

**CONVERGYS CORPORATION**  
**Reconciliation of GAAP Revenue Growth to non-GAAP Constant Currency Revenue Growth**  
(In Millions Except Per Share Amounts)

	Three Months Ended December 31,	
	2015	2014
<b>Revenue</b>	<b>\$ 751.8</b>	<b>\$ 763.9</b>
<b>Revenue growth, as reported under U.S. GAAP</b>	-1.6%	
Foreign exchange impact <sup>(a)</sup>	2.2%	
<b>Constant currency revenue growth (a non-GAAP measure)</b>	<b>0.6%</b>	

**Reconciliation of GAAP EPS from Continuing Operations to non-GAAP EPS from Continuing Operations**  
(In Millions Except Per Share Amounts)

	Three Months Ended December 31,		% Change
	2015	2014	
<b>Operating income as reported under U.S. GAAP</b>	<b>\$ 61.1</b>	<b>\$ 49.9</b>	22
Operating Margin	8.1%	6.5%	
Depreciation of property & equipment write-up <sup>(b)</sup>	3.6	5.6	
Amortization of acquired intangible assets <sup>(c)</sup>	6.3	7.2	
Net pension and other post employment benefit plan charges <sup>(d)</sup>	-	1.7	
Integration related expenses <sup>(e)</sup>	3.5	2.2	
Total charges	13.4	16.7	
<b>Adjusted operating income (a non-GAAP measure)</b>	<b>\$ 74.5</b>	<b>\$ 66.6</b>	12
Adjusted Operating Margin	9.9%	8.7%	
<b>Income Before Income Taxes and Discontinued Operations as reported under U.S. GAAP</b>	<b>\$ 57.3</b>	<b>\$ 45.6</b>	26
Total operating charges from above	13.4	16.7	
<b>Adjusted Income Before Income Taxes and Discontinued Operations (a non-GAAP measure)</b>	<b>\$ 70.7</b>	<b>\$ 62.3</b>	13
<b>Income from continuing operations, net of tax, as reported under U.S. GAAP</b>	<b>\$ 42.6</b>	<b>\$ 48.0</b>	(11)
Total operating charges from above, net of tax	10.1	10.8	
Tax provision related to unremitted foreign earnings <sup>(f)</sup>	1.9	(4.5)	
<b>Adjusted income from continuing operations, net of tax (a non-GAAP measure)</b>	<b>\$ 54.6</b>	<b>\$ 54.3</b>	1
<b>Diluted EPS from continuing operations as reported under U.S. GAAP</b>	<b>\$ 0.41</b>	<b>\$ 0.46</b>	(11)
Net impact of total charges included in continuing operations	0.12	0.06	
<b>Adjusted diluted EPS from continuing operations (a non-GAAP measure)</b>	<b>\$ 0.53</b>	<b>\$ 0.52</b>	1

(a) Changes in currency exchange rates resulted in reduced revenues in the current quarter primarily due to the strengthening U.S. dollar relative to the euro, British pound, Australian dollar and the Canadian dollar.

(b) During the fourth quarter of 2015 and 2014, the Company recorded \$3.6 and \$5.6, respectively, of depreciation expense resulting from the fair value write-up of property and equipment acquired from Stream.

(c) During the fourth quarter of 2015 and 2014 the Company recorded amortization expense of \$6.3 and \$7.2, respectively, related to acquired intangible assets.

(d) During the fourth quarter of 2014, the Company recorded pension plan settlement charges of \$1.7 due to a high level of lump-sum payouts.

(e) During the fourth quarter of 2015 and 2014, the Company recorded \$3.5 and \$2.2, respectively, of integration expenses associated with Convergys' integration of the acquired Stream operations. These expenses were primarily related to third-party consulting services and severance expense.

(f) During the fourth quarter of 2015 and 2014, respectively, the Company recorded a \$1.9 tax expense and \$4.5 tax benefit for a change in estimate between tax previously accrued for the repatriation of foreign earnings and the revised estimates as of December 31, 2015 and 2014.

Management uses constant currency revenue growth to assess underlying revenue trends by providing revenue growth between periods on a consistent basis. Revenue growth is adjusted based on a mathematical model that translates current period revenue in local currencies using the comparable prior year period's currency exchange rates. Management uses operating income, income from continuing operations, net of tax and earnings per share from continuing operations excluding the above items to assess the underlying operational performance of the continuing operations of the business for the year and to have a basis to compare underlying operating results to prior and future periods. These charges and credits are relevant in evaluating the overall performance of the business.

Limitations associated with the use of these non-GAAP measures include that these measures do not include all of the amounts associated with our results as determined in accordance with GAAP. Management compensates for these limitations by using the non-GAAP measures, constant currency revenue growth, operating income, income from continuing operations, net of tax and diluted earnings per share excluding the charges, and the GAAP measures, revenue growth, operating income, income from continuing operations, net of tax and diluted earnings per share, in its evaluation of performance.

**CONVERGYS CORPORATION**  
**Reconciliation of GAAP Revenue Growth to non-GAAP Constant Currency Revenue Growth**  
(In Millions Except Per Share Amounts)

	Twelve Months Ended December 31,	
	2015	2014
<b>Revenue</b>	<b>\$ 2,950.6</b>	<b>\$ 2,855.5</b>
<b>Revenue growth, as reported under U.S. GAAP</b>	3.3%	
Foreign exchange impact <sup>(a)</sup>	2.6%	
<b>Constant currency revenue growth (a non-GAAP measure)</b>	<b>5.9%</b>	

**Reconciliation of GAAP EPS from Continuing Operations to non-GAAP EPS from Continuing Operations**  
(In Millions Except Per Share Amounts)

	Twelve Months Ended December 31,		%
	2015	2014	
<b>Operating income as reported under U.S. GAAP</b>	<b>\$ 194.4</b>	<b>\$ 150.8</b>	29
<i>Operating Margin</i>	6.6%		5.3%
Net pension and other post employment benefit plan charges <sup>(b)</sup>	-		4.6
Gain on sale of real estate <sup>(c)</sup>	-		(1.6)
Depreciation of property & equipment write-up <sup>(d)</sup>	19.1		19.0
Amortization of acquired intangible assets <sup>(e)</sup>	27.0		24.7
Transaction related expenses <sup>(f)</sup>	-		14.7
Integration related expenses <sup>(g)</sup>	11.3		23.0
<b>Total charges</b>	<b>57.4</b>	<b>84.4</b>	
<b>Adjusted operating income (a non-GAAP measure)</b>	<b>\$ 251.8</b>	<b>\$ 235.2</b>	7
<i>Adjusted Operating Margin</i>	8.5%		8.2%
<b>Income Before Income Taxes and Discontinued Operations as reported under U.S. GAAP</b>	<b>\$ 177.0</b>	<b>\$ 129.3</b>	37
Total operating charges from above	57.4		84.4
<b>Adjusted Income Before Income Taxes and Discontinued Operations (a non-GAAP measure)</b>	<b>\$ 234.4</b>	<b>\$ 213.7</b>	10
<b>Income from continuing operations, net of tax, as reported under U.S. GAAP</b>	<b>\$ 168.4</b>	<b>\$ 116.5</b>	45
Total operating charges from above, net of tax	40.8		58.4
Release of uncertain tax positions <sup>(h)</sup>	(22.4)		-
Adjustment for state tax rate changes <sup>(i)</sup>	-		0.4
Tax benefit related to unremitted foreign earnings <sup>(j)</sup>	(1.8)		(6.0)
<b>Adjusted income from continuing operations, net of tax (a non-GAAP measure)</b>	<b>\$ 185.0</b>	<b>\$ 169.3</b>	9
<b>Diluted EPS from continuing operations as reported under U.S. GAAP</b>	<b>\$ 1.60</b>	<b>\$ 1.10</b>	45
Net impact of total charges included in continuing operations	0.16		0.50
<b>Adjusted diluted EPS from continuing operations (a non-GAAP measure)</b>	<b>\$ 1.76</b>	<b>\$ 1.60</b>	10

(a) Changes in currency exchange rates resulted in reduced revenues in the current quarter primarily due to the strengthening U.S. dollar relative to the euro, British pound, Australian dollar and the Canadian dollar.

(b) During 2014, the Company recorded pension plan settlement charges of \$4.6 due to a high level of lump-sum payouts.

(c) During 2014, the Company recorded a gain of \$1.6 resulting from the settlement of a contingency related to a previous real estate sale.

(d) During 2015 and 2014, the Company recorded \$19.1 and \$19.0, respectively, of depreciation expense resulting from the fair value write-up of property and equipment acquired from Stream.

(e) During 2015 and 2014, the Company recorded amortization expense of \$27.0 and \$24.7, respectively, related to acquired intangible assets.

(f) During 2014, the Company recorded \$14.7 of transaction expenses associated with its acquisition of Stream, related to fees paid for third-party consulting services.

(g) During 2015 and 2014, the Company recorded \$11.3 and \$23.0, respectively, of integration expenses associated with Convergys' integration of the acquired Stream operations. These expenses were primarily related to third-party consulting services and severance expense.

(h) During 2015, the Company recorded tax benefits of \$22.4 associated with statute expirations for previous uncertain tax positions and favorable resolutions of tax audits.

(i) During 2014, the Company recorded a one-time charge resulting from changes in the Company's state tax rate applicable to deferred tax assets and liabilities. This change in rate resulted from the combination of the Convergys and Stream operations.

(j) During 2015 and 2014, the Company recognized a \$1.8 and \$6.0 tax benefit, respectively, for changes in estimates related to tax previously accrued for the repatriation of foreign earnings.

Management uses operating income, income from continuing operations, net of tax and earnings per share data excluding the items above to assess the underlying operational performance of the continuing operations of the business for the year and to have a basis to compare underlying operating results to prior and future periods. These charges and credits are relevant in evaluating the overall performance of the business.

Limitations associated with the use of these non-GAAP measures include that these measures do not include all of the amounts associated with our results as determined in accordance with GAAP. Management compensates for these limitations by using the non-GAAP measures, operating income, income from continuing operations, net of tax and diluted earnings per share excluding the charges, and the GAAP measures, operating income, income from continuing operations, net of tax and diluted earnings per share, in its evaluation of performance.