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First Data Reports Third Quarter 2007 Revenue Growth of 16%

DENVER, November 14, 2007 – First Data Corp. today reported its financial results for the third quarter of 2007. Consolidated revenues were up 16% to \$2.1 billion. Adjusted EBITDA for the quarter (excluding the impact of projected near-term cost savings) was up 11% to \$660 million. Year to date consolidated revenues were up 15% to \$5.9 billion. Year to date adjusted EBITDA (excluding the impact of projected near-term cost savings) was up 7% to \$1.8 billion. A table describing adjusted EBITDA and reconciling income from continuing operations to adjusted EBITDA (including incorporating the impact of projected near-term cost savings) is included in the accompanying schedules.

For the quarter, income from continuing operations was \$35 million, down 73% but included \$208 million of after-tax merger related costs and other costs directly attributable to the transaction with an affiliate of Kohlberg Kravis Roberts & Co. (the “Transaction”) such as accelerated stock based compensation and related payroll taxes, increased amortization as the result of purchase accounting, incremental net interest expense on the new debt structure and non-recurring charges related to debt repayment loss and non cash derivative losses of the corporation merged into the company (“Merger Impacts”). Income from continuing operations was \$436 million year to date, down 28%, but included Merger Impacts of \$221 million. Excluding Merger Impacts, year to date 2007 income from continuing operations grew 8%.

“First Data delivered a strong quarter reflecting solid growth in overall electronic transactions,” said Michael Capellas, Chairman and Chief Executive Officer. “At our core, First Data is really a technology company. Going forward, you will see us accelerate the areas of new product development and innovation while simplifying our sales approach with one face to the customer.”

Segment Results

Commercial Services

For the quarter, **Commercial Services** generated revenues of \$1.2 billion, a growth rate of 11% or 7% excluding reimbursable debit network fees. Revenue growth was primarily driven by continued strong transaction growth. Operating profit was \$305 million, up 4% or 7% excluding purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction. Operating margin stayed relatively constant at 34.6% excluding reimbursable debit network fees, purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction compared to 34.5% in the third quarter of 2006. Reported operating margin for the quarter was 26.1%.

Financial Institution Services

For the quarter, **Financial Institution Services** generated revenue of \$502 million, up 10% or 7% excluding reimbursables. Operating profit was \$88 million, down 9% or down 3% excluding purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction. The decrease in operating profit was primarily the result of anticipated price compression related to contract renewals. Operating margin for the quarter was 28.5% excluding reimbursables, purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction compared to 31.4% in the third quarter of 2006. Reported operating margin including reimbursables, purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction was 17.4% for the quarter.

First Data International

For the quarter, **First Data International** generated revenue of \$425 million, up 28%. Revenue growth on a constant currency basis, excluding acquisitions and divestitures, was 8%. This 8% growth was lower compared to previous quarters due primarily to lost business in the UK as well as price compression. Operating profit was \$39 million, up 20% or up 25% excluding purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction. Operating margin was 9.5% excluding purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction compared to 9.7% in the third quarter of 2006. Operating profit included approximately \$9 million of incremental investments in data center consolidation, platform initiatives and strategic business development costs which negatively impacted the 9.5% operating

margin by approximately two percentage points during the quarter. Reported operating margin was 9.1%.

Significant Events

On September 24, 2007, First Data was acquired by an affiliate of Kohlberg Kravis Roberts & Co. Under the terms of the merger agreement, the company's stockholders received \$34 per share in cash.

Also effective September 24, 2007, Michael D. Capellas became First Data's new Chairman and CEO, replacing Ric Duques. Duques served as Chairman and CEO since November 2005, and previously served as Chairman from 1992 to 2003 and CEO from 1987 to 2003. Capellas was previously CEO of MCI, President of Hewlett-Packard Company and Chairman and CEO of Compaq Computer Corporation.

Substantially all of First Data's U.S. operations will be led by Edward (Ed) Labry. These operations include the current Commercial Services and Financial Institution Services businesses. Labry has been serving as President of the company's Commercial Services business.

First Data's international operations will be led by David Yates and will continue to be organized regionally with a focus on selling the company's suite of payments services to merchant and financial institution clients outside of the United States. Yates has been serving as President of the company's Europe, Middle East and Africa region.

Tom Bell has joined the company as Executive Vice President and Chief Strategy Officer. Bell has assumed primary responsibility for corporate strategy and the company's high growth areas for innovation. Bell joins First Data after 25 years at Accenture where he served as Managing Director in the Communications & High Tech practice.

First Data has implemented a "100 day plan" to provide strategic direction for the company under new leadership. The highlights of the plan include generating organic growth through improved sales effectiveness, accelerating new product innovations and continued targeted international expansion. The plan also captures efficiencies related to the simplification of U.S. and international operations and other near term cost saving initiatives as well as certain reductions in personnel.

Presentation of Financial Information

The financial information presented in the company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission and in the attached financial schedules for the quarter and year to date ending September 30, 2007 is presented for two periods: Predecessor and Successor, which primarily relate to the periods preceding the Transaction and the period succeeding the Transaction respectively. Note that the successor period includes the results of operations of the corporation merged into First Data for the period prior to the merger from March 29, 2007 (its formation) through September 24, 2007 (comprised entirely of the change in fair value of certain forward starting, deal contingent interest rate swaps). The successor period also includes post merger results of First Data Corporation for the period from September 25, 2007 to September 30, 2007 including all impacts of purchase accounting. The quarterly discussion throughout this release is presented on a combined basis for 2007 which includes the successor period from September 25, 2007 through September 30, 2007 and the predecessor period from July 1, 2007 through September 24, 2007. The year to date discussion includes the successor period from September 25, 2007 through September 30, 2007 and the predecessor period from January 1, 2007 through September 24, 2007. The company believes that the discussion on a combined basis is more meaningful as it allows the results of operations to be analyzed to a comparable period in 2006.

Non-GAAP Measures

In certain circumstances, results have been presented that are non-GAAP measures and should be viewed in addition to, and not in lieu of, the company's reported results. Reconciliations to comparable GAAP (generally accepted accounting principles) measures are available in the accompanying schedules and in the "Investor Relations" section of the company's web site at www.firstdata.com.

Investor and Analyst Conference Call

First Data will hold an investor and analyst conference call and webcast today, Wednesday, November 14, at 8:00 a.m. MST to review third quarter 2007 results. Michael Capellas, Chairman and CEO of First Data, will lead the call. Also participating will be Kim Patmore, Chief Financial Officer, Ed Labry, President of First Data U.S.A., David Yates, President of First Data International and Silvio Tavares, Senior Vice President, Investor Relations.

To listen to the call, dial +1-888-230-5944 (U.S.) or +1-913-312-0660 (outside the U.S.) ten minutes prior to the start of the call. The passcode is "FDC". The call will also be webcast on the First Data website, www.firstdata.com. Please click on the webcast link at least 15 minutes prior to the call. A slide presentation to accompany the call will be included in the webcast and will be made available under the "Investor Relations" section of the website (<http://ir.firstdatacorp.com/events.cfm>).

A replay of the call will be available through November 21, 2007 at 5:00 p.m. EST at +1-888-203-1112 (U.S.) or +1-719-457-0820 (outside the U.S.) and via webcast on www.firstdata.com. The passcode is "6621425".

Please note: All statements made by First Data officers on this call are the property of First Data and subject to copyright protection. Other than the replay, First Data has not authorized, and disclaims responsibility for any recording, replay or distribution of any transcription of this call.

About First Data

First Data Corp. is a leading provider of electronic commerce and payment solutions for businesses worldwide. With operations in 38 countries, First Data serves over 5 million merchant locations, 1,900 card issuers and their customers. We power the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. The company's portfolio of services and solutions includes merchant transaction processing services; credit, debit, private-label, gift, payroll and other prepaid card offerings; fraud protection and authentication solutions; receivables management solutions; electronic check acceptance services through TeleCheck; as well as Internet commerce and mobile payment solutions. The company's STAR Network offers PIN-secured debit acceptance at 2.1 million ATM and retail locations. For more information, visit www.firstdata.com.

FIRST DATA CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(in millions)

	Successor	Predecessor	
	Period from September 25 through September 30, <u>2007 (1)</u>	Period from July 1 through September 24, <u>2007</u>	Three months ended September 30, <u>2006</u>
Revenues:			
Transaction and processing service fees:			
Merchant services	\$ 50.2	\$ 694.2	\$ 693.6
Check services	6.5	97.0	80.0
Card services	32.6	440.6	429.5
Other services	6.5	88.6	88.4
Investment income, net	(0.8)	(29.1)	(37.3)
Product sales and other	12.0	228.9	169.2
Reimbursable debit network fees, postage and other	28.3	415.7	363.8
	<u>135.3</u>	<u>1,935.9</u>	<u>1,787.2</u>
Expenses:			
Cost of services	67.9	932.5	781.1
Cost of products sold	5.2	75.1	76.9
Selling, general and administrative	25.9	446.1	298.7
Reimbursable debit network fees, postage and other	28.3	415.7	363.8
Other operating expenses:			
Restructuring, net	-	-	12.0
Impairments	-	4.3	1.9
Litigation and regulatory settlements	-	(2.5)	(42.3)
	<u>127.3</u>	<u>1,871.2</u>	<u>1,492.1</u>
Operating profit	<u>8.0</u>	<u>64.7</u>	<u>295.1</u>
Other income (expense):			
Interest income	3.6	9.9	13.8
Interest expense	(34.6)	(33.2)	(72.3)
Investment gains and (losses)	(21.7)	(1.1)	(144.2)
Divestitures, net	-	2.6	1.4
Debt repayment loss	(6.0)	-	-
	<u>(58.7)</u>	<u>(21.8)</u>	<u>(201.3)</u>
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	(50.7)	42.9	93.8
Income taxes (a)	(21.2)	18.2	4.7
Minority interest	(2.5)	(36.2)	(34.8)
Equity earnings in affiliates	3.3	75.3	77.0
(Loss) income from continuing operations	<u>(28.7)</u>	<u>63.8</u>	<u>131.3</u>
(Loss) income from discontinued operations, net of taxes of \$0, \$7.1 and \$125.9, respectively (b)	-	(7.1)	210.9
Net (loss) income	<u>\$ (28.7)</u>	<u>\$ 56.7</u>	<u>\$ 342.2</u>

(1) Includes the results of operations (reflecting the change in fair value of forward starting contingent interest rate swaps) of Omaha Acquisition Corporation for the period prior to its merger with and into First Data Corporation from March 29, 2007 (its formation) through September 24, 2007. Also includes post merger results of First Data Corporation for the period from September 25, 2007 to September 30, 2007.

FIRST DATA CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(in millions)

	Successor	Predecessor	
	Period from September 25 through September 30, <u>2007 (1)</u>	Period from January 1 through September 24, <u>2007</u>	Nine months ended September 30, <u>2006</u>
Revenues:			
Transaction and processing service fees:			
Merchant services	\$ 50.2	\$ 2,063.5	\$ 1,957.1
Check services	6.5	293.2	238.9
Card services	32.6	1,342.9	1,228.9
Other services	6.5	266.3	258.4
Investment income, net	(0.8)	(66.9)	(96.6)
Product sales and other	12.0	616.4	504.4
Reimbursable debit network fees, postage and other	28.3	1,257.5	1,062.9
	<u>135.3</u>	<u>5,772.9</u>	<u>5,154.0</u>
Expenses:			
Cost of services	67.9	2,632.0	2,255.6
Cost of products sold	5.2	230.4	221.2
Selling, general and administrative	25.9	1,089.3	856.1
Reimbursable debit network fees, postage and other	28.3	1,257.5	1,062.9
Other operating expenses:			
Restructuring, net	-	7.9	11.6
Impairments	-	20.6	(0.1)
Litigation and regulatory settlements	-	2.5	(34.8)
Other	-	(7.7)	(0.3)
	<u>127.3</u>	<u>5,232.5</u>	<u>4,372.2</u>
Operating profit	<u>8.0</u>	<u>540.4</u>	<u>781.8</u>
Other income (expense):			
Interest income	3.6	30.8	23.8
Interest expense	(34.6)	(103.6)	(190.8)
Investment gains and (losses)	(21.7)	(2.6)	45.8
Divestitures, net	-	6.1	8.0
Debt repayment gain/(loss)	(6.0)	1.4	-
	<u>(58.7)</u>	<u>(67.9)</u>	<u>(113.2)</u>
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	(50.7)	472.5	668.6
Income taxes (a)	(21.2)	125.8	164.8
Minority interest	(2.5)	(105.3)	(104.0)
Equity earnings in affiliates	3.3	223.0	207.9
(Loss) income from continuing operations	<u>(28.7)</u>	<u>464.4</u>	<u>607.7</u>
(Loss) income from discontinued operations, net of taxes of \$0, \$3.0 and \$334.3, respectively (b)	-	(3.6)	627.2
Net (loss) income	<u>\$ (28.7)</u>	<u>\$ 460.8</u>	<u>\$ 1,234.9</u>

(1) Includes the results of operations (reflecting the change in fair value of forward starting contingent interest rate swaps) of Omaha Acquisition Corporation for the period prior to its merger with and into First Data Corporation from March 29, 2007 (its formation) through September 24, 2007. Also includes post merger results of First Data Corporation for the period from September 25, 2007 to September 30, 2007.

FIRST DATA CORPORATION
SUMMARY SEGMENT DATA
(Unaudited)
(in millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>Period from September 25 through September 30, 2007</u>	<u>Period from July 1 through September 24, 2007</u>	<u>Three months ended September 30, 2006</u>
<u>Revenues:</u>			
First Data Commercial Services	\$ 75.7	\$ 1,093.8	\$ 1,056.6
First Data Financial Institution Services	31.9	470.2	455.2
First Data International	29.9	395.3	331.9
Integrated Payment Systems	2.9	24.4	26.2
Subtotal segment revenues	<u>140.4</u>	<u>1,983.7</u>	<u>1,869.9</u>
All Other and Corporate	9.2	123.2	112.3
	<u>149.6</u>	<u>2,106.9</u>	<u>1,982.2</u>
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(5.3)	(83.5)	(84.6)
Interest income	(3.6)	(9.9)	(13.8)
Eliminations (e)	(5.4)	(77.6)	(96.6)
Consolidated revenue	<u>\$ 135.3</u>	<u>\$ 1,935.9</u>	<u>\$ 1,787.2</u>
<u>Operating profit: (f)</u>			
First Data Commercial Services	\$ 11.2	\$ 293.7	\$ 294.1
First Data Financial Institution Services	2.1	85.4	96.3
First Data International	3.1	35.4	32.1
Integrated Payment Systems	1.3	(0.5)	(1.5)
Subtotal segment operating profit	<u>17.7</u>	<u>414.0</u>	<u>421.0</u>
All Other and Corporate	(1.4)	(245.1)	(36.0)
	<u>16.3</u>	<u>168.9</u>	<u>385.0</u>
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(3.3)	(75.3)	(77.0)
Minority interest from segment operations (g)	2.5	37.5	35.1
Eliminations (e)	(3.9)	(54.7)	(62.6)
Interest expense	(34.6)	(33.2)	(72.3)
Items excluded from segment operations	(27.7)	(0.3)	(114.4)
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	<u>\$ (50.7)</u>	<u>\$ 42.9</u>	<u>\$ 93.8</u>
<u>Depreciation & Amortization:</u>			
First Data Commercial Services	\$ 11.3	\$ 72.0	\$ 77.2
First Data Financial Institution Services	6.2	37.2	38.8
First Data International	4.1	53.3	45.2
Integrated Payment Systems	-	1.0	4.0
All Other and Corporate	1.2	11.7	11.7
Total consolidated depreciation & amortization from continuing operations	<u>\$ 22.8</u>	<u>\$ 175.2</u>	<u>\$ 176.9</u>

(See accompanying notes)

FIRST DATA CORPORATION
SUMMARY SEGMENT DATA
(Unaudited)
(in millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>Period from September 25 through September 30, 2007</u>	<u>Period from January 1 through September 24, 2007</u>	<u>Nine months ended September 30, 2006</u>
<u>Revenues:</u>			
First Data Commercial Services	\$ 75.7	\$ 3,255.5	\$ 3,021.3
First Data Financial Institution Services	31.9	1,442.2	1,352.0
First Data International	29.9	1,164.6	894.8
Integrated Payment Systems	2.9	106.9	91.3
Subtotal segment revenues	<u>140.4</u>	<u>5,969.2</u>	<u>5,359.4</u>
All Other and Corporate	9.2	337.1	337.0
	<u>149.6</u>	<u>6,306.3</u>	<u>5,696.4</u>
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(5.3)	(248.6)	(230.0)
Interest income	(3.6)	(30.8)	(23.8)
Eliminations (e)	(5.4)	(254.0)	(288.6)
Consolidated revenue	<u>\$ 135.3</u>	<u>\$ 5,772.9</u>	<u>\$ 5,154.0</u>
<u>Operating profit: (f)</u>			
First Data Commercial Services	\$ 11.2	\$ 816.2	\$ 786.0
First Data Financial Institution Services	2.1	280.8	275.1
First Data International	3.1	111.1	94.8
Integrated Payment Systems	1.3	24.2	5.2
Subtotal segment operating profit	<u>17.7</u>	<u>1,232.3</u>	<u>1,161.1</u>
All Other and Corporate	(1.4)	(345.5)	(88.7)
	<u>16.3</u>	<u>886.8</u>	<u>1,072.4</u>
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(3.3)	(223.0)	(207.9)
Minority interest from segment operations (g)	2.5	107.3	101.2
Eliminations (e)	(3.9)	(176.6)	(183.7)
Interest expense	(34.6)	(103.6)	(190.8)
Items excluded from segment operations	<u>(27.7)</u>	<u>(18.4)</u>	<u>77.4</u>
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	<u>\$ (50.7)</u>	<u>\$ 472.5</u>	<u>\$ 668.6</u>
<u>Depreciation & Amortization:</u>			
First Data Commercial Services	\$ 11.3	\$ 229.1	\$ 231.1
First Data Financial Institution Services	6.2	115.8	115.0
First Data International	4.1	156.4	130.2
Integrated Payment Systems	-	4.2	11.6
All Other and Corporate	1.2	34.7	34.3
Total consolidated depreciation & amortization from continuing operations	<u>\$ 22.8</u>	<u>\$ 540.2</u>	<u>\$ 522.2</u>

(See accompanying notes)

FIRST DATA CORPORATION
NOTES TO FINANCIAL SCHEDULES
(Unaudited)

- (a) FDC's effective tax rate on pretax income from continuing operations was a benefit of 42.5% for the successor period from September 25 through September 30, 2007, 22.2% for the predecessor period from July 1 through September 24, 2007 and an expense of 21.3% for the predecessor period from January 1 through September 24, 2007 and 3.4% and 21.3% for the predecessor three and nine-month periods ending September 30, 2006, respectively.
- (b) Discontinued operations relate to NYCE, Western Union, Primary Payment Systems, IDLogix and Taxware.
- (c) Reconciles the total segment and All Other and Corporate revenue to consolidated revenue or total segment and All Other and Corporate operating profit to income before income taxes, minority interest, equity earnings in affiliates and discontinued operations as reported on the Consolidated Statements of Income.
- (d) Excludes equity losses that were recorded in expense and the amortization related to the excess of the investment balance over the Company's proportionate share of the investee's net book value.
- (e) Represents elimination of adjustment to record Integrated Payment Systems segment investment income and its related operating profit on a pretax equivalent basis and elimination of intersegment revenue.
- (f) Segment and All Other and Corporate operating profit includes interest income, minority interest from segment operations, equity earnings in affiliates and the allocation of corporate overhead. Segment and All Other and Corporate operating profit excludes restructuring charges, asset impairments, significant litigation and regulatory settlements, other charges, interest expense, investment gains and losses, business divestiture gains and losses and debt repayment costs and gains.
- (g) Minority interest from segment operations excludes minority interest attributable to items excluded from segment operations discussed in note (f) above as well as minority interest related to interest expense and income taxes.

FIRST DATA CORPORATION
RECONCILIATION OF NON-GAAP MEASURES
(Unaudited)
(\$ in millions)

Management believes the following non-GAAP measures provide meaningful supplemental information to assist investors in understanding our financial results and to better analyze trends in our underlying business. These non-GAAP financial measures should not be considered in isolation or as a substitute for the most comparable GAAP financial measures. The non-GAAP financial measures reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measures, provide a more complete understanding of our business. Investors are strongly encouraged to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. A reconciliation of the non-GAAP measures to the most directly comparable GAAP financial measures is included below.

Non-GAAP measures for the company's domestic segments exclude revenue earned from reimbursements of pass-through costs such as debit network fees and postage. Non-GAAP measures for the company's international segment exclude acquisitions less than a year old, divestitures and foreign exchange impact from revenue. Non-GAAP measures for the company's international and domestic segments also exclude purchase accounting adjustments and accelerated stock based compensation expense related to the Transaction

For the purpose of analyzing the company's liquidity, "Adjusted EBITDA" and "Adjusted EBITDA excluding projected near-term cost savings" metrics are used. "Adjusted EBITDA" is different than "EBITDA" as defined in the Credit Agreement dated September 24, 2007 ("Senior Secured Credit Facilities") among the company, the lenders or other entities that are a party thereto from time to time and Credit Suisse, Cayman Islands Branch, as Administrative Agent and Collateral Agent. The difference primarily relates to adjustments for minority interest, equity losses, certain acquisition expenses and taxes, depreciation and amortization within the company's equity investments. Additionally, income from continuing operations has been adjusted for Merger Impacts. Management believes that these non-GAAP measures provide insight into the company's financial results and trends.

The financial information presented for the quarter and year to date ending September 30, 2007 is presented for two periods: Predecessor and Successor, which primarily relate to the periods preceding the Transaction and the period succeeding the Transaction, respectively. The following quarterly 2007 financial information is presented on a combined basis which includes the successor period from September 25, 2007 through September 30, 2007 and the predecessor period from July 1, 2007 through September 24, 2007. The year to date financial information is presented on a combined basis which includes the successor period from September 25, 2007 through September 30, 2007 and the predecessor period from January 1, 2007 through September 24, 2007. Management believes that the presentation on a combined basis is more meaningful as it allows the results of operations to be compared to a similar period in 2006.

	Combined		Predecessor		Change
	Three months ended		Three months ended		
	September 30,		September 30,		
	2007	2006			
Income from continuing operations	\$ 35.1	\$ 131.3			-73%
Interest expense, net (1)	54.3	58.5			
Income taxes	(3.0)	4.7			
Depreciation and amortization	198.0	176.9			
EBITDA	\$ 284.4	\$ 371.4			
Stock based compensation (2)	215.0	14.5			
Other items (3)	20.5	114.1			
Debt repayment loss (4)	6.0	-			
Pretax equivalency adjustment (5)	58.6	62.6			
Integrated Payment Systems segment EBITDA (6)	(1.6)	(2.3)			
Cost of data center and technology initiatives (7)	20.9	1.0			
Western Union spin-off costs (8)	-	16.8			
Pre-acquisition EBITDA of acquired businesses (9)	2.5	18.3			
Transaction related fees	53.8	-			
Sponsor's annual management fee	0.3	-			
Adjusted EBITDA excluding projected near-term cost savings	\$ 660.4	\$ 596.4			11%
Projected near-term cost savings (10)	50.0	-			
Adjusted EBITDA	\$ 710.4	\$ 596.4			
	Combined		Predecessor		Change
	Nine months ended		Nine months ended		
	September 30,		September 30,		
	2007	2006			
Income from continuing operations	\$ 435.7	\$ 607.7			-28%
Interest expense, net (1)	103.8	167.0			
Income taxes	104.6	164.8			
Depreciation and amortization	563.0	522.2			
EBITDA	\$ 1,207.1	\$ 1,461.7			
Stock based compensation (2)	267.0	53.4			
Other items (11)	39.4	(74.7)			
Debt repayment loss, net of gain (4)	4.6	-			
Pretax equivalency adjustment (5)	179.6	183.7			
Integrated Payment Systems segment EBITDA (6)	(29.1)	(16.6)			
Cost of data center and technology initiatives (12)	51.2	4.4			
Western Union spin-off costs (8)	-	20.3			
Pre-acquisition EBITDA of acquired businesses (9)	20.1	54.5			
Transaction related fees	69.7	-			
Sponsor's annual management fee	0.3	-			
Adjusted EBITDA excluding projected near-term cost savings	\$ 1,809.9	\$ 1,686.7			7%
Projected near-term cost savings (10)	150.0	-			
Adjusted EBITDA	\$ 1,959.9	\$ 1,686.7			

FIRST DATA CORPORATION
RECONCILIATION OF NON-GAAP MEASURES
(Unaudited)
(\$ in millions)

	<u>Combined</u>	<u>Predecessor</u>	
	<u>Three months ended</u>	<u>Three months ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	
	<u>2007</u>	<u>2006</u>	<u>Change</u>
Income from continuing operations	\$ 35.1	\$ 131.3	-73%
Merger related costs	44.9	-	
Accelerated stock based compensation and related payroll taxes	122.6	-	
Amortization related to purchase accounting	6.3	-	
Incremental net interest expense	18.4	-	
Non-recurring charges related to debt repayment loss and non cash derivative losses of the corporation merged into the company	15.9	-	
Income from continuing operations excluding Merger Impacts	<u>\$ 243.2</u>	<u>\$ 131.3</u>	85%

	<u>Combined</u>	<u>Predecessor</u>	
	<u>Nine months ended</u>	<u>Nine months ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	
	<u>2007</u>	<u>2006</u>	<u>Change</u>
Income from continuing operations	\$ 435.7	\$ 607.7	-28%
Merger related costs	58.2	-	
Accelerated stock based compensation and related payroll taxes	122.6	-	
Amortization related to purchase accounting	6.3	-	
Incremental net interest expense	18.4	-	
Non-recurring charges related to debt repayment loss and non cash derivative losses of the corporation merged into the company	15.9	-	
Income from continuing operations excluding Merger Impacts	<u>\$ 657.1</u>	<u>\$ 607.7</u>	8%

	<u>Combined</u>	<u>Predecessor</u>	
	<u>Three months ended</u>	<u>Three months ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	
	<u>2007</u>	<u>2006</u>	<u>Change</u>
<u>Commercial Services</u>			
Revenue	\$ 1,169.5	\$ 1,056.6	11%
Purchase accounting adjustments	(0.4)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 1,169.1</u>	<u>\$ 1,056.6</u>	11%
Operating profit	\$ 304.9	\$ 294.1	4%
Purchase accounting adjustments	6.3	-	
Accelerated stock based compensation expense	4.1	-	
Operating profit excluding purchase accounting adjustments and accelerated stock based compensation expense	<u>\$ 315.3</u>	<u>\$ 294.1</u>	7%
Profit margin	26.1%	27.8%	
Revenue	\$ 1,169.5	\$ 1,056.6	11%
Reimbursable debit network fees (DNF)	(256.8)	(204.1)	
Revenue excluding DNF	<u>\$ 912.7</u>	<u>\$ 852.5</u>	7%
Revenue	\$ 1,169.5	\$ 1,056.6	11%
Purchase accounting adjustments	(0.4)	-	
DNF	(256.8)	(204.1)	
Revenue excluding purchase accounting adjustments and DNF	<u>\$ 912.3</u>	<u>\$ 852.5</u>	7%
Operating profit	\$ 304.9	\$ 294.1	4%
Purchase accounting adjustments	6.3	-	
Accelerated stock based compensation expense	4.1	-	
Operating profit excluding purchase accounting adjustments and accelerated stock based compensation expense	<u>\$ 315.3</u>	<u>\$ 294.1</u>	7%
Profit margin excluding purchase accounting adjustments, accelerated stock based compensation expense and DNF	34.6%	34.5%	

FIRST DATA CORPORATION
RECONCILIATION OF NON-GAAP MEASURES
(Unaudited)
(\$ in millions)

	<u>Combined</u>	<u>Predecessor</u>	
	<u>Three months ended</u>	<u>Three months ended</u>	
	<u>September 30,</u>	<u>September 30,</u>	
	<u>2007</u>	<u>2006</u>	<u>Change</u>
<u>Financial Institution Services</u>			
Revenue	\$ 502.1	\$ 455.2	10%
Purchase accounting adjustments	(0.3)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 501.8</u>	<u>\$ 455.2</u>	10%
Operating profit	\$ 87.5	\$ 96.3	-9%
Purchase accounting adjustments	3.5	-	
Accelerated stock based compensation expense	2.5	-	
Operating profit excluding purchase accounting adjustments and accelerated stock based compensation expense	<u>\$ 93.5</u>	<u>\$ 96.3</u>	-3%
Profit margin	17.4%	21.2%	
Revenue	\$ 502.1	\$ 455.2	10%
Reimbursable postage and other	(173.9)	(148.1)	
Revenue excluding reimbursable postage and other	<u>\$ 328.2</u>	<u>\$ 307.1</u>	7%
Revenue	\$ 502.1	\$ 455.2	10%
Purchase accounting adjustments	(0.3)	-	
Reimbursable postage and other	(173.9)	(148.1)	
Revenue excluding purchase accounting adjustments and reimbursable postage and other	<u>\$ 327.9</u>	<u>\$ 307.1</u>	7%
Operating profit	\$ 87.5	\$ 96.3	-9%
Purchase accounting adjustments	3.5	-	
Accelerated stock based compensation expense	2.5	-	
Operating profit excluding purchase accounting adjustments and accelerated stock based compensation expense	<u>\$ 93.5</u>	<u>\$ 96.3</u>	-3%
Profit margin excluding purchase accounting adjustments, accelerated stock based compensation expense and reimbursable postage and other	28.5%	31.4%	
<u>First Data International</u>			
Revenue	\$ 425.2	\$ 331.9	28%
Purchase accounting adjustments	(0.2)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 425.0</u>	<u>\$ 331.9</u>	28%
Operating profit	\$ 38.5	\$ 32.1	20%
Purchase accounting adjustments	(0.1)	-	
Accelerated stock based compensation expense	1.8	-	
Operating profit excluding purchase accounting adjustments and accelerated stock based compensation expense	<u>\$ 40.2</u>	<u>\$ 32.1</u>	25%
Profit margin	9.1%	9.7%	
Profit margin excluding purchase accounting adjustments and accelerated stock based compensation expense	9.5%	9.7%	
<u>Organic Revenue Constant Currency</u>			
Revenue	\$ 425.2	\$ 331.9	28%
Acquisitions less than a year old	(43.2)	-	
Divestitures	-	(1.7)	
Foreign exchange impact (13)	(25.3)	-	
Organic revenue on a constant currency basis	<u>\$ 356.7</u>	<u>\$ 330.2</u>	8%
<u>Organic Revenue Constant Currency Excluding Purchase Accounting</u>			
Revenue	\$ 425.2	\$ 331.9	28%
Purchase accounting adjustments	(0.2)	-	
Acquisitions less than a year old	(43.2)	-	
Divestitures	-	(1.7)	
Foreign exchange impact (13)	(25.3)	-	
Organic revenue on a constant currency basis excluding purchase accounting adjustment	<u>\$ 356.5</u>	<u>\$ 330.2</u>	8%

(1) Includes interest expense and interest income.

(2) Stock based compensation recognized as expense and related payroll taxes.

(3) Other items include net restructuring, impairments, litigation and regulatory settlements, investment losses, net divestiture gains and certain minority interest adjustments.

(4) Loss and net loss resulting from the early repayment of long-term debt for the three and nine months ended September 30, 2007, respectively.

(5) Represents an adjustment to reflect Integrated Payment Systems segment operating results as if the underlying investments were held in taxable securities rather than the tax-free municipal securities in which they are actually held.

(6) Represents an adjustment to exclude Integrated Payment Systems from EBITDA due to the company's announcement to wind down the official check and money order businesses of the segment, which comprise the majority of the segment's operations.

(7) Represents expense of \$13.4 million and \$1.0 million associated with platform and data center consolidation initiatives in the First Data International segment for the three months ended September 30, 2007 and 2006, respectively, considered one-time projects, and expense of \$7.5 million associated with domestic data center consolidation initiatives considered one-time projects, estimated to be completed in 2009, for the three months ended September 30, 2007.

FIRST DATA CORPORATION
RECONCILIATION OF NON-GAAP MEASURES
(Unaudited)
(\$ in millions)

(8) Represents consulting fees expensed during 2006 related to the Western Union spin-off which occurred on September 29, 2006.

(9) Reflects the EBITDA of companies acquired after January 1, 2006 through September 30, 2007 as if these companies had been acquired on January 1, 2006.

(10) Reflects costs savings projected to be achieved within twelve months (the majority of which, at this time, are associated with certain corporate overhead and operational business unit cost reduction efforts).

(11) Other items include net restructuring, impairments, litigation and regulatory settlements, investment gains and losses, net divestiture gains, certain minority interest adjustments and other.

(12) Represents expense of \$35.6 million and \$4.4 million associated with platform and data center consolidation initiatives in the First Data International segment for the nine months ended September 30, 2007 and 2006, respectively, considered one time projects, and expense of \$15.6 million associated with domestic data center consolidation initiatives considered one-time projects, estimated to be completed in 2009, for the nine months ended September 30, 2007.

(13) Foreign exchange impact represents the difference between actual 2007 revenue and 2007 revenue calculated using 2006 exchange rates.