**“Micro Segment”** customers with 1-9 EEs

**“PEPM”** refers to per-employee-per-month, whereby our revenue is derived from the number of employees of a given customer, and the amount, type, and timing of products provided to a customer’s employees



# Non-GAAP Financial Measures

**Adjusted Gross Profit and Adjusted Gross Profit Margin:** We define Adjusted Gross Profit as gross profit before amortization of intangible assets and stock-based compensation expense. We define Adjusted Gross Profit Margin as Adjusted Gross Profit divided by total revenues.

**Adjusted Gross Profit Excluding D&A and Adjusted Gross Profit Margin Excluding D&A:** We define Adjusted Gross Profit Excluding D&A as gross profit before amortization of intangible assets and stock-based compensation expense and depreciation and amortization, in each case that are included in costs of revenues. We define Adjusted Gross Profit Margin Excluding D&A as Adjusted Gross Profit Excluding D&A divided by total revenues.

**Adjusted Operating Income and Adjusted Operating Income Margin:** We define Adjusted Operating Income as income (loss) from operations before amortization of acquired intangible assets and naming rights, stock-based compensation expense, exit cost due to exiting leases of certain facilities, and other certain corporate expenses, such as costs related to secondary offerings, professional, consulting and other costs and acquisition costs. We define Adjusted Operating Income Margin as Adjusted Operating Income divided by total revenues.

**Adjusted Operating Expenses:** We define Adjusted Sales and Marketing expense as sales and marketing expenses before amortization of naming rights and stock-based compensation expense. We define Adjusted General and Administrative expense as general and administrative expenses before amortization of acquired intangible assets, stock-based compensation expense, exit cost due to exiting leases of certain facilities and other certain corporate expenses, such as costs related to secondary offerings, professional, consulting and other costs and acquisition costs. We define Adjusted Research and Development expense as research and development expenses before stock-based compensation expense.

**Adjusted Free Cash Flow, Adjusted Free Cash Flow Margin, and Adjusted Free Cash Flow Conversion:** We define Adjusted Free Cash Flow as cash provided (used) by operating activities less the purchase of property and equipment and internally developed software costs, excluding other certain corporate expenses, such as costs related to secondary offerings, professional, consulting and other costs and acquisition costs, which are included in cash provided (used) by operating activities. We define Adjusted Free Cash Flow Margin as Adjusted Free Cash Flow divided by total revenues. We define Adjusted Free Cash Flow Conversion as Adjusted Free Cash Flow divided by Adjusted Operating Income

Note: Other certain corporate expenses presented include one-time costs related to acquisitions, including the Apax acquisition, restructuring costs, professional, consulting and other costs, secondary offering costs, transition of the new executive leadership team, closure of a standalone facility, costs associated with becoming a public company, implementation of a new enterprise-resource planning system, and implementing certain expense saving initiatives as a result of the COVID-19 pandemic.

# GAAP to Non-GAAP Reconciliation

	Reconciliation to Adjusted Gross Profit Excluding D&A						
	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
<b>Revenue</b>	<b>\$167.5</b>	<b>\$143.6</b>	<b>\$654.9</b>	<b>\$552.7</b>	<b>\$429.4</b>	<b>\$352.8</b>	<b>\$327.9</b>
<b>Gross Profit</b>	<b>\$108.3</b>	<b>\$92.2</b>	<b>\$431.7</b>	<b>\$365.6</b>	<b>\$261.2</b>	<b>\$198.3</b>	<b>\$188.2</b>
<i>Gross Profit Margin</i>	64.6%	64.2%	65.9%	66.1%	60.8%	56.2%	57.4%
Amortization of intangible assets	\$0.9	\$1.4	\$3.6	\$5.3	\$19.3	\$46.1	\$42.9
Stock-based compensation expense	\$1.5	\$1.6	\$7.3	\$9.1	\$6.6	\$0.5	\$0.6
Corporate adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.7
<b>Adjusted Gross Profit</b>	<b>\$110.7</b>	<b>\$95.2</b>	<b>\$442.6</b>	<b>\$380.0</b>	<b>\$287.2</b>	<b>\$244.9</b>	<b>\$233.4</b>
<i>Adjusted Gross Profit Margin</i>	66.1%	66.3%	67.6%	68.7%	66.9%	69.4%	71.2%
Amortization of deferred contract costs	\$10.8	\$8.1	\$36.7	\$26.1	\$17.3	\$10.6	\$5.7
Amortization of capitalized software	\$10.6	\$8.5	\$37.4	\$28.1	\$22.1	\$13.8	\$6.9
Depreciation	\$0.6	\$0.6	\$2.3	\$1.8	\$2.6	\$2.6	\$2.5
<b>Adjusted Gross Profit, Excluding D&amp;A</b>	<b>\$132.7</b>	<b>\$112.4</b>	<b>\$519.0</b>	<b>\$435.9</b>	<b>\$329.2</b>	<b>\$271.9</b>	<b>\$248.4</b>
<i>Adjusted Gross Profit Margin, Excluding D&amp;A</i>	79.2%	78.3%	79.2%	78.9%	76.6%	77.1%	75.8%

Note: \$ in millions. Amounts may not foot due to rounding.

# GAAP to Non-GAAP Reconciliation (cont'd)

	Reconciliation to Adjusted Operating Income						
	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
<b>Loss from Operations</b>	<b>(\$14.3)</b>	<b>(\$23.4)</b>	<b>(\$55.5)</b>	<b>(\$104.7)</b>	<b>(\$139.6)</b>	<b>(\$89.3)</b>	<b>(\$94.7)</b>
<i>Operating Margin</i>	(8.5%)	(16.3%)	(8.5%)	(18.9%)	(32.5%)	(25.3%)	(28.9%)
Amortization of intangible assets	\$23.7	\$25.7	\$97.8	\$98.2	\$102.0	\$125.6	\$120.9
Stock-based compensation expense	\$12.7	\$12.9	\$65.4	\$78.2	\$71.4	\$4.2	\$4.9
Liability incentive award compensation expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.2)	\$3.1
(Gain) loss on lease exit	\$0.0	(\$0.1)	\$0.0	\$1.8	\$9.1	\$0.0	\$0.0
Corporate adjustments	\$0.7	\$0.8	\$4.2	\$9.0	\$4.7	\$7.7	\$12.1
<b>Adjusted Operating Income</b>	<b>\$22.8</b>	<b>\$15.9</b>	<b>\$112.0</b>	<b>\$82.6</b>	<b>\$47.5</b>	<b>\$48.0</b>	<b>\$46.3</b>
<i>Adjusted Operating Income Margin</i>	13.6%	11.1%	17.1%	14.9%	11.1%	13.6%	14.1%

Note: \$ in millions. Amounts may not foot due to rounding.



# GAAP to Non-GAAP Reconciliation (cont'd)

	Reconciliation of Adjusted Operating Expenses						
	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
<b>Sales and Marketing Expense</b>	<b>\$56.8</b>	<b>\$52.8</b>	<b>\$223.0</b>	<b>\$212.1</b>	<b>\$170.6</b>	<b>\$106.1</b>	<b>\$100.0</b>
Amortization of intangible assets	(\$1.1)	(\$1.1)	(\$4.2)	(\$3.9)	\$0.0	\$0.0	\$0.0
Stock-based compensation expense	(\$4.2)	(\$4.3)	(\$20.9)	(\$32.4)	(\$35.5)	(\$1.4)	(\$1.7)
Liability incentive award compensation expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0
Corporate adjustments	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$1.1)	(\$2.5)
<b>Adjusted Sales and Marketing Expense</b>	<b>\$51.5</b>	<b>\$47.4</b>	<b>\$197.9</b>	<b>\$175.8</b>	<b>\$135.1</b>	<b>\$103.7</b>	<b>\$95.8</b>
<i>% of Revenue</i>	30.8%	33.0%	30.2%	31.8%	31.5%	29.4%	29.2%
<b>General and Administrative Expense</b>	<b>\$48.3</b>	<b>\$48.7</b>	<b>\$202.7</b>	<b>\$203.9</b>	<b>\$187.0</b>	<b>\$145.5</b>	<b>\$137.1</b>
Amortization of intangible assets	(\$21.8)	(\$23.3)	(\$90.0)	(\$89.0)	(\$82.6)	(\$79.5)	(\$78.0)
Stock-based compensation expense	(\$4.8)	(\$5.1)	(\$27.1)	(\$27.1)	(\$22.5)	(\$2.2)	(\$1.9)
Liability incentive award compensation expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$3.1)
Gain (loss) on lease exit	(\$0.0)	\$0.1	\$0.0	(\$1.8)	(\$9.1)	\$0.0	\$0.0
Corporate adjustments	(\$0.7)	(\$0.8)	(\$4.2)	(\$9.0)	(\$4.6)	(\$6.5)	(\$6.5)
<b>Adjusted General and Administrative Expense</b>	<b>\$21.1</b>	<b>\$19.7</b>	<b>\$81.4</b>	<b>\$77.0</b>	<b>\$68.2</b>	<b>\$57.3</b>	<b>\$47.7</b>
<i>% of Revenue</i>	12.6%	13.7%	12.4%	13.9%	15.9%	16.3%	14.5%
<b>Research and Development Expense</b>	<b>\$17.4</b>	<b>\$14.1</b>	<b>\$61.4</b>	<b>\$54.3</b>	<b>\$43.1</b>	<b>\$36.0</b>	<b>\$45.9</b>
Stock-based compensation expense	(\$2.2)	(\$1.9)	(\$10.1)	(\$9.6)	(\$6.8)	(\$0.1)	(\$0.8)
Corporate adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$1.5)
<b>Adjusted Research and Development Expense</b>	<b>\$15.2</b>	<b>\$12.1</b>	<b>\$51.3</b>	<b>\$44.6</b>	<b>\$36.4</b>	<b>\$35.9</b>	<b>\$43.6</b>
<i>% of Revenue</i>	9.1%	8.4%	7.8%	8.1%	8.5%	10.2%	13.3%

Note: \$ in millions. Amounts may not foot due to rounding.

# GAAP to Non-GAAP Reconciliation (cont'd)

## Reconciliation to Adjusted Free Cash Flow

	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Fiscal Year Ended June 30, 2024	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
<b>Net cash provided (used) by operating activities</b>	<b>(\$8.3)</b>	<b>(\$26.1)</b>	<b>\$90.0</b>	<b>\$48.1</b>	<b>\$24.4</b>	<b>\$10.8</b>	<b>\$0.1</b>
Purchase of property and equipment	(\$1.2)	(\$1.4)	(\$3.5)	(\$5.0)	(\$2.0)	(\$3.3)	(\$7.8)
Internally developed software costs	(\$13.4)	(\$13.3)	(\$50.8)	(\$42.3)	(\$30.8)	(\$22.0)	(\$18.8)
Corporate adjustments	\$0.7	\$0.8	\$4.2	\$9.0	\$4.7	\$7.7	\$12.1
<b>Adjusted Free Cash Flow</b>	<b>(\$22.2)</b>	<b>(\$40.0)</b>	<b>\$39.9</b>	<b>\$9.8</b>	<b>(\$3.8)</b>	<b>(\$6.8)</b>	<b>(\$14.4)</b>
<i>Adjusted Free Cash Flow Margin</i>	<i>(13.3%)</i>	<i>(27.9%)</i>	<i>6.1%</i>	<i>1.8%</i>	<i>(0.9%)</i>	<i>(1.9%)</i>	<i>(4.4%)</i>
<i>Adjusted Free Cash Flow Conversion</i>	<i>(97.5%)</i>	<i>(251.3%)</i>	<i>35.6%</i>	<i>11.9%</i>	<i>(7.9%)</i>	<i>(14.1%)</i>	<i>(31.3%)</i>