



First Data Reports Fourth Quarter Revenue Growth of 8% Reports Full-Year Revenue Growth of 9%

DENVER, March 25, 2009 – First Data Corp. today reported its financial results for the fourth quarter and full year ended Dec. 31, 2008. Consolidated revenues for the quarter were up 8% to \$2.3 billion. For the quarter, the adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) were up 1% to \$667 million. For the quarter, the net loss was \$3.2 billion which included a non-cash goodwill impairment charge of \$3.2 billion.

For the full year, consolidated revenues were up 9% to \$8.8 billion. Adjusted EBITDA was up 5% to \$2.6 billion. The net loss was \$3.8 billion, which included the non-cash goodwill impairment. Tables describing and reconciling adjusted EBITDA are included in the accompanying schedules.

“Our results continue to demonstrate First Data’s leadership in the payments industry,” said Michael Capellas, chairman and CEO of First Data. “We remain focused on improving customer satisfaction and generating new products during these difficult economic times.”

Segment Results

Merchant Services

For the quarter, **Merchant Services** reported revenue of \$1.1 billion, up 18%. Excluding both debit network fees and Chase Paymentech, segment revenue growth was 1%. Operating profit was \$104 million, up 14%. Operating profit margin, excluding reimbursable debit network fees was 14.3%. Reported operating profit margin for the quarter was 9%.

Full-year Merchant Services revenue was \$4.1 billion, up 10%, or up 1% excluding reimbursable debit network fees and purchase accounting adjustments. Revenue growth was primarily driven by transaction growth of 6%. Operating profit was \$392 million, down 52% or down 6% excluding purchase accounting adjustments. Full-year operating profit margin, excluding reimbursable debit network fees and purchase accounting adjustments was 34.4%. Reported operating profit margin was 9.5%.

Financial Services

For the quarter, **Financial Services** revenue was \$695 million, down 4%. Revenue excluding reimbursables was also down 4%. The revenue decline was primarily due to lower check volumes and price compression. Operating profit was \$110 million, up 12%. Operating profit margin for the quarter was 21.2% excluding reimbursables. Reported operating profit margin was 15.8% for the quarter.

Full-year Financial Services revenue was \$2.8 billion, down 2%, or down 5% excluding reimbursables and purchase accounting adjustments. The revenue decline was primarily due to price compression and lower check volumes. Operating profit was \$439 million, down 19% or down 1% excluding purchase accounting adjustments. Full-year operating profit margin was 28.9% excluding reimbursables and purchase accounting adjustments. Reported operating profit margin was 15.7%.

International

For the quarter, **International** generated revenue of \$434 million, down 6%. The reported revenue decline was adversely impacted by foreign currency exchange. Revenue growth on a constant currency basis, excluding acquisitions and divestitures, was 4%. Operating profit was \$33 million, down 25%. Operating profit margin was 7.6%.

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Full-year International revenue was \$1.8 billion, up 13%. Reported revenue benefitted from strong transaction growth and acquisitions from prior periods. Revenue growth on a constant currency basis, excluding acquisitions, divestitures and purchase accounting adjustments, was 3%. Operating profit was \$131 million, down 7% or up 3% excluding purchase accounting adjustments. Full-year operating profit margin was 8.3% excluding purchase accounting adjustments. Full-year operating profit included approximately \$30 million of incremental investments in data center consolidation, platform initiatives and strategic business development which negatively impacted the 8.3% operating profit margin by two percentage points. Reported operating profit margin was 7.2%.

Other Matters

Chase Paymentech

On Nov. 3, 2008, First Data announced the successful termination of its joint venture, Chase Paymentech Solutions™, with JPMorgan Chase. First Data has assumed its 49% share of the joint venture which includes management of the full-service ISO and Agent Bank unit. Beginning Nov. 1, 2008, the portion of the alliance's business received by First Data is reflected on a consolidated basis throughout the financial statements.

Wells Fargo Merchant Services

On Dec. 31, 2008, First Data and Wells Fargo & Company extended their merchant alliance joint venture, Wells Fargo Merchant Services, LLC ("WFMS"), for five years. In connection with the transaction Wells Fargo increased its ownership in WFMS by paying First Data a cash consideration. This resulted in First Data and Wells Fargo owning 40% and 60% of WFMS, respectively, as of Dec. 31, 2008. First Data deconsolidated the WFMS balance sheet as of Dec. 31, 2008, and is reflecting its remaining ownership interest as an equity method investment.

Segment Realignment

Effective Jan. 1, 2009, First Data adopted a revised segment reporting structure. The company's segments will include Retail and Alliance Services, Financial Services, International and Integrated Payment Systems. For applicable prior year and quarterly periods, the company will provide financials realigned to these segments in connection with our first quarter 2009 Securities and Exchange Commission Form 10-Q filing.

Goodwill

The reported financial results include a non-cash goodwill impairment charge of \$3.2 billion which is primarily not tax-deductible. The goodwill asset impairment resulted from an assessment of the carrying value of these assets triggered by the decline in economic conditions which drove a change in First Data's management projections and an increase in discount rates reflected in First Data's fair value estimates.

Presentation of Financial Information

The financial information presented in the company's Annual Report on Form 10-K filed with the Securities and Exchange Commission and in the attached financial schedules for the quarter and year ended Dec. 31, 2008, is presented for two periods: Predecessor and Successor, which primarily relate to the periods preceding the transaction with affiliates of Kohlberg Kravis Roberts & Co. (the "Transaction") and the period succeeding the Transaction, respectively. Note that the successor period includes the results of operations of the acquisition corporation merged into First Data for the period prior to the merger from March 29, 2007, (its formation) through Sept. 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 Sept. 25, 2007, to Dec. 31, 2007, including all impacts of purchase accounting. This release discusses the full year on a combined basis, including the successor period from Sept. 25, 2007, through Dec. 31, 2007, and the predecessor period from Jan. 1, 2007, through Sept. 24, 2007. The company believes that the discussion on a combined basis is more meaningful as it allows the results of operations for the year ended Dec. 31, 2008, to be analyzed relative to a more comparable period in 2007.

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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

The company will host a conference call and webcast on Wednesday, March 25, 2009, at 8 a.m. (MDT) to review fourth quarter and full-year 2008 financial results. Michael Capellas, chairman and CEO of First Data, will lead the call. Also participating will be Phil Wall, chief financial officer, and Silvio Tavares, senior vice president, investor relations.

To listen to the call, dial +1-877-874-1565 (U.S.) or +1-719-325-4841 (outside the U.S.) 10 minutes prior to the start of the call. The webcast will take place on the First Data Web site. 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 Web site, <http://ir.firstdatacorp.com/events.cfm>.

A replay of the call will be available through April 2, 2009, at +1-888-203-1112 (U.S.) or +1-719-457-0820 (outside the U.S.), replay pass code 2438027 and via webcast on www.firstdata.com.

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 powers the global economy by making it easy, fast and secure for people and businesses to buy goods and services using virtually any form of electronic payment. Whether the choice of payment is a gift card, a credit or debit card or a check, First Data securely processes the transaction and harnesses the power of the data to deliver intelligence and insight for millions of merchant locations and thousands of card issuers in 36 countries. For more information, visit www.firstdata.com.

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

	Successor		Change
	Three months ended December 31, 2008	Three months ended December 31, 2007	
Revenues:			
Transaction and processing service fees (a):			
Merchant related services	\$ 749.8	\$ 648.4	16%
Check services	94.3	106.9	-12%
Card services	495.2	535.5	-8%
Other services	160.7	166.7	-4%
Investment income, net	9.8	(7.4)	NM
Product sales and other	206.6	211.0	-2%
Reimbursable debit network fees, postage and other	600.1	482.1	24%
	<u>2,316.5</u>	<u>2,143.2</u>	8%
Expenses:			
Cost of services (exclusive of items shown below)	780.7	741.9	5%
Cost of products sold	85.4	82.4	4%
Selling, general and administrative	271.5	343.0	-21%
Reimbursable debit network fees, postage and other	600.1	482.1	24%
Depreciation and amortization	372.9	347.0	7%
Other operating expenses:			
Restructuring, net	(3.9)	(0.2)	NM
Impairments	3,214.0	-	NM
	<u>5,320.7</u>	<u>1,996.2</u>	167%
Operating (loss) profit	<u>(3,004.2)</u>	<u>147.0</u>	NM
Interest income	4.5	14.3	-69%
Interest expense	(498.4)	(550.1)	-9%
Other income (expense) (b)	(48.1)	(46.3)	NM
	<u>(542.0)</u>	<u>(582.1)</u>	-7%
Loss before income taxes, minority interest and equity earnings in affiliates	(3,546.2)	(435.1)	NM
Income tax benefit	(353.8)	(154.9)	128%
Minority interest	(39.5)	(36.5)	8%
Equity earnings in affiliates (a)	14.3	43.5	-67%
Net loss	<u>\$ (3,217.6)</u>	<u>\$ (273.2)</u>	NM

(See accompanying notes)

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

	Successor		Predecessor
	Twelve months ended December 31, 2008	Period from September 25 through December 31, 2007	Period from January 1 through September 24, 2007
Revenues:			
Transaction and processing service fees (a):			
Merchant related services	\$ 2,786.9	\$ 691.0	\$ 1,833.6
Check services	386.1	113.6	304.1
Card services	2,031.6	570.7	1,411.9
Other services	580.7	178.0	416.3
Investment income, net	77.1	(8.2)	(66.9)
Product sales and other	848.2	223.0	616.4
Reimbursable debit network fees, postage and other	2,100.7	510.4	1,257.5
	<u>8,811.3</u>	<u>2,278.5</u>	<u>5,772.9</u>
Expenses:			
Cost of services (exclusive of items shown below)	3,048.0	790.3	2,207.3
Cost of products sold	316.8	87.3	209.2
Selling, general and administrative	1,197.4	367.9	1,058.8
Reimbursable debit network fees, postage and other	2,100.7	510.4	1,257.5
Depreciation and amortization	1,369.7	367.8	476.4
Other operating expenses:			
Restructuring, net	12.0	(0.2)	7.9
Impairments	3,243.6	-	20.6
Litigation and regulatory settlements	-	-	2.5
Other	-	-	(7.7)
	<u>11,288.2</u>	<u>2,123.5</u>	<u>5,232.5</u>
Operating (loss) profit	<u>(2,476.9)</u>	<u>155.0</u>	<u>540.4</u>
Interest income	26.0	17.9	30.8
Interest expense	(1,964.9)	(584.7)	(103.6)
Other income (expense) (b)	(14.4)	(74.0)	4.9
	<u>(1,953.3)</u>	<u>(640.8)</u>	<u>(67.9)</u>
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	(4,430.2)	(485.8)	472.5
Income tax (benefit) expense	(699.2)	(176.1)	125.8
Minority interest	(156.3)	(39.0)	(105.3)
Equity earnings in affiliates (a)	123.0	46.8	223.0
(Loss) income from continuing operations	<u>(3,764.3)</u>	<u>(301.9)</u>	<u>464.4</u>
Loss from discontinued operations, net of taxes of \$0, \$0 and \$3.0, respectively	-	-	(3.6)
Net (loss) income	<u>\$ (3,764.3)</u>	<u>\$ (301.9)</u>	<u>\$ 460.8</u>

(See accompanying notes)

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

	Successor		Change
	Three months ended	Three months ended	
	December 31, 2008	December 31, 2007	
<u>Revenues:</u>			
Merchant Services	\$ 1,148.8	\$ 976.0	18%
Financial Services (f)	695.2	726.9	-4%
International (f)	434.0	461.8	-6%
Prepaid Services	75.1	71.6	5%
Integrated Payment Systems	4.3	32.3	-87%
Subtotal segment revenues	2,357.4	2,268.6	4%
All Other and Corporate	27.0	42.6	-37%
	2,384.4	2,311.2	3%
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(39.7)	(100.4)	-60%
Eliminations (e)	(29.0)	(79.8)	NM
Divested business (f)	0.8	12.2	NM
Consolidated revenue	\$ 2,316.5	\$ 2,143.2	8%
<u>Operating profit: (g)</u>			
Merchant Services	\$ 103.6	\$ 90.8	14%
Financial Services (f)	109.5	97.8	12%
International (f)	33.1	44.2	-25%
Prepaid Services	10.3	13.0	-21%
Integrated Payment Systems	(2.5)	20.1	NM
Subtotal segment operating profit	254.0	265.9	-4%
All Other and Corporate	(73.2)	(61.2)	20%
	180.8	204.7	-12%
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(14.3)	(43.5)	-67%
Minority interest from segment operations (h)	39.5	36.5	8%
Eliminations (e)	-	(51.8)	NM
Divested business (f)	(0.1)	0.9	NM
Interest expense	(498.4)	(550.1)	-9%
Interest income	4.5	14.3	-69%
Items excluded from segment operations (i)	(3,258.2)	(46.1)	NM
Loss before income taxes, minority interest and equity earnings in affiliates	\$ (3,546.2)	\$ (435.1)	NM
<u>Depreciation and Amortization: (a)</u>			
Merchant Services	\$ 201.8	\$ 215.9	-7%
Financial Services (f)	103.6	106.8	-3%
International (f)	70.1	62.7	12%
Prepaid Services	8.0	5.8	38%
Integrated Payment Systems	-	0.3	-100%
All Other and Corporate	18.5	11.6	59%
Divested business (f)	-	1.3	NM
Total consolidated depreciation and amortization from continuing operations	\$ 402.0	\$ 404.4	-1%

(See accompanying notes)

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

	Successor		Predecessor
	Twelve months ended December 31, 2008	Period from September 25 through December 31, 2007	Period from January 1 through September 24, 2007
<u>Revenues:</u>			
Merchant Services	\$ 4,127.8	\$ 1,037.3	\$ 2,705.2
Financial Services (f)	2,788.2	773.5	2,081.7
International (f)	1,827.4	490.6	1,126.2
Prepaid Services	228.6	76.8	138.0
Integrated Payment Systems	43.1	34.3	71.5
Subtotal segment revenues	9,015.1	2,412.5	6,122.6
All Other and Corporate	167.7	44.4	122.5
	<u>9,182.8</u>	<u>2,456.9</u>	<u>6,245.1</u>
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(302.8)	(105.7)	(248.6)
Eliminations (e)	(97.5)	(85.5)	(258.6)
Divested business (f)	28.8	12.8	35.0
Consolidated revenue	<u>\$ 8,811.3</u>	<u>\$ 2,278.5</u>	<u>\$ 5,772.9</u>
<u>Operating profit: (g)</u>			
Merchant Services	\$ 391.9	\$ 100.9	\$ 713.3
Financial Services (f)	438.5	102.9	440.6
International (f)	130.7	46.9	93.7
Prepaid Services	18.5	13.2	24.2
Integrated Payment Systems	5.5	21.3	30.1
Subtotal segment operating profit	985.1	285.2	1,301.9
All Other and Corporate	(240.0)	(67.6)	(445.6)
	<u>745.1</u>	<u>217.6</u>	<u>856.3</u>
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(123.0)	(46.8)	(223.0)
Minority interest from segment operations (h)	156.3	39.0	106.3
Eliminations (e)	-	(55.7)	(176.6)
Divested business (f)	0.3	0.7	0.7
Interest expense	(1,964.9)	(584.7)	(103.6)
Interest income	26.0	17.9	30.8
Items excluded from segment operations (i)	(3,270.0)	(73.8)	(18.4)
(Loss) income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	<u>\$ (4,430.2)</u>	<u>\$ (485.8)</u>	<u>\$ 472.5</u>
<u>Depreciation and Amortization: (a)</u>			
Merchant Services	\$ 798.3	\$ 225.1	\$ 159.8
Financial Services (f)	401.6	115.1	186.4
International (f)	271.8	66.8	155.5
Prepaid Services	31.1	6.3	6.2
Integrated Payment Systems	0.2	0.3	2.5
All Other and Corporate	53.2	12.2	26.5
Divested business (f)	3.4	1.4	3.3
Total consolidated depreciation and amortization from continuing operations	<u>\$ 1,559.6</u>	<u>\$ 427.2</u>	<u>\$ 540.2</u>

(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 the initial payments for contracts which is recorded as a contra-revenue within "Transaction and processing service fees" of \$4.0 million and \$10.9 million for the three and twelve months ended December 31, 2008, respectively, \$0.9 million for both the successor three months ended December 31, 2007 and the successor period from September 25, 2007 through December 31, 2007 and \$39.6 million for the predecessor period from January 1, 2007 through September 24, 2007 and amortization related to equity method investments described in note (d) below which is netted within the "Equity earnings in affiliates" line of \$25.1 million and \$179.0 million for the three and twelve months ended December 31, 2008, respectively, \$56.5 million for the successor three months ended December 31, 2007, \$58.5 million for the successor period from September 25, 2007 through December 31, 2007 and \$24.2 million for the predecessor period from January 1, 2007 through September 24, 2007.
- (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 (loss) 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) The Company sold its ownership interests in Active Business Services, Ltd ("Active"), reported within the International segment, in July 2008 and Peace Software ("Peace"), reported within the Financial Services segment, in October 2008. Revenue and operating profit associated with Active and Peace are excluded from segment results. The International and Financial Services segment revenue and operating profit were adjusted for 2007 to exclude the results of Active and Peace.
- (g) 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).
- (h) Minority interest from segment operations excludes minority interest attributable to items excluded from segment operations discussed in note (i) below.
- (i) Includes restructuring charges, asset impairments, significant litigation and regulatory settlements, other charges and other income (expense).

FIRST DATA CORPORATION
SUMMARY SEGMENT DATA - ADJUSTED FOR DIVESTED BUSINESS
(Unaudited)
(in millions)

	Predecessor				Successor				
	Twelve Months ended December 31, 2006	Three Months ended March 31, 2007	Three Months ended June 30, 2007	Period from July 1 through September 24, 2007	Period from September 25 through September 30, 2007	Three Months ended December 31, 2007	Three Months ended March 31, 2008	Three Months ended June 30, 2008	Three Months ended September 30, 2008
<u>Revenues:</u>									
Financial Services	\$ 2,660.4	\$ 689.2	\$ 707.5	\$ 685.0	\$ 46.6	\$ 726.9	\$ 700.2	\$ 697.6	\$ 695.2
<u>Operating profit:</u>									
Financial Services	\$ 568.4	\$ 146.5	\$ 154.0	\$ 140.1	\$ 5.1	\$ 97.8	\$ 103.2	\$ 113.2	\$ 112.6

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. For the twelve month period ended December 31, 2008 and the successor period from September 25 through December 31, 2007, non-GAAP measures for the company's international and domestic segments also exclude purchase accounting adjustments, comprised principally of increased depreciation and 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.

Also note that presenting the 2007 full year period on a combined basis is not GAAP; however, for the reasons outlined above management believes such presentation is beneficial. Combined figures are not necessarily indicative of the results that would have been reflected had there been a single basis of accounting. For instance, certain non-recurring items that related to the predecessor period and accruals such as those pertaining to certain litigation and restructuring activities were recorded in purchase accounting and not reflected in the results of either the successor or predecessor.

	Successor		Change
	Three months ended December 31,	Three months ended December 31,	
	2008	2007	
Net loss	\$ (3,217.6)	\$ (273.2)	NM
Interest expense, net (1)	493.9	535.8	
Income tax benefit	(353.8)	(154.9)	
Depreciation and amortization	402.0	404.4	
EBITDA	<u>\$ (2,675.5)</u>	<u>\$ 512.1</u>	NM
Stock based compensation (2)	(2.9)	-	
Other items (3)	3,269.7	34.4	
Debt repayment (gain) or loss (4)	(7.0)	11.2	
Pretax equivalency adjustment (5)	-	51.8	
Official check and money order EBITDA (6)	2.5	(20.4)	
Cost of data center, technology and other savings initiatives (7)	62.5	29.9	
Transaction related fees	1.3	2.9	
Purchase accounting (8)	10.4	35.3	
Sponsor's annual management fee	5.4	5.0	
Pre-acquisition EBITDA of acquired and divested businesses (9)	0.1	0.9	
Adjusted EBITDA	<u>\$ 666.5</u>	<u>\$ 663.1</u>	1%

	Successor		Change
	Three months ended December 31,	Three months ended December 31,	
	2008	2007	
Merchant Services			
Revenue	\$ 1,148.8	\$ 976.0	18%
Reimbursable debit network fees (DNF)	(425.7)	(290.4)	
Revenue excluding DNF	<u>\$ 723.1</u>	<u>\$ 685.6</u>	5%
Operating profit	\$ 103.6	\$ 90.8	14%
Profit margin	9.0%	9.3%	
Profit margin excluding DNF	14.3%	13.2%	
Revenue	\$ 1,148.8	\$ 976.0	18%
DNF	(425.7)	(290.4)	
Chase Paymentech revenue, excluding DNF (10)	(159.6)	(126.4)	
Revenue excluding Chase Paymentech and DNF	<u>\$ 563.5</u>	<u>\$ 559.2</u>	1%

	Successor		Change
	Three months ended December 31,	Three months ended December 31,	
	2008	2007	
Financial Services			
Revenue	\$ 695.2	\$ 726.9	-4%
Reimbursable postage and other	(179.2)	(187.5)	
Revenue excluding reimbursable postage and other	<u>\$ 516.0</u>	<u>\$ 539.4</u>	-4%
Operating profit	\$ 109.5	\$ 97.8	12%
Profit margin	15.8%	13.5%	
Profit margin excluding reimbursable postage and other	21.2%	18.1%	

	Successor		Change
	Three months ended December 31,	Three months ended December 31,	
	2008	2007	
International			
Revenue	\$ 434.0	\$ 461.8	-6%
Operating profit	\$ 33.1	\$ 44.2	-25%
Profit margin	7.6%	9.6%	
Organic Revenue Constant Currency			
Revenue	\$ 434.0	\$ 461.8	-6%
Acquisitions less than a year old	(22.8)	-	
Divestitures	(0.2)	(0.4)	
Foreign exchange impact (11)	67.8	-	
Organic revenue on a constant currency basis	<u>\$ 478.8</u>	<u>\$ 461.4</u>	4%

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

	Successor		Predecessor		Combined		Change
	Twelve months ended December 31,	Period from September 25 through December 31,	Period from January 1 through September 24,		Twelve months ended December 31,		
	2008	2007	2007		2007		
<i>Consolidated</i>							
Revenues	\$ 8,811.3	\$ 2,278.5	\$ 5,772.9	\$ 8,051.4			9%
	Successor		Predecessor		Combined		
	Twelve months ended December 31,	Period from September 25 through December 31,	Period from January 1 through September 24,		Twelve months ended December 31,		
	2008	2007	2007		2007		
(Loss) income from continuing operations	\$ (3,764.3)	\$ (301.9)	\$ 464.4	\$ 162.5			NM
Interest expense, net (1)	1,938.9	566.8	72.8	639.6			
Income tax (benefit) expense	(699.2)	(176.1)	125.8	(50.3)			
Depreciation and amortization	1,559.6	427.2	540.2	967.4			
EBITDA	(965.0)	516.0	1,203.2	1,719.2			NM
Stock based compensation (2)	16.6	-	267.0	267.0			
Other items (3)	3,286.7	56.0	6.6	62.6			
Debt repayment (gain) or loss (4)	(7.0)	17.2	(1.4)	15.8			
Pretax equivalency adjustment (5)	-	55.7	175.7	231.4			
Official check and money order EBITDA (6)	(5.7)	(21.6)	(32.6)	(54.2)			
Cost of data center, technology and other savings initiatives (7)	222.3	31.2	49.8	81.0			
Transaction related fees	5.3	2.9	69.7	72.6			
Purchase accounting (8)	24.6	35.3	-	35.3			
Sponsor's annual management fee	20.4	5.3	-	5.3			
Pre-acquisition EBITDA of acquired and divested businesses (9)	(3.1)	1.3	26.4	27.7			
Adjusted EBITDA	\$ 2,595.1	\$ 699.3	\$ 1,764.4	\$ 2,463.7			5%
	Successor		Predecessor		Combined		
	Twelve months ended December 31,	Period from September 25 through December 31,	Period from January 1 through September 24,		Twelve months ended December 31,		
	2008	2007	2007		2007		
Merchant Services							
Revenue	\$ 4,127.8	\$ 1,037.3	\$ 2,705.2	\$ 3,742.5			10%
DNF	(1,384.4)	(307.3)	(731.9)	(1,039.2)			
Purchase accounting adjustments	9.1	27.6	-	27.6			
Revenue excluding DNF and purchase accounting adjustments	\$ 2,752.5	\$ 757.6	\$ 1,973.3	\$ 2,730.9			1%
Operating profit	\$ 391.9	\$ 100.9	\$ 713.3	\$ 814.2			-52%
Purchase accounting adjustments	554.7	194.0	-	194.0			
Operating profit excluding purchase accounting adjustments	\$ 946.6	\$ 294.9	\$ 713.3	\$ 1,008.2			-6%
Profit margin	9.5%			21.8%			
Profit margin excluding DNF and purchase accounting adjustments	34.4%			36.9%			
	Successor		Predecessor		Combined		
	Twelve months ended December 31,	Period from September 25 through December 31,	Period from January 1 through September 24,		Twelve months ended December 31,		
	2008	2007	2007		2007		
Financial Services							
Revenue	\$ 2,788.2	\$ 773.5	\$ 2,081.7	\$ 2,855.2			-2%
Reimbursable postage and other	(717.0)	(198.7)	(512.5)	(711.2)			
Purchase accounting adjustments	(29.1)	(3.4)	-	(3.4)			
Revenue excluding reimbursable postage and other and purchase accounting adjustments	\$ 2,042.1	\$ 571.4	\$ 1,569.2	\$ 2,140.6			-5%
Operating profit	\$ 438.5	\$ 102.9	\$ 440.6	\$ 543.5			-19%
Purchase accounting adjustments	151.5	53.8	-	53.8			
Operating profit excluding purchase accounting adjustments	\$ 590.0	\$ 156.7	\$ 440.6	\$ 597.3			-1%
Profit margin	15.7%			19.0%			
Profit margin excluding reimbursable postage and other and purchase accounting adjustments	28.9%			27.9%			
	Successor		Predecessor		Combined		
	Twelve months ended December 31,	Period from September 25 through December 31,	Period from January 1 through September 24,		Twelve months ended December 31,		
	2008	2007	2007		2007		
International							
Revenue	\$ 1,827.4	\$ 490.6	\$ 1,126.2	\$ 1,616.8			13%
Purchase accounting adjustments	(7.1)	(0.6)	-	(0.6)			
Revenue excluding purchase accounting adjustments	\$ 1,820.3	\$ 490.0	\$ 1,126.2	\$ 1,616.2			13%
Operating profit	\$ 130.7	\$ 46.9	\$ 93.7	\$ 140.6			-7%
Purchase accounting adjustments	21.2	6.5	-	6.5			
Operating profit excluding purchase accounting adjustments	\$ 151.9	\$ 53.4	\$ 93.7	\$ 147.1			3%
Profit margin	7.2%			8.7%			
Profit margin excluding purchase accounting adjustments	8.3%			9.1%			
Organic Revenue Constant Currency Excluding Purchase Accounting							
Revenue	\$ 1,827.4	\$ 490.6	\$ 1,126.2	\$ 1,616.8			13%
Purchase accounting adjustments	(7.1)	(0.6)	-	(0.6)			
Acquisitions less than a year old	(145.9)	-	-	-			
Divestitures	(0.2)	(0.4)	(1.0)	(1.4)			
Foreign exchange impact (11)	(6.6)	-	-	-			
Organic revenue on a constant currency basis excluding purchase accounting adjustments	\$ 1,667.6	\$ 489.6	\$ 1,125.2	\$ 1,614.8			3%

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

Note: 2007 is presented on a combined basis and includes the successor period from September 25 through September 30, 2007 and the predecessor period from January 1 through September 24, 2007.

- (1) Includes interest expense and interest income.
- (2) Stock based compensation recognized as expense and the related payroll taxes.
- (3) Other items include net restructuring, impairments, investment gains and losses, derivative financial instruments gains and losses, net divestitures, litigation and regulatory settlements, non-operating foreign currency gains and losses and other.
- (4) Gain or loss resulting from the early repayment of long-term debt.
- (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-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.
- (6) Represents an adjustment to exclude the official check and money order businesses from EBITDA due to the company's wind down of these businesses.
- (7) 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).
- (8) Represents the effect of purchase accounting on EBITDA which is primarily the result of revenue recognition adjustments.
- (9) Reflects the EBITDA of companies acquired or divested after December 31, 2006 through December 31, 2008 as if these companies had been acquired or divested on January 1, 2007. For the fourth quarter, reflects the EBITDA of companies acquired or divested after September 30, 2007 through December 31, 2008 as if these companies had been acquired or divested on October 1, 2007.
- (10) Includes equity earnings in affiliates that are included in Merchant Services segment revenue but are excluded from consolidated revenue.
- (11) Foreign exchange impact represents the difference between actual 2008 revenue and 2008 revenue calculated using 2007 exchange rates.

NM= Not Meaningful