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**First Data Reports Second Quarter 2008 Revenue Growth of 10%**

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**DENVER, August, 14, 2008 – First Data Corp.** today reported its financial results for the second quarter of 2008. Consolidated revenues were up 10% to \$2.2 billion. The adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) were up 7% to \$653 million.

Loss from continuing operations was \$161 million, but included \$260 million of incremental interest expense, net of tax, and \$131 million of incremental depreciation and amortization, net of tax, compared to the second quarter of 2007. Both the incremental interest expense and depreciation and amortization are primarily attributable to the transaction with affiliates of Kohlberg Kravis Roberts & Co. (the “Transaction”). A table describing adjusted EBITDA and reconciling income (loss) from continuing operations to adjusted EBITDA is included in the accompanying schedules.

“Our focus on investment in product development is starting to pay off with significant customer wins in multiple segments,” said Michael Capellas, Chairman and Chief Executive Officer of First Data.

“Despite difficult economic conditions, we continued to grow revenue and improve profitability.”

**Segment Results**

*Merchant Services*

For the quarter, **Merchant Services** generated revenues of \$1 billion, a growth rate of 8% or flat excluding reimbursable debit network fees. Revenue was positively impacted by the continued signing of merchant locations in the quarter as well as 11% transaction growth. This impact was offset by a transaction volume shift to large nationwide discounters as well as higher transaction growth for debit cards versus credit cards. Operating profit was \$109 million, down 58% or down 2% to \$256 million excluding purchase accounting adjustments comprised principally of increased amortization expense related to the Transaction. Operating profit margin was 36.8% excluding reimbursable debit network fees and purchase accounting adjustments, compared to 37.6% in the second quarter of 2007. The decline in the adjusted operating profit margin was primarily the result of the aforementioned transaction volume shifts. Operating profit was impacted by approximately \$11 million of certain costs related to

cost reduction initiatives, which negatively impacted the 2% decline noted above by four percentage points and negatively impacted the 36.8% operating profit margin by two percentage points during the quarter. Reported operating profit margin for the quarter was 10.6 %.

### *Financial Services*

For the quarter, **Financial Services** generated revenue of \$704 million, down 1% or down 4% excluding reimbursables and purchase accounting adjustments. Revenue reflects growth in the debit business and the addition of new business offset by anticipated price compression from contract renewals and by lost business in 2007. Operating profit was \$112 million, down 27% or up 1% to \$154 million excluding purchase accounting adjustments comprised principally of increased amortization expense related to the Transaction. Operating profit margin for the quarter was 29.5% excluding reimbursables and purchase accounting adjustments, compared to 28.0% in the second quarter of 2007 but included an incremental \$7 million in contract termination fees. Operating profit was impacted by approximately \$10 million of certain costs related to cost reduction initiatives, which negatively impacted the 1% growth noted above by six percentage points and negatively impacted the 29.5% operating profit margin by two percentage points during the quarter. Reported operating margin was 15.9% for the quarter.

### *International*

For the quarter, **International** generated revenue of \$473 million, up 20%. Revenue benefited from acquisitions in prior periods and 23% transaction growth. Operating profit was \$32 million, down 9% or up 2% to \$36 million excluding purchase accounting adjustments related to the Transaction. Operating margin was 7.5% excluding purchase accounting adjustments related to the Transaction compared to 8.8% in the second quarter of 2007. Operating profit included an additional loss reserve of approximately \$2 million for the failed airline in one of International's merchant acquiring alliances and approximately \$4.5 million in incremental investments in data center consolidation, platform initiatives and other expenses related to cost reduction initiatives, which negatively impacted the 2% growth above by 20 percentage points and the 7.5% operating margin by one percentage point during the quarter. Reported operating margin was 6.7%.

## **Significant Events**

**Merchant Services** signed more than 175,000 domestic merchant locations in the quarter up 7%. Domestic merchant transactions grew 11%.

**Financial Services** signed an agreement with Nordstrom fsb. The seven year agreement calls for First Data to provide card processing, call center and back office automation tools, fraud and risk management, customer analytics as well as e-statements and email alerts for Nordstrom's entire card portfolio including Nordstrom Visa, private label credit and debit cards and commercial cards for Nordstrom employees. The portfolio totals about 4.5 million card accounts on file.

**International** signed an agreement to acquire a significant ownership interest in EUFISERV. Connecting First Data's and EUFISERV's assets creates a European payments network capable of accessing more than 74,000 ATMs, 1.5 million POS merchants and more than 165 million debit and credit card accounts.

**Chase Paymentech**, First Data's merchant alliance, is 51% owned by J.P. Morgan Chase Bank, N.A. and 49% owned by First Data. The alliance is in the process of being wound down. We have made significant progress in allocating the merchant contracts and sales forces in a manner consistent with our respective ownership percentages. We have also agreed to jointly provide processing and related services to each other's clients for a transitional period. We remain on track to complete the wind down by the end of the year.

## **Presentation of Financial Information**

The financial information presented in the company's Quarterly Report on Form 10-Q filed with the SEC and in the attached financial schedules for the quarter ended June 30, 2008 is presented for two periods: Predecessor and Successor, which primarily relate to the periods preceding the Transaction and the period succeeding the Transaction, respectively.

## **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 the

comparable generally accepted accounting principles (GAAP) are available in the accompanying schedules and in the “Investor Relations” section of the company’s web site at [www.firstdata.com](http://www.firstdata.com).

### **Investor and Analyst Conference Call**

First Data will hold an investor and analyst conference call today, Thursday, August 14, at 8:00 a.m. MDT to review second quarter 2008 results. Michael Capellas will lead the call. Also participating will be Phil Wall, Chief Financial Officer, Ed Labry, President of First Data U.S.A., Kim Patmore and Silvio Tavares, Senior Vice President, Investor Relations.

To listen to the call, dial +1-877-675-4751 (U.S.) or +1-719-325-4928 (outside the U.S.) ten minutes prior to the start of the call. The call will also be webcast on the First Data website, [www.firstdata.com](http://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 August 21, 2008 at +1-888-203-1112 (U.S.) or +1-719-457-0820 (outside the U.S.) and via webcast on [www.firstdata.com](http://www.firstdata.com). The replay passcode is “4234243.”

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 is a global technology leader in information commerce. The company processes transaction data of all kinds, harnesses the power of that data and delivers innovations in secure infrastructure, intelligence and insight for its customers. With operations in 37 countries, First Data serves more than 5.4 million merchant locations and more than 2,000 card issuers and their customers. It powers 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; 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. Through First Data’s centers of excellence, such as security, analytics, customer loyalty and mobile

payments, it offers data-driven commerce solutions for customers around the globe. For more information, visit [www.firstdata.com](http://www.firstdata.com).

**FIRST DATA CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(in millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>Three months ended</u>	<u>Three months ended</u>	
	<u>June 30,</u>	<u>June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues:			
Transaction and processing service fees (a):			
Merchant related services	\$ 700.9	\$ 646.7	8%
Check services	96.9	107.6	-10%
Card services	505.3	482.0	5%
Other services	140.6	141.5	-1%
Investment income, net	35.8	(7.5)	NM
Product sales and other	214.0	199.5	7%
Reimbursable debit network fees, postage and other	510.8	430.9	19%
	<u>2,204.3</u>	<u>2,000.7</u>	10%
Expenses:			
Cost of services (exclusive of items shown below)	749.3	720.3	4%
Cost of products sold	83.4	72.9	14%
Selling, general and administrative	315.3	330.9	-5%
Reimbursable debit network fees, postage and other	510.8	430.9	19%
Depreciation and amortization	338.8	162.2	109%
Other operating expenses:			
Restructuring, net	(0.1)	5.9	NM
Litigation and regulatory settlements	-	5.0	NM
Other	-	(7.7)	NM
	<u>1,997.5</u>	<u>1,720.4</u>	16%
Operating profit	<u>206.8</u>	<u>280.3</u>	-26%
Interest income	6.6	12.9	-49%
Interest expense	(451.1)	(35.9)	NM
Other income (expense) (b)	6.4	2.4	NM
	<u>(438.1)</u>	<u>(20.6)</u>	NM
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	(231.3)	259.7	NM
Income tax (benefit) expense	(69.4)	70.2	NM
Minority interest	(40.3)	(40.0)	1%
Equity earnings in affiliates (a)	41.6	79.4	-48%
Net (loss) income	<u>\$ (160.6)</u>	<u>\$ 228.9</u>	NM

(See accompanying notes)

**FIRST DATA CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(in millions)

	<u>Successor</u>	<u>Predecessor</u>	
	<u>Six months ended</u>	<u>Six months ended</u>	
	<u>June 30,</u>	<u>June 30,</u>	
	<u>2008</u>	<u>2007</u>	<u>Change</u>
Revenues:			
Transaction and processing service fees (a):			
Merchant related services	\$ 1,335.8	\$ 1,215.5	10%
Check services	197.5	203.7	-3%
Card services	1,011.8	943.1	7%
Other services	278.3	283.2	-2%
Investment income, net	91.8	(37.8)	NM
Product sales and other	426.0	387.5	10%
Reimbursable debit network fees, postage and other	989.6	841.8	18%
	<u>4,330.8</u>	<u>3,837.0</u>	13%
Expenses:			
Cost of services (exclusive of items shown below)	1,506.1	1,411.7	7%
Cost of products sold	154.3	139.6	11%
Selling, general and administrative	619.6	625.7	-1%
Reimbursable debit network fees, postage and other	989.6	841.8	18%
Depreciation and amortization	657.9	321.0	105%
Other operating expenses:			
Restructuring, net	(0.1)	7.9	NM
Impairments	-	16.3	NM
Litigation and regulatory settlements	-	5.0	NM
Other	-	(7.7)	NM
	<u>3,927.4</u>	<u>3,361.3</u>	17%
Operating profit	<u>403.4</u>	<u>475.7</u>	-15%
Interest income	15.6	20.9	-25%
Interest expense	(968.8)	(70.4)	NM
Other income (expense) (b)	(36.8)	3.4	NM
	<u>(990.0)</u>	<u>(46.1)</u>	NM
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	(586.6)	429.6	NM
Income tax (benefit) expense	(199.9)	107.6	NM
Minority interest	(69.3)	(69.1)	0%
Equity earnings in affiliates (a)	73.7	147.7	-50%
(Loss) income from continuing operations	<u>(382.3)</u>	<u>400.6</u>	NM
Income from discontinued operations, net of taxes of \$0 and \$(4.1), respectively	-	3.5	NM
Net (loss) income	<u>\$ (382.3)</u>	<u>\$ 404.1</u>	NM

(See accompanying notes)

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

	<b>Successor</b>	<b>Predecessor</b>	
	<b>Three months ended</b>	<b>Three months ended</b>	
	<b>June 30,</b>	<b>June 30,</b>	
	<b>2008</b>	<b>2007</b>	<b>Change</b>
<b>Revenues:</b>			
Merchant Services	\$ 1,027.7	\$ 953.2	8%
Financial Services	703.5	714.0	-1%
International	473.1	395.0	20%
Prepaid Services	51.2	47.1	9%
Integrated Payment Systems	26.7	39.8	-33%
Subtotal segment revenues	2,282.2	2,149.1	6%
All Other and Corporate	36.1	28.5	27%
	<u>2,318.3</u>	<u>2,177.6</u>	6%
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(94.5)	(88.1)	7%
Eliminations (e)	(19.5)	(88.8)	NM
Consolidated revenue	<u>\$ 2,204.3</u>	<u>\$ 2,000.7</u>	10%
<b>Operating profit: (f)</b>			
Merchant Services	\$ 109.0	\$ 261.1	-58%
Financial Services	111.7	153.0	-27%
International	31.6	34.8	-9%
Prepaid Services	6.0	6.7	-10%
Integrated Payment Systems	16.3	25.3	-36%
Subtotal segment operating profit	274.6	480.9	-43%
All Other and Corporate	(66.6)	(97.0)	-31%
	<u>208.0</u>	<u>383.9</u>	-46%
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(41.6)	(79.4)	-48%
Minority interest from segment operations (g)	40.3	40.2	0%
Eliminations (e)	-	(61.2)	NM
Interest expense	(451.1)	(35.9)	NM
Interest income	6.6	12.9	-49%
Items excluded from segment operations (h)	6.5	(0.8)	NM
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	<u>\$ (231.3)</u>	<u>\$ 259.7</u>	NM
<b>Depreciation and Amortization: (a)</b>			
Merchant Services	\$ 203.3	\$ 54.3	274%
Financial Services	103.2	64.6	60%
International	67.7	52.9	28%
Prepaid Services	7.5	2.4	213%
Integrated Payment Systems	-	0.6	-100%
All Other and Corporate	11.8	9.4	26%
Total consolidated depreciation and amortization from continuing operations	<u>\$ 393.5</u>	<u>\$ 184.2</u>	114%

(See accompanying notes)

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

	<u>Successor</u> Six months ended June 30, 2008	<u>Predecessor</u> Six months ended June 30, 2007	<u>Change</u>
<u>Revenues:</u>			
Merchant Services	\$ 1,953.5	\$ 1,798.2	9%
Financial Services	1,409.0	1,409.4	0%
International	917.7	755.7	21%
Prepaid Services	97.2	93.2	4%
Integrated Payment Systems	71.7	58.6	22%
Subtotal segment revenues	4,449.1	4,115.1	8%
All Other and Corporate	95.7	64.0	50%
	<u>4,544.8</u>	<u>4,179.1</u>	9%
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(174.8)	(165.1)	6%
Eliminations (e)	(39.2)	(177.0)	NM
Consolidated revenue	<u>\$ 4,330.8</u>	<u>\$ 3,837.0</u>	13%
<u>Operating profit: (f)</u>			
Merchant Services	\$ 181.9	\$ 456.2	-60%
Financial Services	214.2	297.9	-28%
International	52.9	69.0	-23%
Prepaid Services	8.7	15.8	-45%
Integrated Payment Systems	50.3	28.3	78%
Subtotal segment operating profit	508.0	867.2	-41%
All Other and Corporate	(100.3)	(169.6)	-41%
	<u>407.7</u>	<u>697.6</u>	-42%
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(73.7)	(147.7)	-50%
Minority interest from segment operations (g)	69.3	69.2	0%
Eliminations (e)	-	(121.9)	NM
Interest expense	(968.8)	(70.4)	NM
Interest income	15.6	20.9	-25%
Items excluded from segment operations (h)	(36.7)	(18.1)	NM
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	<u>\$ (586.6)</u>	<u>\$ 429.6</u>	NM
<u>Depreciation and Amortization: (a)</u>			
Merchant Services	\$ 397.8	\$ 109.5	263%
Financial Services	202.3	128.8	57%
International	129.3	102.9	26%
Prepaid Services	15.4	4.3	258%
Integrated Payment Systems	0.1	2.1	-95%
All Other and Corporate	17.0	17.4	-2%
Total consolidated depreciation and amortization from continuing operations	<u>\$ 761.9</u>	<u>\$ 365.0</u>	109%

(See accompanying notes)

**FIRST DATA CORPORATION**  
**NOTES TO FINANCIAL SCHEDULES**  
**(Unaudited)**

A new Chief Executive Officer, the Company's chief operating decision maker, was appointed as a result of the September 24, 2007 merger with an entity controlled by affiliates of Kohlberg Kravis Roberts & Co. In connection with this change in leadership, changes were made to the Company's senior management and organization of the business. Effective January 1, 2008, the Company's new Chief Executive Officer began making strategic and operating decisions with regards to assessing performance and allocating resources based on a new segment structure. Segment results for 2007 have been adjusted to reflect the new structure. In connection with this segment realignment the Company also reclassified certain revenue components, primarily the prepaid business from "Merchant related services" to "Other services" and the debit network business from "Merchant related services" to "Card services". Additionally, consolidated expenses for 2007 have been adjusted to present certain depreciation and amortization amounts as a separate component of expenses.

- (a) Includes amortization of customer contracts which is recorded as a contra-revenue within "Transaction and processing service fees" of \$1.9 million and \$3.4 million for the three and six months ended June 30, 2008, respectively, and \$13.7 million and \$27.6 million for the three and six months ended June 30, 2007, respectively, and amortization related to equity method investments described in note (d) below which is netted within the "Equity earnings in affiliates" line of \$52.8 million and \$100.6 million for the three and six months ended June 30, 2008, respectively, and \$8.3 million and \$16.4 million for the three and six months ended June 30, 2007, respectively.
- (b) Other income (expense) includes investment gains and (losses), derivative financial instruments gains and (losses), divestitures, net, debt repayment gains and (losses) and non-operating foreign currency gains and (losses).
- (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 Operations.
- (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 in 2007 (no adjustment is necessary in 2008 as the portfolio was repositioned to taxable investments) and elimination of intersegment revenue.
- (f) Segment and All Other and Corporate operating profit includes minority interest from segment operations and equity earnings in affiliates. Segment and All Other and Corporate operating profit excludes other operating expenses, interest expense, interest income and other income (expense).
- (g) Minority interest from segment operations excludes minority interest attributable to items excluded from segment operations discussed in note (h) below.
- (h) Includes restructuring charges, asset impairments, significant litigation and regulatory settlements, other charges and other income (expense).

**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 and domestic segments also exclude purchase accounting adjustments, comprised principally of increased amortization expense, related to the Transaction.

For the purpose of analyzing the company's liquidity an "Adjusted EBITDA" metric is used. "Adjusted EBITDA" is different than "Consolidated EBITDA" (or "Debt Covenant 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 differences primarily relate to adjustments for cost savings projected to be achieved within twelve months on an annualized basis, minority interest, losses on equity method investments, certain non-capitalized acquisition expenses, and depreciation, amortization and income taxes within the company's equity method investments. Management believes that these non-GAAP measures provide insight into the company's financial results and trends.

The financial information presented for the quarter ended June 30, 2008 is presented for two periods: Predecessor and Successor, which primarily relate to the periods preceding the Transaction and periods succeeding the Transaction, respectively.

	<b>Successor</b>	<b>Predecessor</b>	
	<b>Three months ended</b>	<b>Three months ended</b>	
	<b>June 30, 2008</b>	<b>June 30, 2007</b>	<b>Change</b>
(Loss) income from continuing operations	\$ (160.6)	\$ 228.9	NM
Interest expense, net (1)	444.5	23.0	
Income tax (benefit) expense	(69.4)	70.2	
Depreciation and amortization	393.5	184.2	
EBITDA	<u>608.0</u>	<u>506.3</u>	
Stock based compensation (2)	6.2	24.2	
Other items (3)	(6.5)	0.8	
Pretax equivalency adjustment (4)	-	60.7	
Official check and money order EBITDA (5)	(16.3)	(25.9)	
Cost of data center, technology and other savings initiatives (6)	50.3	22.3	
Transaction related fees	2.3	10.9	
Purchase accounting (7)	4.3	-	
Sponsor's annual management fee	5.0	-	
Pre-acquisition EBITDA of acquired businesses (8)	-	12.0	
Adjusted EBITDA	<u>\$ 653.3</u>	<u>\$ 611.3</u>	7%

	<b>Successor</b>	<b>Predecessor</b>	
	<b>Three months ended</b>	<b>Three months ended</b>	
	<b>June 30, 2008</b>	<b>June 30, 2007</b>	<b>Change</b>
<b><u>Merchant Services</u></b>			
Revenue	\$ 1,027.7	\$ 953.2	8%
Purchase accounting adjustments	(0.2)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 1,027.5</u>	<u>\$ 953.2</u>	8%
Operating profit	\$ 109.0	\$ 261.1	-58%
Purchase accounting adjustments	147.2	-	
Operating profit excluding purchase accounting adjustments	<u>\$ 256.2</u>	<u>\$ 261.1</u>	-2%
Profit margin	10.6%	27.4%	
Revenue	\$ 1,027.7	\$ 953.2	8%
Reimbursable debit network fees (DNF)	(331.2)	(259.0)	
Revenue excluding DNF	<u>\$ 696.5</u>	<u>\$ 694.2</u>	0%
Revenue	\$ 1,027.7	\$ 953.2	8%
Purchase accounting adjustments	(0.2)	-	
DNF	(331.2)	(259.0)	
Revenue excluding purchase accounting adjustments and DNF	<u>\$ 696.3</u>	<u>\$ 694.2</u>	0%
Operating profit	\$ 109.0	\$ 261.1	-58%
Purchase accounting adjustments	147.2	-	
Operating profit excluding purchase accounting adjustments	<u>\$ 256.2</u>	<u>\$ 261.1</u>	-2%
Profit margin excluding purchase accounting adjustments and DNF	36.8%	37.6%	

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

	<u>Successor</u>	<u>Predecessor</u>	<u>Change</u>
	<u>Three months ended June 30, 2008</u>	<u>Three months ended June 30, 2007</u>	
<b><u>Financial Services</u></b>			
Revenue	\$ 703.5	\$ 714.0	-1%
Purchase accounting adjustments	(6.2)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 697.3</u>	<u>\$ 714.0</u>	-2%
Operating profit	\$ 111.7	\$ 153.0	-27%
Purchase accounting adjustments	42.1	-	
Operating profit excluding purchase accounting adjustments	<u>\$ 153.8</u>	<u>\$ 153.0</u>	1%
Profit margin	15.9%	21.4%	
Profit margin excluding purchase accounting adjustments	22.1%	21.4%	
Revenue	\$ 703.5	\$ 714.0	-1%
Purchase accounting adjustments	(6.2)	-	
Reimbursable postage and other	(175.4)	(167.8)	
Revenue excluding purchase accounting adjustments and reimbursable postage and other	<u>\$ 521.9</u>	<u>\$ 546.2</u>	-4%
Operating profit	\$ 111.7	\$ 153.0	-27%
Purchase accounting adjustments	42.1	-	
Operating profit excluding purchase accounting adjustments	<u>\$ 153.8</u>	<u>\$ 153.0</u>	1%
Profit margin excluding purchase accounting adjustments and reimbursable postage and other	29.5%	28.0%	

	<u>Successor</u>	<u>Predecessor</u>	<u>Change</u>
	<u>Three months ended June 30, 2008</u>	<u>Three months ended June 30, 2007</u>	
<b><u>International</u></b>			
Revenue	\$ 473.1	\$ 395.0	20%
Purchase accounting adjustments	(1.2)	-	
Revenue excluding purchase accounting adjustments	<u>\$ 471.9</u>	<u>\$ 395.0</u>	19%
Operating profit	\$ 31.6	\$ 34.8	-9%
Purchase accounting adjustments	4.0	-	
Operating profit excluding purchase accounting adjustments	<u>\$ 35.6</u>	<u>\$ 34.8</u>	2%
Profit margin	6.7%	8.8%	
Profit margin excluding purchase accounting adjustments	7.5%	8.8%	

- (1) Includes interest expense and interest income.
- (2) Stock based compensation recognized as expense and related payroll taxes.
- (3) Includes restructuring charges, net, investment gains and losses, derivative financial instruments gains and losses, divestitures, net, litigation and regulatory settlements, non-operating foreign currency gains and losses and other.
- (4) 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-exempt variable rate demand notes in which they were actually held through 2007. The adjustment was no longer necessary after December 31, 2007 since the company invested in taxable securities in 2008.
- (5) Represents an adjustment to exclude the official check and money order business from EBITDA due to the company's wind down of these businesses.
- (6) Represents implementation costs associated with initiatives to reduce operating expenses including items such as platform and data center consolidation initiatives in the International segment, expense related to the reorganization of global application development resources, expense associated with domestic data center consolidation initiatives and planned workforce reduction expenses, all of which are considered one-time projects (excludes costs accrued in purchase accounting).
- (7) Represents the effect of purchase accounting on EBITDA which is primarily the result of revenue recognition adjustments.
- (8) Reflects the EBITDA of companies acquired after March 31, 2007 through June 30, 2008 as if these companies had been acquired on April 1, 2007.

NM= Not Meaningful