

 **December 31, 2011 Quarterly and Year End  
Results Presentation**

February 14, 2012

## Private Securities Litigation Reform Act of 1995 Safe Harbor For Forward-Looking Statements



This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. A discussion of these forward-looking statements and risk factors that may affect them is set forth at the end of this presentation. The Company assumes no obligation to update any forward-looking statement in this presentation, except as required by law.



# Annual Overview and S1 Acquisition

**Phil Heasley**  
Chief Executive Officer

 trusted globally

## 2011 Year in Review



- Exceeded full year guidance targets
- Record sales bookings of \$556 million
- Solid backlog growth
- Strong revenue growth of 11%
- Good Operating Free Cash Flow generation
- Expanded operating income margin
- Improved Adjusted EBITDA margin
- Visibility into forward revenue and profitability attainment
- Closed the exchange offer for S1 Corporation on Friday February 10, 2012

# ACI / S1 - Compelling Strategic Rationale



- Combination creates an industry leader in financial and payments software serving financial institutions (“FI”), Processors and Merchant Retailers worldwide
- Summary pro forma financials are compelling
  - Approximately \$700 million in combined 2012E Revenue <sup>(1)</sup>
  - Approximately \$165 million in combined 2012E Adj. EBITDA, including cost synergies <sup>(1)</sup>
  - Annual cost synergies of \$30 million
- Complementary products and customers expand breadth and features/functions
- Enhanced global product capabilities to expand growth opportunities
- Greater scale and cost synergies to drive margin expansion and earnings accretion

**Note:**

(1) 2012E pro forma combined ACI + S1 financial results are before one-time transaction expenses.



# Financial Review

**Scott Behrens**  
Chief Financial Officer

 trusted globally

# Key Takeaways from the Fourth Quarter



## **Solid Sales Performance in line with prior-year quarter**

- Strength in new add-on sales across the geographies

## **Strong revenue quarter**

- Strong recurring revenue
- Timing of 'go-live' events resulted in lower non-recurring revenues from backlog versus prior-year quarter

## **Operating Expenses flat with prior-year quarter**

- Excluding \$3.2 million of professional fees related to the S1 acquisition, operating expenses decreased \$3.6 million or 4%

## **Strong Operating Income and Adjusted EBITDA**

## **Strong Cash Quarter**

- OFCF of \$30.0 million essentially in line with \$28.0 million in Q4 2010

# ACI Organic Key Takeaways from the Year



## **Record sales year with \$556 million in bookings**

- Sales rise of \$31 million over prior-year led by solid add-on business
- Full-year sales growth of 6%, new sales growth of 5%
  - Excluding FDC deal, overall growth was 16%, new sales growth was 12%

## **60-Month Backlog growth of \$62 million to \$1,617 million**

## **Strong Revenue Growth, up 11% over prior year**

- Stable base of recurring revenues, representing 67% of total revenue
- Strong growth in all revenue categories and geographies

## **Expense Growth Drivers**

- \$6.7 million related to acquisition of S1 Corporation
- Higher selling & marketing expenses
- Higher R&D expense to invest in accelerated product development



### **Operating Free Cash Flow of \$67.2 million**

- Up \$4.4 million or 7% over prior year
- Ended the year with \$197.1 million in cash

### **Strong growth in operating income**

- Up \$12.6 million or 24% over prior-year
- Up \$19.3 million or 36%, excluding S1 acquisition related expenses

### **Strong growth in Adjusted EBITDA**

- Up \$18.1 million or 21% over prior-year
- Up \$24.8 million or 28%, excluding S1 acquisition related expenses

### **Lower effective tax rate**

- Favorable impact of \$3.1 million liability release related to our IP transfer and \$2.2 million release of tax reserves

## 2011 Achieved Strong Performance vs Guidance



Key Metrics	2010 Actuals	2011 Range	2011 Actuals ex Trans Fees
Revenue	\$418.4	\$450-460	\$465.1
Operating Income*	\$53.6	\$65-69	\$72.9
Adjusted EBITDA*	\$87.8	\$101-104	\$112.6

- Revenue was greater than range for the year due to strong sales
- Operating Income and Adjusted EBITDA higher than expectations

\*Operating Income and Adjusted EBITDA exclude \$6.7 million in S1 Corporation-related acquisition costs incurred in 2011

## 2012 Organic Guidance



Key Metrics	2011 Actuals	2012 Low	2012 High
<b>Revenue</b>	\$465.1	\$490	\$500
<b>Operating Income*</b>	\$72.9	\$84	\$89
<b>Adjusted EBITDA*</b>	\$112.6	\$124	\$129

- **Revenue**

- Revenue growth rate in the mid to high single digit range
- Revenue and margin phasing consistent with prior-year
- Beginning 12-month backlog of \$424 million represents 85% of mid-point revenue guidance

- **Operating Income**

- Growth rate of 3x revenue growth rate

- **Adjusted EBITDA**

- Growth rate of 2x revenue growth rate
- Depreciation and amortization flat over prior year
- Non-cash compensation expense consistent with prior-year at \$11-12 million

Notes: FX rates as of December 31, 2011

\* Operating Income and Adjusted EBITDA exclude \$6.7 million in S1 Corporation-related acquisition costs incurred in 2011



- Closed S1 exchange offer on Friday February 10<sup>th</sup>, 2012
- Integration plan underway
  - Annual cost synergies of \$30 million to be achieved by end of Q1
  - Additional cost synergies, including data center and facilities consolidation, to be provided in Q2
  - S1's Large FIs (LFIN) and Payments segments will be integrated immediately into ACI's global operating structure, methodologies and processes
  - S1's Community FIs (CFIN) segment, a new market for ACI, will be managed as a separate business unit over the near-term until we complete assessment and fit within ACI's operating structure
  - Status and progress of the S1 integration to be updated quarterly
- Strong financial profile with approximately \$183 million in cash post-closing and 2.2x leverage ratio

# ACI / S1 - Pro Forma 2011



(\$ in Millions)

	Stand-alone ACI	Stand-alone S1 <sup>(1)</sup>	Illustrative Combined
Revenue	\$ 465	\$ 245	\$ 710
Adjusted EBITDA <sup>(2) (3)</sup>	\$ 113	\$ 29	\$ 142
<i>Margin %</i>	<i>24%</i>	<i>12%</i>	<i>20%</i>
<hr/>			
60-Month Backlog	\$ 1,617	\$ 685	\$ 2,302

- S1 2011E Revenue and Adjusted EBITDA represents midpoint of 2011 Guidance
- ACI and S1 2011E Adjusted EBITDA exclude one-time transaction expenses
- S1 60-Month Backlog (as of 12/31/11) is a preliminary estimate, subject to verification

**Notes:**

(1) S1 2011 Guidance: Revenue \$240-\$250M; Adj. EBITDA \$27-\$31M.

(2) ACI Adjusted EBITDA excludes \$6.7M in S1 transaction exps incurred in 2011.

(3) S1 Adjusted EBITDA excludes \$8.6M in FNDT & ACI transaction exps incurred in 2011.

# ACI / S1 – Combined 2012 Guidance



(\$ in Millions)

	Standalone ACI	Combined Guidance before One-Time Trans. Exps.
Revenue	\$ 495	\$ 696 - \$ 706
Adjusted EBITDA	\$ 127	\$ 165 - \$ 170
Margin %	26%	24% 24%
Operating Income	\$ 87	\$ 99 - \$ 104
Margin %	17%	14% 15%

- ACI 2012E represents midpoint of organic Guidance
- Combined Guidance before one-time transaction expenses:
  - Represents 10½ months of financial results of S1
  - State Farm custom project completed in 2011 (revenue of ~\$17 million in 2011)
  - Includes annual cost synergies of \$23 million to be realized in 2012
  - Includes estimates for non-cash purchase accounting adjustments (assumes deferred revenue haircut of \$12M)
- Before purchase accounting, combined adjusted EBITDA margin in-line with ACI organic margins
- Fully diluted shares outstanding of approximately 40 million at close

**Note:**

(1) See Appendix for purchase accounting adjustments and one-time transaction expenses detail.

# ACI / S1 - Pro Forma Credit Statistics 12/31/2011



(\$ in Millions)

	Stand-alone ACI	Stand-alone S1 <sup>(1)</sup>	Trans. Adjustments	Illustrative Combined
Cash	\$ 197	\$ 96	\$ (110)	\$ 183
Revolver	\$ 75	\$ -	\$ 95	\$ 170
Term Loan	-	-	200	200
Total Debt	\$ 75	\$ -	\$ 295	\$ 370
Total Debt / PF 2011 Adj. EBITDA <sup>(2)</sup>	0.7x	NM		2.2x
Net Debt / PF 2011 Adj. EBITDA <sup>(2)</sup>	NM	NM		1.1x

- \$370M in funded debt at close with interest rate of L+200 bps
  - \$250M 5-year revolver with \$80M in availability
  - \$200M 5-year term loan

- **Free cash flow priorities**
  - Reduce leverage
  - Fund growth
  - Buy-back shares (\$75M authorization)

**Notes:**

- (1) S1 12/31/11 cash balance is a preliminary estimate.  
 (2) Illustrative ACI includes \$30M of cost synergies.





# Appendix

# ACI / S1 – Combined 2012 Guidance



(\$ in Millions)

	Standalone ACI	Incremental S1	Cost Synergies	Purchase Acct. Adj.	Combined before One-Time Trans. Exps.	One-Time Trans. Exps	Combined after One-Time Trans. Exps.
Revenue	\$ 495	\$ 213 - \$ 223	\$ -	\$ (12)	\$ 696 - \$ 706	\$ -	\$ 696 - \$ 706
Adjusted EBITDA	\$ 127	\$ 28 - \$ 33	\$ 23	\$ (12)	\$ 165 - \$ 170	\$ (16)	\$ 149 - \$ 154
Margin %	26%	13% - 15%			24% - 24%		21% - 22%
Operating Income	\$ 87	\$ 15 - \$ 20	\$ 23	\$ (24)	\$ 99 - \$ 104	\$ (16)	\$ 83 - \$ 88
Margin %	17%	7% - 9%			14% - 15%		12% - 13%

- ACI 2012E represents midpoint of standalone Guidance
- Includes cost synergies of \$23M to be realized in 2012
- S1 2012E represents 10½ months of financial results
  - State Farm custom project completed in 2011 (revenue of ~\$17M in 2011)
- Non-cash purchase accounting adjustments and one-time transaction expenses are estimates and subject to revisions once 3<sup>rd</sup> party valuation complete

# ACI / S1 - Pro Forma 2012E Purchase Accounting and One-Time Transaction Expenses Assumptions



(\$ in Millions)

- Synergies reflect amount to be realized in 2012 (75% of \$30M)
- Non-cash deferred revenue adjustment estimated at 40% of S1 deferred revenue balance with 2/3<sup>rd</sup> recognized in 2012 and 1/3<sup>rd</sup> in 2013 <sup>(1)</sup>
- Non-cash, incremental intangible asset amortization estimated at 30% premium over tangible book value with 7-year life offset by S1 non-cash stock compensation benefit <sup>(1)</sup>
- One-time ACI transaction expenses represent investment banking, legal, and filing fees to be incurred in closing the acquisition

	2012E Adjustments		
	Purchase Acct. Adj.	One-Time Trans. Exps	Total
Non-Cash Deferred Revenue Writedown	\$ (12)	\$ -	\$ (12)
Non-Cash Intangibles Amortization & Non-Cash Cash Comp.	(12)	-	(12)
Change in Control / Severance Payments	-	(10)	(10)
One-Time ACI Transaction Expenses	-	(6)	(6)
<b>Total</b>	<b>\$ (24)</b>	<b>\$ (16)</b>	<b>\$ (40)</b>

**Note:**

(1) 3<sup>rd</sup> party valuation related non-cash purchase accounting adjustments to be completed by end of Q1 2012.

# Historic Sales By Quarter 2010-2011



Quarter-End	Total Economic Value of Sales	Sales Mix by Category		
		New Accounts / New Applications	Add-on Business inc. Capacity Upgrades &	Term Extension
3/31/2010	\$81,142	\$5,758 7%	\$35,066 43%	\$40,318 50%
6/30/2010	\$107,985	\$1,224 1%	\$68,474 63%	\$38,287 35%
9/30/2010	\$161,269	\$11,290 7%	\$89,364 55%	\$60,615 38%
12/30/2010	\$174,827	\$43,988 25%	\$59,622 34%	\$71,217 41%
3/31/2011	\$122,904	\$13,695 11%	\$50,305 41%	\$58,904 48%
6/30/2011	\$146,956	\$19,730 13%	\$54,174 37%	\$73,052 50%
9/30/2011	\$115,089	\$17,356 15%	\$57,611 50%	\$40,123 35%
12/31/11	\$171,385	\$12,906 8%	\$104,460 61%	\$54,019 32%
	<b>Sales</b>	<b>New Accounts / New Applications</b>	<b>Add-on Business inc. Capacity Upgrades &amp;</b>	<b>Term Extension</b>
<b>DEC YTD 11</b>	\$556,334	\$63,687	\$266,550	\$226,098
<b>DEC YTD 10</b>	\$525,222	\$62,259	\$252,526	\$210,438
<b>Variance</b>	\$31,112	\$1,428	\$14,024	\$15,660

# Sales Composition



Product Division			
Product Focus	Qtr Ended Dec 11	Qtr Ended Dec 10	% Growth or Decline
Online Banking	19,881	19,757	0.6%
Retail & Wholesale Payments	121,671	131,393	-7.4%
Fraud Detection	7,889	7,172	10.0%
Application & Tools	21,944	16,504	33.0%
<b>Total Sales</b>	<b>171,385</b>	<b>174,827</b>	<b>-2.0%</b>

Total Sales			
(\$MM)	Qtr Ended Dec 11	Qtr Ended Dec 10	% Growth or Decline
New Accounts / New Applications	\$12,906	\$43,988	-70.7%
Add-on Business	104,460	59,622	75.2%
<b>New Sales</b>	<b>117,366</b>	<b>103,609</b>	<b>13.3%</b>
Term Extension	54,019	71,217	-24.1%
<b>Total ACI Sales</b>	<b>\$171,385</b>	<b>\$174,827</b>	<b>-2.0%</b>

Product Division			
Product Focus	CY 2011	CY 2010	% Growth or Decline
Online Banking	76,297	44,576	71.2%
Retail & Wholesale Payments	381,615	381,888	-0.1%
Fraud Detection	22,631	29,571	-23.5%
Application & Tools	75,792	69,187	9.5%
<b>Total Sales</b>	<b>556,335</b>	<b>525,222</b>	<b>5.9%</b>

Total Sales			
(\$MM)	Year Ended Dec 11	Year Ended Dec 10	% Growth or Decline
New Accounts / New Applications	\$63,687	\$62,259	2.3%
Add-on Business	266,550	252,525	5.6%
<b>New Sales</b>	<b>330,236</b>	<b>314,784</b>	<b>4.9%</b>
Term Extension	226,099	210,438	7.4%
<b>Total ACI Sales</b>	<b>\$556,335</b>	<b>\$525,222</b>	<b>5.9%</b>

# Sales By Region by Quarter and Year



Total Sales			
Channel	Qtr Ended Dec 11	Qtr Ended Dec 10	% Growth or Decline
Americas	\$85,545	\$75,451	13.4%
EMEA	60,804	76,824	-20.9%
Asia-Pacific	25,035	22,552	11.0%
<b>Total Sales</b>	<b>\$171,385</b>	<b>\$174,827</b>	<b>-2.0%</b>

Total Sales			
Channel	Yr Ended Dec 11	Yr Ended Dec 10	% Growth or Decline
Americas	\$313,876	\$263,292	19.2%
EMEA	186,595	211,986	-12.0%
Asia-Pacific	55,862	49,944	11.8%
<b>Total Sales</b>	<b>\$556,333</b>	<b>\$525,222</b>	<b>5.9%</b>

## Backlog as a Contributor of Quarterly Revenue



Revenue			
Revenue	Qtr Ended Dec 11	Qtr Ended Dec 10	% Growth or Decline
Revenue from Backlog	\$122,374	130,927	-6.5%
Revenue from Sales	12,662	10,314	22.8%
<b>Total Revenue</b>	<b>\$135,036</b>	<b>\$141,241</b>	<b>-4.4%</b>
Revenue from Backlog	91%	93%	
Revenue from Sales	9%	7%	

- **Backlog from monthly recurring revenues and project go-lives continues to drive current quarter GAAP revenue, leading to predictable quarterly performance**
- **We expect backlog to contribute a similar percentage of 2012 revenue led by recurring revenue and project go-live events**

## Operating Free Cash Flow (\$ millions)



	Quarter Ended December 31,		Year Ended December 31,	
	2011	2010	2011	2010
<b>Net cash provided by operating activities</b>	<b>\$31.2</b>	<b>\$32.2</b>	<b>\$83.5</b>	<b>\$81.3</b>
<b>Adjustments:</b>				
<b>Net after-tax payments associated with S1 acquisition costs</b>	<b>3.3</b>	<b>-</b>	<b>3.7</b>	<b>-</b>
<b>Net after-tax payments associated with IBM IT Outsourcing Transition costs</b>	<b>0.2</b>	<b>0.2</b>	<b>0.9</b>	<b>0.9</b>
<b>Less capital expenditures</b>	<b>(3.1)</b>	<b>(2.6)</b>	<b>(19.0)</b>	<b>(13.2)</b>
<b>Less Alliance technical enablement expenditures</b>	<b>(1.6)</b>	<b>(1.8)</b>	<b>(1.9)</b>	<b>(6.2)</b>
<b>Operating Free Cash Flow*</b>	<b>\$30.0</b>	<b>\$28.0</b>	<b>\$67.2</b>	<b>\$62.8</b>

\*OFCF is defined as net cash provided (used) by operating activities, less net after-tax payments associated with S1 acquisition costs and IBM IT outsourcing transition costs, capital expenditures and plus or minus net proceeds from IBM.



## 60-Month Backlog (\$ millions)



	Quarter Ended		
	December 31, 2011	September 30, 2011	December 31, 2010
<b>Americas</b>	<b>\$912</b>	<b>\$894</b>	<b>\$866</b>
<b>EMEA</b>	<b>514</b>	<b>520</b>	<b>501</b>
<b>Asia/Pacific</b>	<b>191</b>	<b>189</b>	<b>188</b>
Backlog 60-Month	\$1,617	\$1,603	\$1,555
<b>Deferred Revenue</b>	<b>\$166</b>	<b>\$156</b>	<b>\$153</b>
<b>Other</b>	<b>1,451</b>	<b>1,447</b>	<b>1,402</b>
Backlog 60-Month	\$1,617	\$1,603	\$1,555

## Revenues by Channel (\$ millions)



	Quarter Ended December 31,	
	2011	2010
<b>Revenues:</b>		
<b>United States</b>	<b>\$59.1</b>	<b>\$54.8</b>
<b>Americas International</b>	<b>16.5</b>	<b>20.3</b>
<b>Americas</b>	<b>\$75.6</b>	<b>\$75.1</b>
<b>EMEA</b>	<b>42.2</b>	<b>53.1</b>
<b>Asia/Pacific</b>	<b>17.2</b>	<b>13.0</b>
Revenues	\$135.0	\$141.2

## Monthly Recurring Revenue (\$ millions)



	Quarter Ended December 31,	
	2011	2010
<b>Monthly Software License Fees</b>	<b>\$26.1</b>	<b>\$32.5</b>
<b>Maintenance Fees</b>	<b>38.3</b>	<b>34.4</b>
<b>Processing Services</b>	<b>14.3</b>	<b>13.7</b>
Monthly Recurring Revenue	\$78.7	\$80.6

## Deferred Revenue and Expense (\$ millions)



	Quarter Ended			
	December 31, 2011	September 30, 2011	December 31, 2010	September 30, 2010
<b>Short Term Deferred Revenue</b>	\$133.0	\$123.9	\$121.9	\$131.5
<b>Long Term Deferred Revenue</b>	32.7	32.5	31.0	35.7
Total Deferred Revenue	<b>\$165.7</b>	<b>\$156.4</b>	<b>\$152.9</b>	<b>\$167.2</b>
Total Deferred Expense	<b>\$12.2</b>	<b>\$11.7</b>	<b>\$11.1</b>	<b>\$14.6</b>

# Non-Cash Compensation, Acquisition Intangibles and Software



	Quarter ended December 31, 2011		Quarter ended December 31, 2010	
	EPS Impact*	\$ in Millions	EPS Impact*	\$ in Millions
Amortization of acquisition-related intangibles	\$0.03	\$0.9	\$0.03	\$1.0
Amortization of acquisition-related software	0.03	0.9	0.03	0.9
Non-cash equity-based compensation	0.09	3.0	0.04	1.5
<b>Total:</b>	<b>\$0.15</b>	<b>\$4.8</b>	<b>\$0.10</b>	<b>\$3.4</b>

\* Tax Effected at 35%

## Other Income / Expense (\$ millions)



	Quarter Ended			
	December 31, 2011	September 30, 2011	December 31, 2010	September 30, 2010
Interest Income	\$0.7	\$0.2	\$0.2	\$0.2
Interest Expense	(\$1.0)	(\$0.4)	(\$0.5)	(\$0.4)
FX Gain / Loss	(\$0.8)	(\$0.1)	(\$0.1)	(\$1.5)
Other	\$0.1	\$0.0	\$0.0	(\$0.1)
<b>Total Other Income (Expense)</b>	(\$1.0)	(\$0.3)	(\$0.4)	(\$1.8)

# Adjusted EBITDA



	Quarter Ended December 31,		Year Ended December 31, 2011	
	2011	2010	2011	2010
Net Income	\$23.9	\$27.1	\$45.9	\$27.2
Plus:				
Income Tax Expense	12.1	15.3	18.5	21.5
Net Interest Expense	0.3	0.3	1.1	1.3
Net Other Expense	0.7	0.1	0.8	3.6
Depreciation Expense	2.0	1.6	7.5	6.7
Amortization Expense	5.0	5.0	20.8	19.7
Non-Cash Compensation Expense	4.6	2.3	11.3	7.8
<b>Adjusted EBITDA</b>	<b>\$48.6</b>	<b>\$51.7</b>	<b>\$105.9</b>	<b>\$87.8</b>

## Non-GAAP Financial Measures



ACI is presenting operating free cash flow, which is defined as net cash provided (used) by operating activities, less net after-tax payments associated with S1 acquisition costs, net after-tax payments associated with IBM IT outsourcing transition costs, and capital expenditures and plus or minus net proceeds from IBM. Operating free cash flow is considered a non-GAAP financial measure as defined by SEC Regulation G. We utilize this non-GAAP financial measure, and believe it is useful to investors, as an indicator of cash flow available for debt repayment and other investing activities, such as capital investments and acquisitions. We utilize operating free cash flow as a further indicator of operating performance and for planning investing activities. Operating free cash flow should be considered in addition to, rather than as a substitute for, net cash provided (used) by operating activities. A limitation of operating free cash flow is that it does not represent the total increase or decrease in the cash balance for the period. This measure also does not exclude mandatory debt service obligations and, therefore, does not represent the residual cash flow available for discretionary expenditures. We believe that operating free cash flow is useful to investors to provide disclosures of our operating results on the same basis as that used by our management. We also believe that this measure can assist investors in comparing our performance to that of other companies on a consistent basis without regard to certain items, which do not directly affect our ongoing cash flow.



ACI also includes backlog estimates which are all software license fees, maintenance fees and services specified in executed contracts, as well as revenues from assumed contract renewals to the extent that we believe recognition of the related revenue will occur within the corresponding backlog period. We have historically included assumed renewals in backlog estimates based upon automatic renewal provisions in the executed contract and our historic experience with customer renewal rates.

Backlog is considered a non-GAAP financial measure as defined by SEC Regulation G. Our 60-month backlog estimate represents expected revenues from existing customers using the following key assumptions:

- Maintenance fees are assumed to exist for the duration of the license term for those contracts in which the committed maintenance term is less than the committed license term.
- License and facilities management arrangements are assumed to renew at the end of their committed term at a rate consistent with our historical experiences.
- Non-recurring license arrangements are assumed to renew as recurring revenue streams.
- Foreign currency exchange rates are assumed to remain constant over the 60-month backlog period for those contracts stated in currencies other than the U.S. dollar.
- Our pricing policies and practices are assumed to remain constant over the 60-month backlog period.

## Non-GAAP Financial Measures



Estimates of future financial results are inherently unreliable. Our backlog estimates require substantial judgment and are based on a number of assumptions as described above. These assumptions may turn out to be inaccurate or wrong, including for reasons outside of management's control. For example, our customers may attempt to renegotiate or terminate their contracts for a number of reasons, including mergers, changes in their financial condition, or general changes in economic conditions in the customer's industry or geographic location, or we may experience delays in the development or delivery of products or services specified in customer contracts which may cause the actual renewal rates and amounts to differ from historical experiences. Changes in foreign currency exchange rates may also impact the amount of revenue actually recognized in future periods. Accordingly, there can be no assurance that contracts included in backlog estimates will actually generate the specified revenues or that the actual revenues will be generated within the corresponding 60-month period.

Backlog should be considered in addition to, rather than as a substitute for, reported revenue and deferred revenue.

ACI also includes Adjusted EBITDA, which is defined as net income plus income tax expense, net interest expense, net other expenses, depreciation, amortization and non-cash compensation. Adjusted EBITDA is considered a non-GAAP financial measure as defined by SEC Regulation G. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income.

## Non-GAAP Financial Measures



The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP. We believe that these non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business.

# Forward-Looking Statements



- **This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as “believes,” “will,” “expects,” “anticipates,” “intends,” and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.**

**Forward-looking statements in this presentation include, but are not limited to, statements regarding:**

- **Our belief that we have visibility into forward revenue and profitability attainment;**
- **Expectations and assumptions regarding the recent acquisition of S1 relating to (i) creating a worldwide industry leader in financial and payments software serving FIs, processors and merchant retailers, (ii) creating compelling pro forma financials, (iii) complementary products and customers expand breadth and features/ functions, (iv) enhanced global product capabilities to expand growth opportunities (v) greater scale and cost synergies to drive margin expansion and earnings accretion and (vi) strong financial cash profile post closing and leverage ratio;**
- **The company’s 12-month and 60-month backlog estimates and assumptions, including (i) our belief that backlog from monthly recurring revenues and project go-lives will continue to drive current quarter GAAP revenue and lead to predictable quarterly performance, and (ii) expectations for backlog to contribute a similar percentage of 2012 revenue led by recurring revenue and project go-live events as it did in 2011; and**
- **Expectations and assumptions regarding (i) ACI organic and ACI/S1 combined 2012 financial guidance related to revenue, operating income and adjusted EBITDA and (ii) expectations and assumptions regarding other factors impacting our 2012 financial guidance.**

# Forward-Looking Statements



All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include but are not limited to, risks related to the global financial crisis and the continuing decline in the global economy; volatility and disruption of the capital and credit markets and adverse changes in the global economy; consolidations and failures in the financial services industry; increased competition; restrictions and other financial covenants in our credit facility; the restatement of our financial statements; the accuracy of management's backlog estimates; impairment of our goodwill or intangible assets; exposure to unknown tax liabilities; risks from operating internationally; our offshore software development activities; customer reluctance to switch to a new vendor; the performance of our strategic product, BASE24-eps; our strategy to migrate customers to our next generation products; ratable or deferred recognition of certain revenue associated with customer migrations and the maturity of certain of our products; demand for our products; failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms; delay or cancellation of customer projects or inaccurate project completion estimates; business interruptions or failure of our information technology and communication systems; our alliance with International Business Machines Corporation ("IBM"); the complexity of our products and services and the risk that they may contain hidden defects or be subjected to security breaches or viruses; compliance of our products with applicable legislation, governmental regulations and industry standards; our compliance with privacy regulations; the protection of our intellectual property in intellectual property litigation; future acquisitions, strategic partnerships and investments and litigation; the risk that expected synergies, operational efficiencies and cost savings from our recent acquisition of S1 Corporation ("S1") may not be fully realized or realized within the expected timeframe; the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue generating activity during the final weeks of each quarter; and volatility in our stock price. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and subsequent reports on Forms 10-Q and 8-K.

*ACI's software underpins electronic payments throughout retail and wholesale banking, and commerce all the time, without fail.*

 **trusted globally**