



First Data Reports First Quarter Revenue of \$2.1 Billion

- **Revenue growth of 1% on a constant currency basis**
- **Signed 117,000 domestic merchant locations**
- **Renewed 130 contracts with financial institutions**
- **International transactions up 10%, total card accounts on file up 5%**

DENVER, May 15, 2009 – First Data Corp. today reported its financial results for the quarter ending March 31, 2009. Consolidated revenues were \$2.1 billion, down 2% or up 1% on a constant currency basis. Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) were \$491 million, down 15% or down 11% on a constant currency basis. In addition to the adverse impact of the strong U.S. dollar, adjusted EBITDA comparisons were unfavorably affected by lower royalties following a large increase in the first quarter of last year. Excluding currency effects and the change in royalty revenue, adjusted EBITDA was down 6%. The net loss attributable to First Data was \$231 million.

“Our revenue base held steady in the quarter as we added new merchant and bank customers,” said Michael Capellas, chairman and CEO of First Data. “We will continue to invest in new product development to fuel long-term growth while driving cost efficiencies to sustain profitability.”

Segment Results

Retail and Alliance Services

Retail and Alliance Services reported revenue of \$1.2 billion, up 7%. Retail and Alliance services signed 117,000 merchant locations in the quarter. In addition, 21 new independent sales organizations, 12 new referral partners and two new revenue share agreements were added to the distribution network. Excluding debit network fees, segment revenue was down 7% and was primarily affected by weakness in the overall economy and continued transaction mix shifts. EBITDA was \$242 million, down 19%, and EBITDA margin excluding debit network fees was 33.2%. Operating profit was \$54 million, compared with \$83 million in the first quarter of 2008. Operating profit margin was 4.7%.

Financial Services

For the quarter, **Financial Services** revenue was \$544 million, down 3%. Revenue excluding reimbursables was down 1%. Financial Services renewed 130 contracts in the quarter. EBITDA was \$158 million, down 6%, and EBITDA margin excluding reimbursables was 42.5%. Operating profit was \$76 million, compared with \$90 million in the first quarter of 2008. Operating profit margin was 13.9%.

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International

For the quarter, **International** generated revenue of \$369 million, down 16%. Revenue on a constant currency basis, excluding acquisitions and divestitures, was up 1%. Transactions and point-of-sale locations each showed healthy growth at 10% and 9%, respectively. EBITDA was \$73 million, down 9%, and EBITDA margin was 19.9%. On a constant currency basis, EBITDA was \$91 million, up 13%, and EBITDA margin was 20.4%. Operating profit was \$7 million, compared with \$19 million in the first quarter of 2008. Operating profit margin was 1.8%.

Other Matters

Segment Realignment

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

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 Friday, May 15, at 8 a.m. EDT to review first quarter 2009 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 877-795-3635 (U.S.) or +1-719-325-4765 (outside the U.S.) 10 minutes prior to the start of the call. The call will also be webcast on the "Investor Relations" section of the First Data Web site, <http://ir.firstdatacorp.com/events.cfm>. 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 also will be available under the "Investor Relations" section of the Web site.

A replay of the call will be available through May 20, 2009, at 888-203-1112 (U.S.) or +1-719-457-0820 (outside the U.S.), replay pass code 9703413, and via webcast at <http://ir.firstdatacorp.com/events.cfm>.

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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.

Investor and Analyst Relations Contact

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

	Three months ended March 31,		Change
	2009	2008	
Revenues:			
Transaction and processing service fees (a):			
Merchant related services	\$ 621.5	\$ 634.9	-2%
Check services	86.5	100.6	-14%
Card services	470.4	508.3	-7%
Other services	128.4	135.9	-6%
Investment income, net	5.8	56.0	-90%
Product sales and other	174.0	212.0	-18%
Reimbursable debit network fees, postage and other	589.6	478.8	23%
	<u>2,076.2</u>	<u>2,126.5</u>	-2%
Expenses:			
Cost of services (exclusive of items shown below)	786.5	756.8	4%
Cost of products sold	63.5	70.9	-10%
Selling, general and administrative	254.3	304.3	-16%
Reimbursable debit network fees, postage and other	589.6	478.8	23%
Depreciation and amortization	329.5	319.1	3%
Other operating expenses:			
Restructuring, net	25.1	-	NM
Litigation and regulatory settlements	(2.7)	-	NM
	<u>2,045.8</u>	<u>1,929.9</u>	6%
Operating profit	<u>30.4</u>	<u>196.6</u>	-85%
Interest income	3.3	9.0	-63%
Interest expense	(448.2)	(517.7)	-13%
Other income (expense) (b)	23.3	(43.2)	NM
	<u>(421.6)</u>	<u>(551.9)</u>	-24%
Loss before income taxes and equity earnings in affiliates	(391.2)	(355.3)	10%
Income tax benefit	(144.8)	(130.5)	11%
Equity earnings in affiliates (a)	18.5	32.1	-42%
Consolidated net loss	<u>(227.9)</u>	<u>(192.7)</u>	18%
Less: Net income attributable to noncontrolling interests	3.4	29.0	-88%
Net loss attributable to First Data Corporation	<u>\$ (231.3)</u>	<u>\$ (221.7)</u>	4%

(See accompanying notes)

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

	Three months ended March 31,		Change
	2009	2008	
<u>Revenues:</u>			
Retail and Alliance Services	\$ 1,156.0	\$ 1,081.1	7%
Financial Services (f)	544.2	558.5	-3%
International (f)	368.7	439.1	-16%
Integrated Payment Systems	3.3	45.0	-93%
Subtotal segment revenues	2,072.2	2,123.7	-2%
All Other and Corporate	68.6	102.1	-33%
	<u>2,140.8</u>	<u>2,225.8</u>	-4%
Adjustments for items included in segment and All Other and Corporate revenues: (c)			
Equity earnings in affiliates (d)	(36.7)	(80.3)	-54%
Eliminations (e)	(27.9)	(29.8)	NM
Divested businesses (f)	-	10.8	NM
Consolidated revenue	<u>\$ 2,076.2</u>	<u>\$ 2,126.5</u>	-2%
<u>Operating profit: (g)</u>			
Retail and Alliance Services	\$ 54.2	\$ 83.3	-35%
Financial Services (f)	75.9	89.9	-16%
International (f)	6.6	19.4	-66%
Integrated Payment Systems	(2.5)	34.0	NM
Subtotal segment operating profit	134.2	226.6	-41%
All Other and Corporate	(66.1)	(27.9)	137%
	<u>68.1</u>	<u>198.7</u>	-66%
Adjustments for items included in segment and All Other and Corporate operating profit: (c)			
Equity earnings in affiliates	(18.5)	(32.1)	-42%
Net income attributable to noncontrolling interest from segment operations (h)	3.4	29.0	-88%
Eliminations	(0.2)	-	NM
Divested businesses (f)	-	1.0	NM
Interest expense	(448.2)	(517.7)	-13%
Interest income	3.3	9.0	-63%
Items excluded from segment operations (i)	0.9	(43.2)	NM
Loss before income taxes and equity earnings in affiliates	<u>\$ (391.2)</u>	<u>\$ (355.3)</u>	10%
<u>Depreciation and amortization: (a)</u>			
Retail and Alliance Services	\$ 188.1	\$ 214.8	-12%
Financial Services (f)	82.4	79.1	4%
International (f)	66.7	61.5	8%
Integrated Payment Systems	0.2	0.1	100%
All Other and Corporate	14.7	11.7	26%
Divested businesses (f)	-	1.2	NM
Total consolidated depreciation and amortization	<u>\$ 352.1</u>	<u>\$ 368.4</u>	-4%

(See accompanying notes)

FIRST DATA CORPORATION
NOTES TO FINANCIAL SCHEDULES
(Unaudited)

Effective January 1, 2009, the Company re-aligned the business and began making strategic and operating decisions with regards to assessing performance and allocating resources based on a new segment structure. Results for 2008 have been adjusted to reflect the new structure.

The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 160, "Noncontrolling Interests in Consolidated Financial Statements" ("SFAS No. 160"), effective January 1, 2009 which requires that earnings attributed to noncontrolling interests be reported as part of consolidated earnings and not as a separate component of income or expense. The Company's Consolidated Statement of Operations for 2008 has been revised to conform to the presentation requirements of SFAS No. 160.

- (a) Includes amortization of the initial payments for contracts which is recorded as a contra-revenue within "Transaction and processing service fees" of \$5.0 million and \$1.5 million for the three months ended March 31, 2009 and 2008, respectively, and amortization related to equity method investments described in note (d) below which is netted within the "Equity earnings in affiliates" line of \$17.6 million and \$47.8 million for the three months ended March 31, 2009 and 2008, respectively.
- (b) Other income (expense) includes investment gains and (losses), derivative financial instruments gains and (losses), divestitures, net 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 loss before income taxes and equity earnings in affiliates 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 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 2008 to exclude the results of Active and Peace.
- (g) Segment and All Other and Corporate operating profit excludes net income attributable to noncontrolling interests from segment operations and includes 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) Excludes net income attributable to noncontrolling interests 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 SEGMENT REALIGNMENT
(Unaudited)
(in millions)

	Predecessor	Successor				
	Period from January 1, 2007 through September 24, 2007	Period from September 25, 2007 through December 31, 2007	Three months ended March 31, 2008	Three months ended June 30, 2008	Three months ended September 30, 2008	Three months ended December 31, 2008
Revenues:						
Retail and Alliance Services	\$ 3,178.1	\$ 1,238.3	\$ 1,081.1	\$ 1,185.5	\$ 1,176.0	\$ 1,316.9
Financial Services	1,644.0	613.9	558.5	556.6	559.0	560.0
International	1,126.2	490.6	439.1	467.3	487.0	434.0
Integrated Payment Systems	71.5	34.3	45.0	26.7	(32.9)	4.3
Subtotal segment revenues	6,019.8	2,377.1	2,123.7	2,236.1	2,189.1	2,315.2
All Other and Corporate	243.5	85.7	102.1	81.2	87.8	68.3
	<u>6,263.3</u>	<u>2,462.8</u>	<u>2,225.8</u>	<u>2,317.3</u>	<u>2,276.9</u>	<u>2,383.5</u>
Adjustments for items included in segment and All Other and Corporate revenues:						
Equity earnings in affiliates	(248.6)	(105.7)	(80.3)	(94.5)	(88.3)	(39.7)
Eliminations	(276.8)	(91.4)	(29.8)	(30.1)	(30.3)	(28.0)
Divested businesses	35.0	12.8	10.8	11.6	5.7	0.7
Consolidated revenue	<u>\$ 5,772.9</u>	<u>\$ 2,278.5</u>	<u>\$ 2,126.5</u>	<u>\$ 2,204.3</u>	<u>\$ 2,164.0</u>	<u>\$ 2,316.5</u>
Operating profit:						
Retail and Alliance Services	\$ 783.6	\$ 114.4	\$ 83.3	\$ 124.3	\$ 106.8	\$ 116.9
Financial Services	369.8	95.9	89.9	92.2	101.4	100.7
International	93.7	46.9	19.4	29.7	48.5	33.1
Integrated Payment Systems	30.1	21.3	34.0	16.3	(42.3)	(2.5)
Subtotal segment operating profit	1,277.2	278.5	226.6	262.5	214.4	248.2
All Other and Corporate	(420.9)	(60.9)	(27.9)	(55.0)	(56.3)	(67.4)
	<u>856.3</u>	<u>217.6</u>	<u>198.7</u>	<u>207.5</u>	<u>158.1</u>	<u>180.8</u>
Adjustments for items included in segment and All Other and Corporate operating profit:						
Equity earnings in affiliates	(223.0)	(46.8)	(32.1)	(41.6)	(35.0)	(14.3)
Net income attributable to noncontrolling interest from segment operations	106.3	39.0	29.0	40.3	47.5	39.5
Eliminations	(176.6)	(55.7)	-	-	-	-
Divested businesses	0.7	0.7	1.0	0.5	(1.1)	(0.1)
Interest expense	(103.6)	(584.7)	(517.7)	(451.1)	(497.7)	(498.4)
Interest income	30.8	17.9	9.0	6.6	5.9	4.5
Items excluded from segment operations	(18.4)	(73.8)	(43.2)	6.5	24.9	(3,258.2)
Income (loss) before income taxes, equity earnings in affiliates and discontinued operations	<u>\$ 472.5</u>	<u>\$ (485.8)</u>	<u>\$ (355.3)</u>	<u>\$ (231.3)</u>	<u>\$ (297.4)</u>	<u>\$ (3,546.2)</u>

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 and exclude depreciation and amortization from operating profit for purposes of calculating EBITDA. 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 segment also exclude foreign exchange impact from operating profit and depreciation and amortization for purposes of calculating EBITDA.

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, noncontrolling interests, 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 core performance.

<u>Consolidated</u>	<u>Three Months Ended March 31,</u>		<u>Change</u>
	<u>2009</u>	<u>2008</u>	
Revenue	\$ 2,076.2	\$ 2,126.5	-2%
Foreign exchange impact (1)	78.8	-	
Revenue on a constant currency basis	<u>\$ 2,155.0</u>	<u>\$ 2,126.5</u>	1%
	<u>Three Months Ended March 31,</u>		
	<u>2009</u>	<u>2008</u>	<u>Change</u>
Net loss attributable to First Data Corporation	\$ (231.3)	\$ (221.7)	-4%
Interest expense, net (2)	444.9	508.7	
Income tax benefit	(144.8)	(130.5)	
Depreciation and amortization	352.1	368.4	
EBITDA	<u>\$ 420.9</u>	<u>\$ 524.9</u>	-20%
Stock based compensation (3)	4.5	4.4	
Other items (4)	2.7	44.2	
Official check and money order EBITDA (5)	2.3	(34.1)	
Cost of data center, technology and savings initiatives (6)	53.9	32.3	
Transaction related fees	-	2.0	
Purchase accounting (7)	0.9	6.2	
Sponsor's annual management fee	5.3	5.0	
Pre-acquisition EBITDA of acquired or divested businesses (8)	-	(10.2)	
Adjusted EBITDA	<u>\$ 490.5</u>	<u>\$ 574.7</u>	-15%

Note: Excluding foreign exchange impact⁽¹⁾ of \$22.3 million for the first quarter of 2009, Adjusted EBITDA was down 11%. Excluding foreign exchange impact⁽¹⁾ of \$22.3 million and the incremental decrease in royalty revenue of \$29.1 million for the first quarter of 2009, Adjusted EBITDA was down 6%.

<u>Retail and Alliance Services</u>	<u>Three months ended March 31,</u>		<u>Change</u>
	<u>2009</u>	<u>2008</u>	
Revenue	\$ 1,156.0	\$ 1,081.1	7%
Reimbursable debit network fees (DNF)	(425.3)	(298.4)	
Revenue excluding DNF	<u>\$ 730.7</u>	<u>\$ 782.7</u>	-7%
Operating profit	\$ 54.2	\$ 83.3	-35%
Depreciation and amortization	188.1	214.8	
EBITDA	<u>\$ 242.3</u>	<u>\$ 298.1</u>	-19%
Profit margin	4.7%	7.7%	
EBITDA margin, excluding DNF	33.2%	38.1%	

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

	Three months ended March 31,		Change
	2009	2008	
<u>Financial Services</u>			
Revenue	\$ 544.2	\$ 558.5	-3%
Reimbursable postage and other	(171.6)	(182.4)	
Revenue excluding reimbursable postage and other	<u>\$ 372.6</u>	<u>\$ 376.1</u>	-1%
Operating profit	\$ 75.9	\$ 89.9	-16%
Depreciation and amortization	82.4	79.1	
EBITDA	<u>\$ 158.3</u>	<u>\$ 169.0</u>	-6%
Profit margin	13.9%	16.1%	
EBITDA margin, excluding reimbursables	42.5%	44.9%	
	Three months ended March 31,		Change
	2009	2008	
<u>International</u>			
Revenue	\$ 368.7	\$ 439.1	-16%
Foreign exchange impact (1)	78.8	-	
Revenue on a constant currency basis	<u>\$ 447.5</u>	<u>\$ 439.1</u>	
Operating profit	\$ 6.6	\$ 19.4	-66%
Depreciation and amortization	66.7	61.5	
EBITDA	<u>\$ 73.3</u>	<u>\$ 80.9</u>	-9%
Operating profit	\$ 6.6	\$ 19.4	-66%
Depreciation and amortization	66.7	61.5	
Foreign exchange impact (1)	18.0	-	
EBITDA on a constant currency basis	<u>\$ 91.3</u>	<u>\$ 80.9</u>	13%
Profit margin	1.8%	4.4%	
EBITDA margin	19.9%	18.4%	
EBITDA margin on a constant currency basis	20.4%	18.4%	
<u>Organic Revenue Constant Currency</u>			
Revenue	\$ 368.7	\$ 439.1	-16%
Acquisitions less than a year old	(3.8)	-	
Foreign exchange impact (1)	78.8	-	
Organic revenue on a constant currency basis	<u>\$ 443.7</u>	<u>\$ 439.1</u>	1%

(1) Foreign exchange impact represents the difference between actual 2009 and 2009 calculated using 2008 exchange rates.

(2) Includes interest expense and interest income.

(3) Stock based compensation recognized as expense.

(4) Other items include net restructuring, 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.

(5) Represents an adjustment to exclude the official check and money order businesses 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, as well as certain platform development costs directly associated with the termination of the Chase Paymentech alliance, all of which are considered one-time projects (excludes costs accrued in purchase accounting).

(7) Represents the effect of purchase accounting associated with the merger of the company with affiliates of Kohlberg Kravis Roberts & Co. on EBITDA which is primarily the result of revenue recognition adjustments.

(8) Reflects the EBITDA of companies acquired or divested after December 31, 2007 through March 31, 2009, as if these companies had been acquired or divested on January 1, 2008.