

Fourth Quarter and Full Year 2015 Financial Results Conference Call

February 2, 2016

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Forward-Looking Statements and Non-GAAP Financial Measures

The information disclosed in this presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated “internal revenue growth,” “adjusted EPS growth,” “free cash flow per share” and “adjusted operating margin.” Statements can generally be identified as forward-looking because they include words such as “believes,” “anticipates,” “expects,” “could,” “should” or words of similar meaning. Statements that describe the company’s future plans, objectives or goals are also forward-looking statements. Forward-looking statements are subject to assumptions, risks and uncertainties that may cause actual results to differ materially from those contemplated by such forward-looking statements.

The factors that may affect the company’s results include, among others: pricing and other actions by competitors; the capacity of the company’s technology to keep pace with a rapidly evolving marketplace; the impact of market and economic conditions on the financial services industry; the impact of a security breach or operational failure on the company’s business; the effect of legislative and regulatory actions in the United States and internationally; the company’s ability to comply with government regulations; the company’s ability to successfully identify, complete and integrate acquisitions, and to realize the anticipated benefits associated with the same; the impact of the company’s strategic initiatives; and other factors included in the company’s filings with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2014 and in other documents that the company files with the SEC. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements. The company assumes no obligation to update any forward-looking statements, which speak only as of the date of this presentation.

This presentation includes the following non-GAAP financial measures: “adjusted revenue,” “internal revenue,” “adjusted operating income,” “adjusted operating margin,” “adjusted EPS,” “free cash flow” and “free cash flow per share.” These non-GAAP measures are indicators that management uses to provide additional comparisons between current results and prior reported results and as a basis for planning and forecasting future periods. We believe that these measures provide additional insight into our operating performance. Additional information about these measures and reconciliations to the nearest GAAP financial measures are provided in the appendix to this presentation.

4Q-15 Key Financial Metrics

	Adjusted Revenue	Internal Revenue	Adjusted EPS
4Q-15	\$1,284	\$1,284	\$1.00
4Q-14	\$1,228	\$1,227	\$0.89
Change	5%	5%	12%

\$ in millions, except per share amounts.

See appendix for information regarding non-GAAP measures.

2015 Key Financial Metrics

	Adjusted Revenue	Internal Revenue	Adjusted EPS
2015	\$4,945	\$4,945	\$3.87
2014	\$4,743	\$4,741	\$3.37
Change	4%	4%	15%

\$ in millions, except per share amounts.

See appendix for information regarding non-GAAP measures.

2015 Other Financial Metrics

	Free Cash Flow Per Share	Adjusted Operating Margin
2015	\$4.23	31.7%
2014	\$3.82	30.5%
Change	11%	120 bps

See appendix for information regarding non-GAAP measures.

Internal Revenue Growth by Segment

Segment	4Q-15	2015
Payments	6%	5%
Financial	4%	3%
Total Company	5%	4%

See appendix for information regarding non-GAAP measures.

4Q-15 Adjusted Operating Margin by Segment

Segment	4Q-15	4Q-14	Change
Payments	33.6%	32.1%	150 bps
Financial	31.0%	31.5%	(50 bps)
Total Company	30.7%	30.6%	10 bps

See appendix for information regarding non-GAAP measures.

2015 Adjusted Operating Margin by Segment

Segment	2015	2014	Change
Payments	33.0%	31.7%	130 bps
Financial	33.8%	32.6%	120 bps
Total Company	31.7%	30.5%	120 bps

See appendix for information regarding non-GAAP measures.

2015 Internal Revenue Growth

2015 Internal Revenue Growth (IRG)	Growth Rate
Reported IRG	4%
<u>IRG Net of Unanticipated Impacts:</u>	
EMV Card Personalization Delay ¹	5%
EMV Card Personalization Delay and Currency ²	5%

¹EMV card personalization revenue delay reduced revenue growth by 30 basis points.

²The combined impact of EMV card personalization delay and foreign currency fluctuation reduced growth by 80 basis points.

See appendix for information regarding non-GAAP measures.

2016 Performance Outlook

Key Financial Metrics	Growth
Internal Revenue	5 - 6%
Adjusted EPS	12 - 15%

Other Financial Metrics	Target
Free Cash Flow Per Share	> \$4.70
Adjusted Operating Margin Expansion	> 50 bps

Appendix

Internal Revenue Growth

Internal revenue growth is measured as the increase in adjusted revenue for the current period excluding acquired revenue, divided by adjusted revenue from the prior year period excluding revenue attributable to dispositions.

There was no acquired revenue in the fourth quarter or for the full year of 2015. Revenue in the comparable prior year periods attributable to dispositions was \$1 million and \$2 million, respectively (all in the Financial segment).

See page 2 for disclosures related to non-GAAP financial measures.

Adjusted EPS

	<u>4Q-15</u>	<u>4Q-14</u>	<u>2015</u>	<u>2014</u>
GAAP EPS from continuing operations	\$ 0.81	\$ 0.73	\$ 2.99	\$ 2.99
Adjustments – net of income taxes:				
Merger, integration and other costs ¹	0.02	0.01	0.10	0.03
Severance costs	0.03	0.01	0.06	0.05
Amortization of acquisition-related intangible assets	0.13	0.13	0.53	0.52
Debt extinguishment and refinancing costs ²	--	--	0.25	--
StoneRiver transactions ³	0.01	--	(0.07)	(0.20)
Tax Benefit ⁴	<u>--</u>	<u>--</u>	<u>--</u>	<u>(0.03)</u>
Adjusted EPS from continuing operations	<u>\$ 1.00</u>	<u>\$ 0.89</u>	<u>\$ 3.87</u>	<u>\$ 3.37</u>

Earnings per share is calculated using actual, unrounded amounts.

See page 2 for disclosures related to non-GAAP financial measures.

¹Merger, integration and other costs include incremental expenses incurred in conjunction with the achievement of the company's operational effectiveness objectives, including incremental costs related to data center and real estate consolidation activities such as move expenses, third party fees and non-cash impairment charges; a non-cash expense related to the modification of certain employee equity award agreements; and costs associated with the Open Solutions acquisition.

²In May 2015, the company raised \$1.75 billion of proceeds in a public offering of senior notes with a weighted average interest rate and term of 3.3% and 7.6 years, respectively. The company used a portion of the proceeds to redeem its \$600 million 3.125% senior notes due in 2016 and \$500 million 6.8% senior notes due in 2017, which resulted in a pre-tax charge of \$92 million (\$0.25 per share after-tax) related to the make-whole payments on the early retirement and other costs associated with the transaction, including the reclassification of unamortized losses on settled cash flow hedges to interest expense.

³Represents the company's share of net (gains) losses associated with capital transactions at StoneRiver Group L.P., a joint venture in which the company owns a 49% interest, including sales of subsidiary businesses and related expenses.

⁴The tax benefit represents certain discrete income tax benefits that have been excluded from adjusted earnings per share.

Free Cash Flow Per Share

	<u>2015</u>	<u>2014</u>
Net cash provided by operating activities	\$ 1,346	\$ 1,307
Capital expenditures ¹	(359)	(292)
Other adjustments ^{1,2}	<u>19</u>	<u>(50)</u>
Free cash flow	<u>\$ 1,006</u>	<u>\$ 965</u>
Diluted shares	<u>238.0</u>	<u>252.7</u>
Free cash flow per share	<u>\$ 4.23</u>	<u>\$ 3.82</u>

In millions, except per share amounts. Free cash flow per share is calculated using actual, unrounded amounts.

See page 2 for disclosures related to non-GAAP financial measures.

Free cash flow is calculated as net cash provided by operating activities less capital expenditures, and excludes the net change in settlement assets and obligations; tax-effected severance, merger and integration payments; certain cash distributions from StoneRiver; cash tax benefits on early debt extinguishment; and other items which management believes may not be indicative of the future free cash flow of the company.

¹2015 includes \$70 million of capital expenditures, primarily leasehold improvements, associated with the construction of a new building related to the company's Atlanta facility consolidation, of which \$25 million is offset by landlord reimbursements reported in net cash provided by operating activities and \$45 million of non-reimbursable building expenditures is included in "other adjustments."

²"Other adjustments" removes cash distributions from StoneRiver less related tax payments of \$20 million and \$55 million in 2015 and 2014, respectively.

Adjusted Revenue and Adjusted Operating Income

Total Company

	<u>4Q-15</u>	<u>4Q-14</u>	<u>2015</u>	<u>2014</u>
Revenue	\$ 1,368	\$ 1,316	\$ 5,254	\$ 5,066
Output Solutions postage reimbursements	(85)	(89)	(313)	(327)
Open Solutions deferred revenue adjustment	<u>1</u>	<u>1</u>	<u>4</u>	<u>4</u>
Adjusted revenue	<u>\$ 1,284</u>	<u>\$ 1,228</u>	<u>\$ 4,945</u>	<u>\$ 4,743</u>
Operating income	\$ 329	\$ 317	\$ 1,311	\$ 1,210
Merger, integration and other costs	9	2	37	13
Severance costs	11	6	24	21
Amortization of acquisition-related intangible assets	<u>45</u>	<u>51</u>	<u>194</u>	<u>204</u>
Adjusted operating income	<u>\$ 394</u>	<u>\$ 376</u>	<u>\$ 1,566</u>	<u>\$ 1,448</u>
Operating margin	24.0%	24.1%	24.9%	23.9%
Adjusted operating margin	30.7%	30.6%	31.7%	30.5%

\$ in millions. Operating margin percentages are calculated using actual, unrounded amounts.

See page 2 for disclosures related to non-GAAP financial measures.

Adjusted Revenue and Adjusted Operating Income by Segment

Payments Segment

	<u>4Q-15</u>	<u>4Q-14</u>	<u>2015</u>	<u>2014</u>
Revenue	\$ 751	\$ 719	\$ 2,862	\$ 2,747
Output Solutions postage reimbursements	<u>(85)</u>	<u>(89)</u>	<u>(313)</u>	<u>(327)</u>
Adjusted revenue	<u>\$ 666</u>	<u>\$ 630</u>	<u>\$ 2,549</u>	<u>\$ 2,420</u>
Operating income	<u>\$ 224</u>	<u>\$ 202</u>	<u>\$ 840</u>	<u>\$ 768</u>
Operating margin	29.8%	28.1%	29.3%	28.0%
Adjusted operating margin	33.6%	32.1%	33.0%	31.7%

\$ in millions. Operating margin percentages are calculated using actual, unrounded amounts.

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Adjusted Revenue and Adjusted Operating Income by Segment

Financial Segment

	<u>4Q-15</u>	<u>4Q-14</u>	<u>2015</u>	<u>2014</u>
Revenue	\$ 630	\$ 609	\$ 2,443	\$ 2,367
Open Solutions deferred revenue adjustment	<u>1</u>	<u>1</u>	<u>4</u>	<u>4</u>
Adjusted revenue	<u>\$ 631</u>	<u>\$ 610</u>	<u>\$ 2,447</u>	<u>\$ 2,371</u>
Operating income	<u>\$ 195</u>	<u>\$ 192</u>	<u>\$ 826</u>	<u>\$ 773</u>
Operating margin	31.0%	31.6%	33.8%	32.6%
Adjusted operating margin	31.0%	31.5%	33.8%	32.6%

\$ in millions. Operating margin percentages are calculated using actual, unrounded amounts.

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