



First Data[™]

beyond the transaction

2012 First Quarter Financial Results

May 2, 2012

Safe Harbor

Statements in this presentation regarding First Data Corporation's business which are not historical facts are "forward-looking statements." All forward-looking statements are inherently uncertain as they are based on various expectations and assumptions concerning future events and they are subject to numerous known and unknown risks and uncertainties which could cause actual events or results to differ materially from those projected. Please refer to the company's meaningful cautionary statements contained in the appendix of this presentation for a more detailed list of risks and uncertainties.

Reconciliation to Non-GAAP measures are provided in the Appendix of this presentation or as part of our Financial Results Press Release accompanying this presentation which can be found at <http://investor.firstdata.com>.



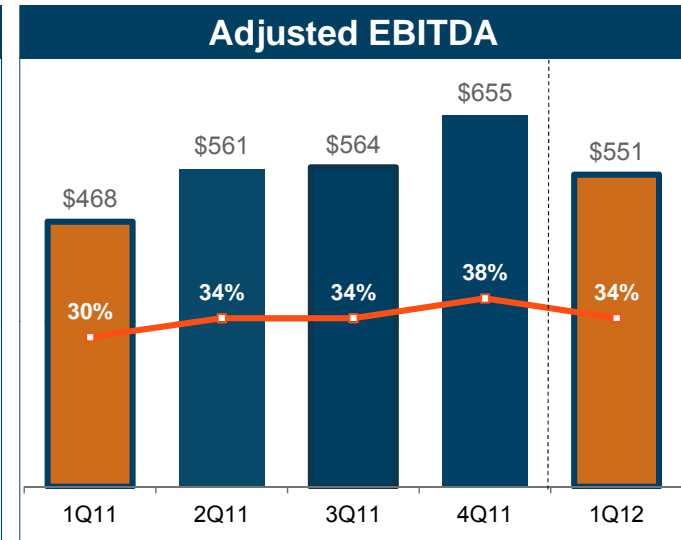
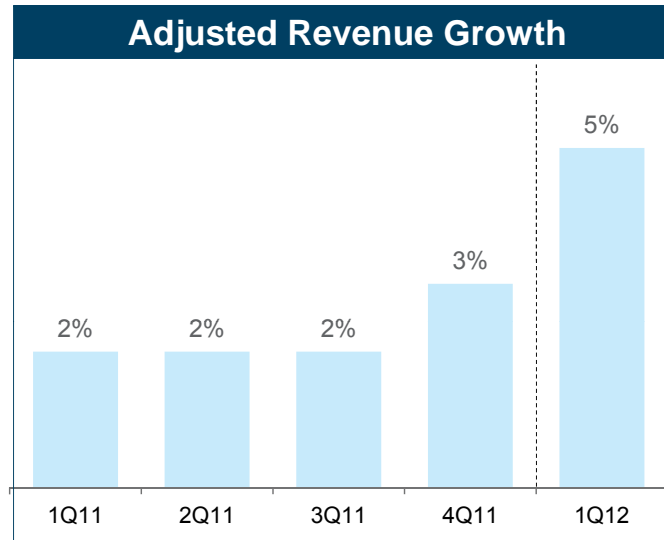
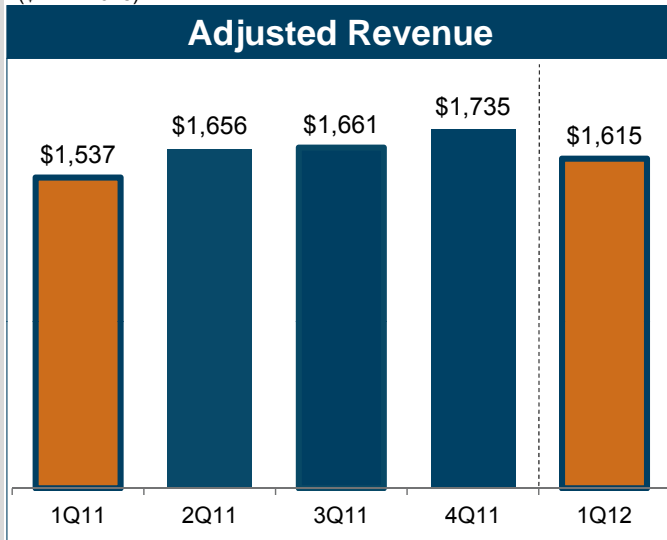
Ray Winborne

Chief Financial Officer

1Q12 Consolidated Operating Results

- ▶ 1Q12 consolidated revenue of \$2.6 billion, up 1%
- ▶ Net loss attributable to First Data of \$153 million for first quarter 2012, \$65 million improvement over prior year
- ▶ Adjusted revenue \$1.6 billion, up 5% in first quarter
 - Growth in global merchant acquiring businesses
- ▶ Adjusted EBITDA \$551 million, up \$83 million or 18%

(\$ in millions)

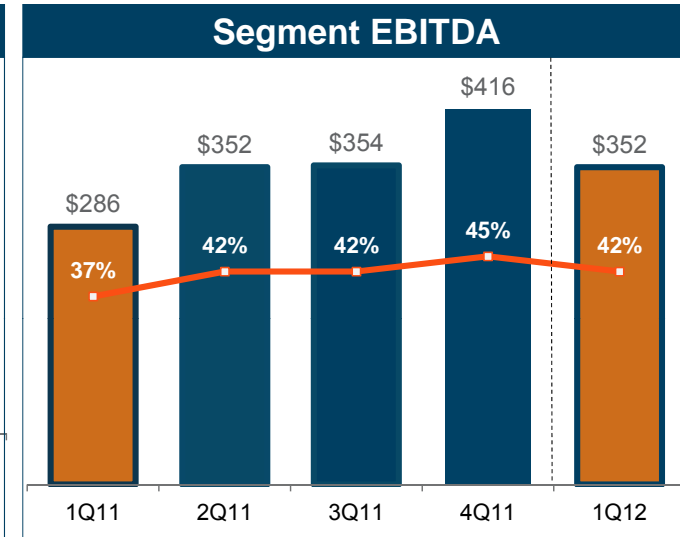
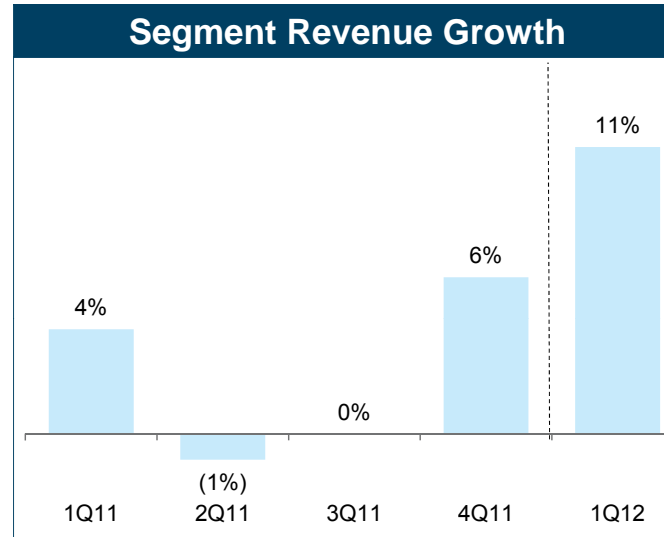
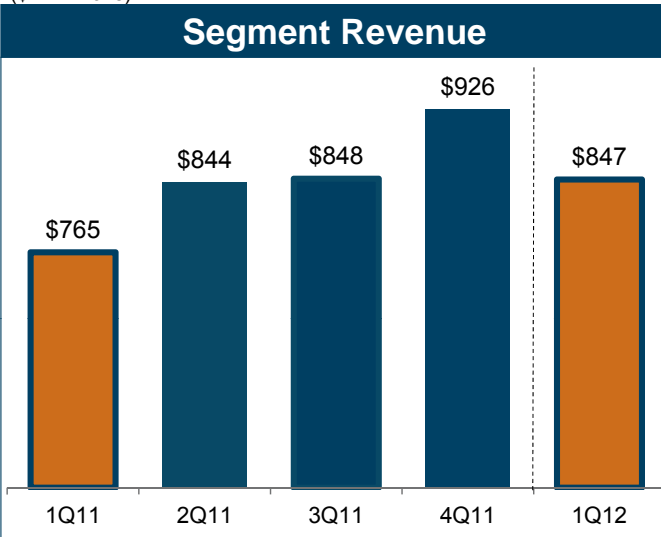


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1Q12 Retail and Alliance Services Results

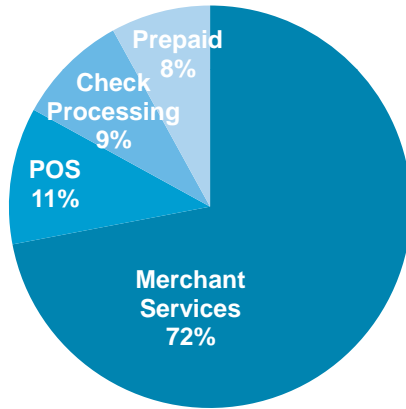
- ▶ Revenue up \$82 million or 11%
- ▶ Merchant revenue up 17%
 - Volume growth (transactions up 6%); revenue per transaction up 11%
 - Lower debit interchange rates and additional BAMS processing revenue
- ▶ Product revenue down 3%
 - Prepaid transaction growth offset by business disposal
 - Continued decline in check volumes
- ▶ EBITDA up \$66 million or 23%

(\$ in millions)



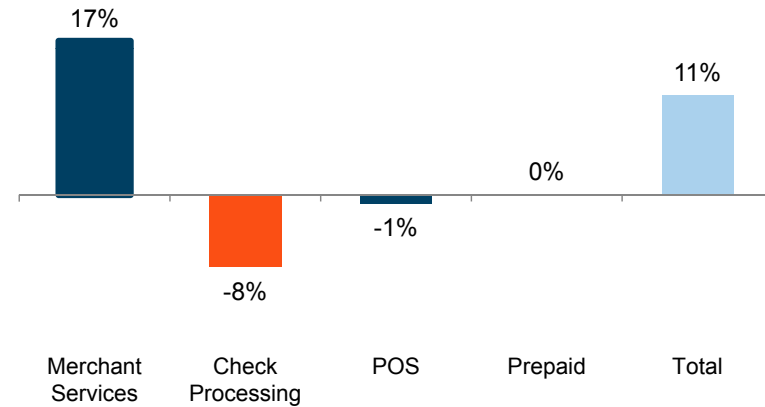
1Q12 Retail & Alliance Services Drivers

Segment Revenue Mix

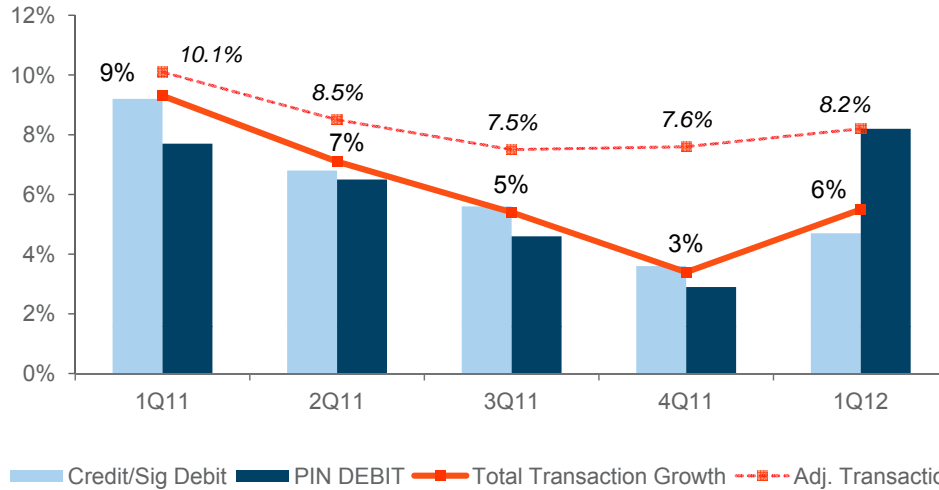


Merchant Composition	
Alliances	42%
RSA	27%
Indirect	21%
Other	10%

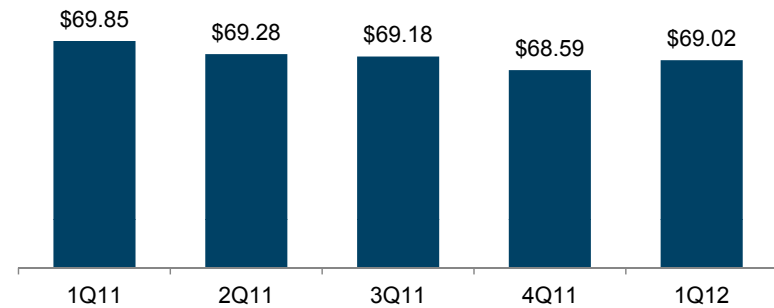
Segment Revenue Mix Growth vs. prior year



Transaction Growth by Card Type vs. prior year



Average Ticket Price

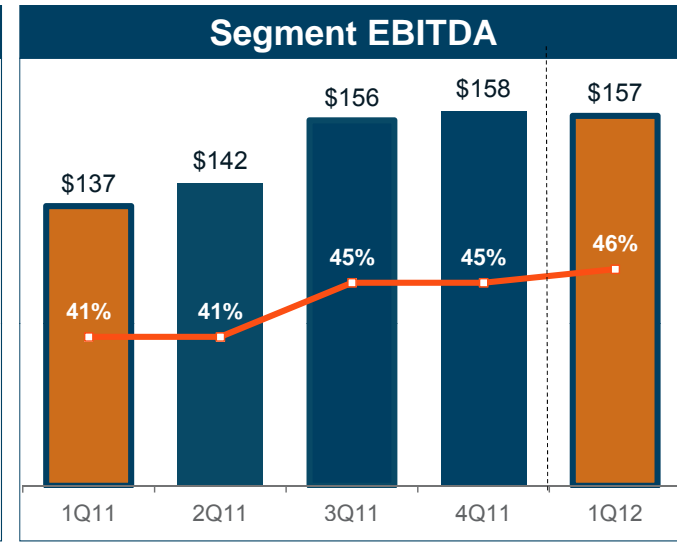
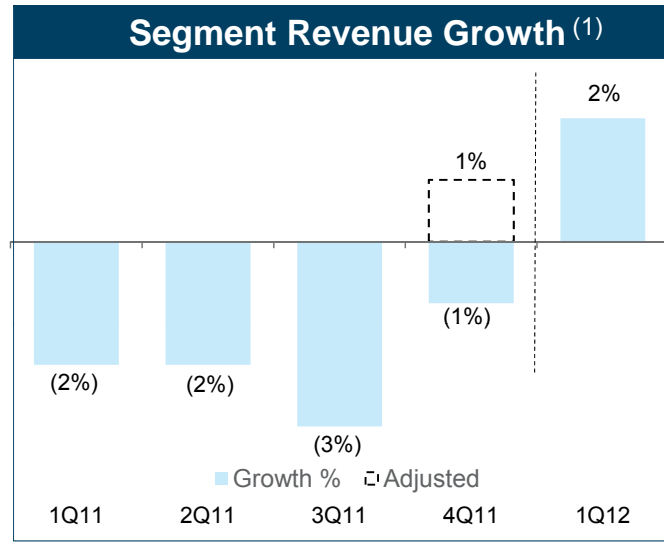
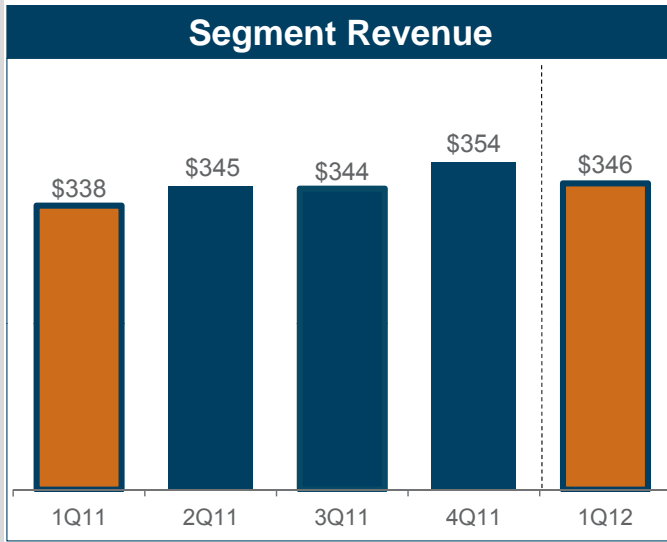


(1) Adjusted for a specific customer loss, customer deconversions related to our former Chase Paymentech alliance and leap year

1Q12 Financial Services Results

- ▶ Revenue up \$8 million or 2%
 - New business and volume growth offset lost business and price compression
 - Good volume trends (organic growth and active accounts on file)
- ▶ EBITDA up \$20 million or 15%
 - Revenue flow through
 - Lower technology and operations costs

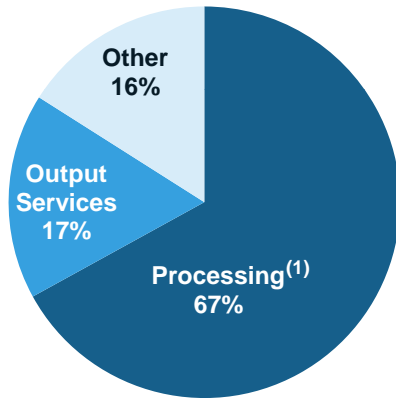
(\$ in millions)



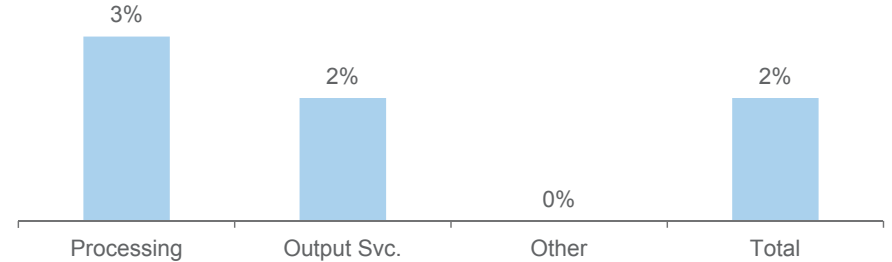
(1) 4Q11 growth rate adjusted to exclude impact of WaMu termination fee.
See Appendix page 20

1Q12 Financial Services Drivers

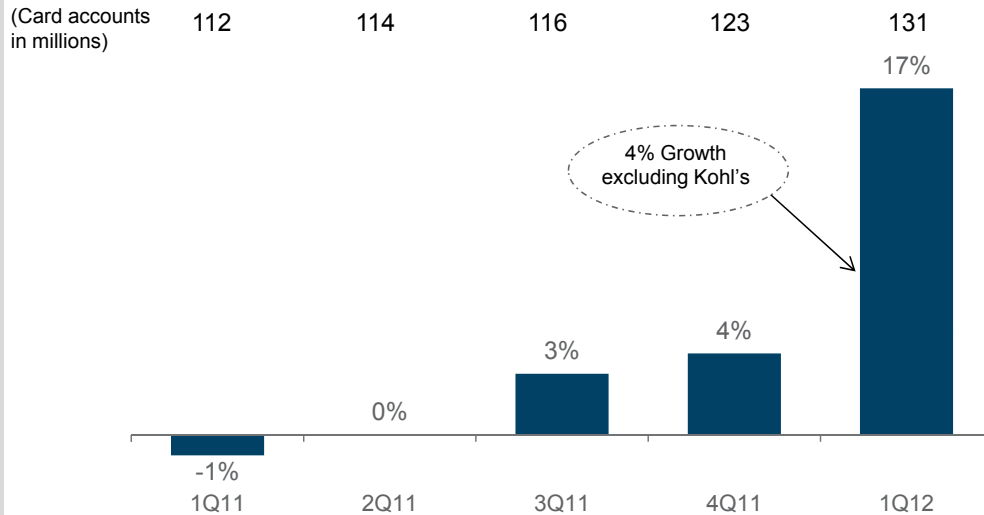
Segment Revenue Mix



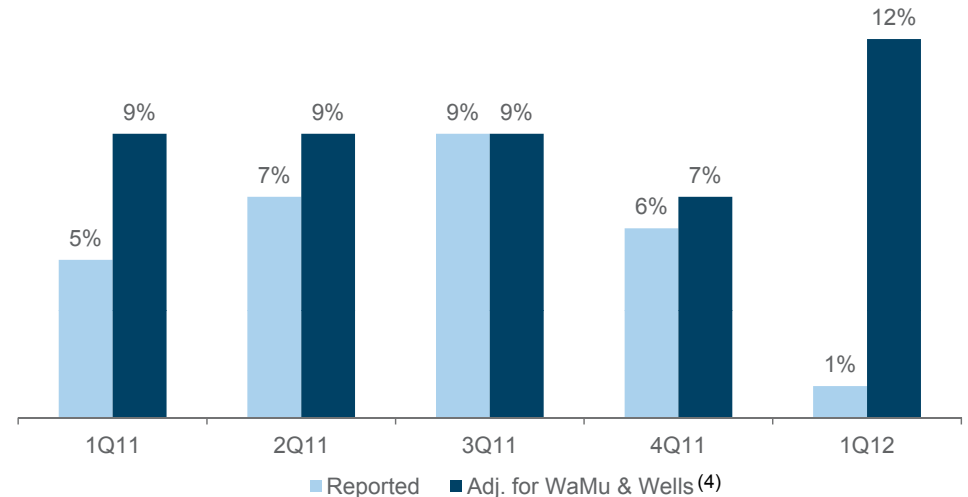
Segment Revenue Mix Growth vs. prior year



Active Card Accounts on File Growth⁽²⁾ vs. prior year



Debit Issuer Transaction Growth vs. prior year⁽³⁾



(1) Includes credit and retail card and debit processing and network services

(2) Active Card Accounts on File include bank card and retail accounts that had a balance or any activity during the last month of the quarter

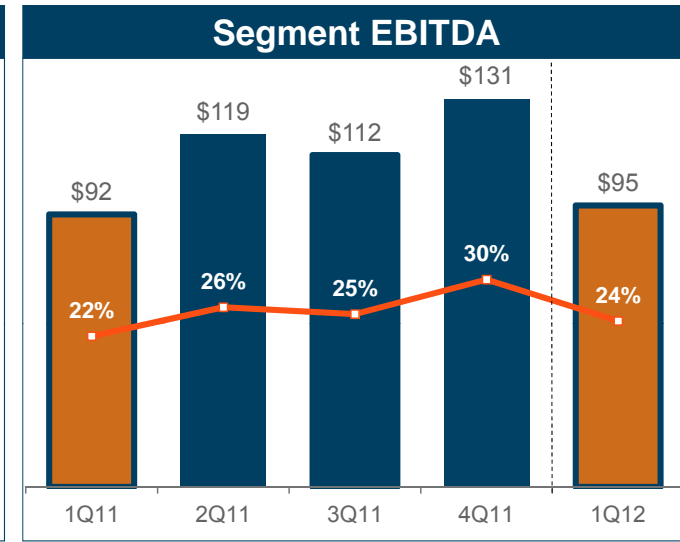
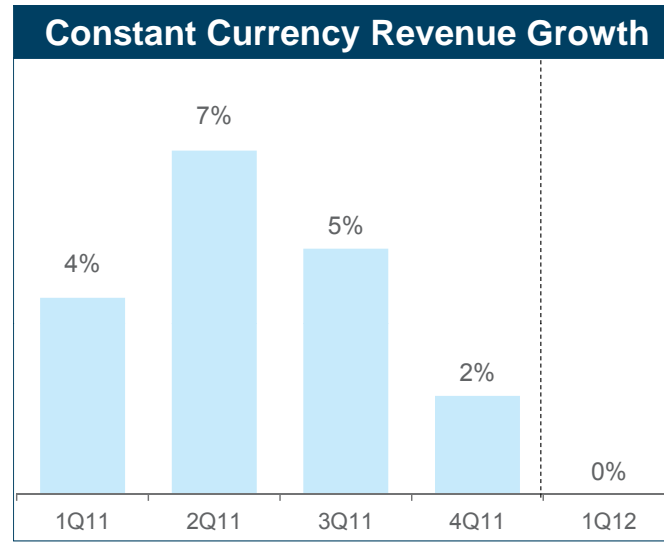
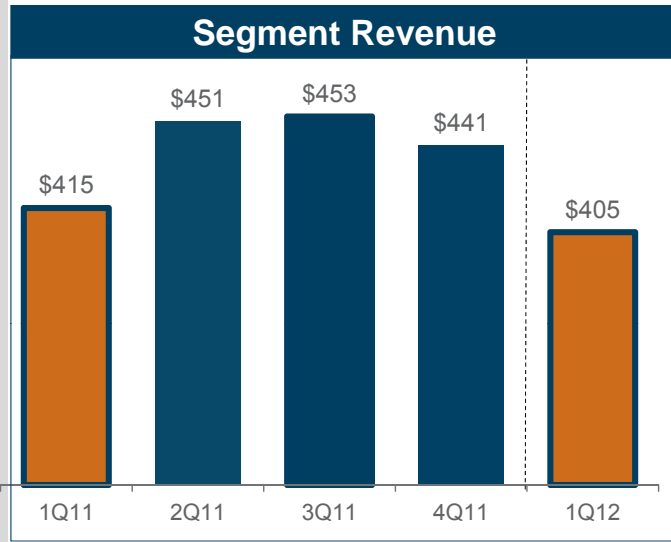
(3) Debit issuer transactions include signature debit, STAR ATM, STAR PIN-debit POS and ATM and PIN-debit POS gateway transactions

(4) Growth rates adjusted to exclude WaMu in 1Q11 – 3Q11 only, and Wells in all periods

1Q12 International Results

- ▶ Revenue \$405 million, down 3% year-over-year (flat on constant currency basis)
 - Growth in merchant acquiring volumes
 - Customer losses in issuing business
 - Product mix shift away from lower margin revenue
 - Foreign currency headwind (\$10 million)
- ▶ EBITDA \$95 million, up \$3 million or 4%
 - Expenses down \$7 million on a constant currency basis
 - Margin improved to 24%, up 200 basis points

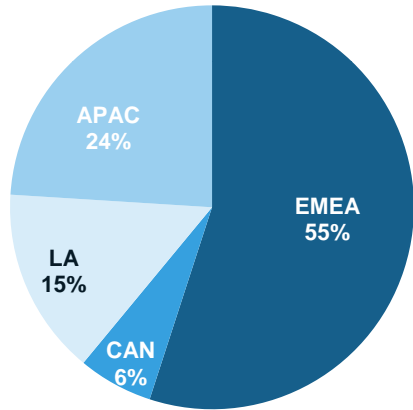
(\$ in millions)



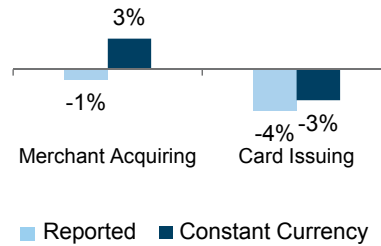
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1Q12 International Drivers

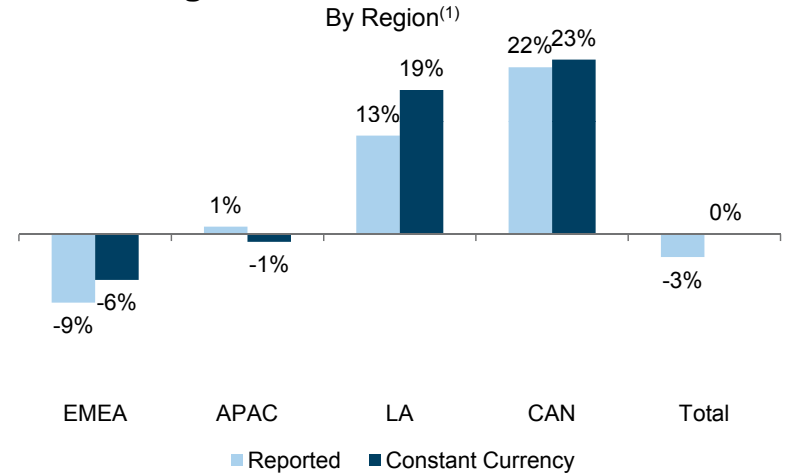
Segment Revenue Mix
By Region⁽¹⁾



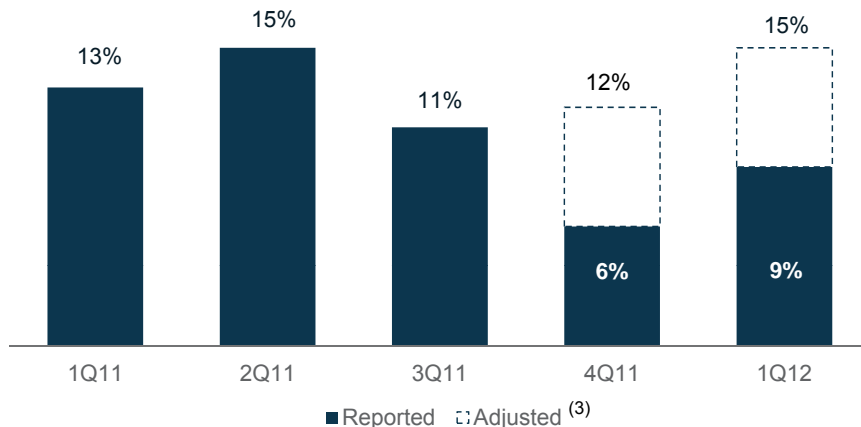
Segment Revenue Mix Growth
By Product



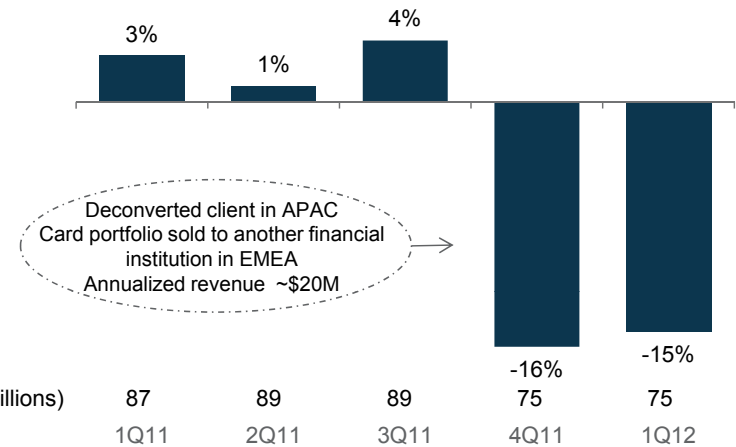
Segment Revenue Mix Growth
By Region⁽¹⁾



International Transactions⁽²⁾
vs. prior year



International Card Accounts on File⁽⁴⁾
vs. prior year



(1) Regions defined as: LA is Latin America, CAN is Canada, APAC is Asia Pacific, EMEA is Europe, Middle East and Africa

(2) Includes merchant acquiring and switching and debit issuer transactions for clients outside the U.S. Transactions include credit, signature and PIN debit transactions

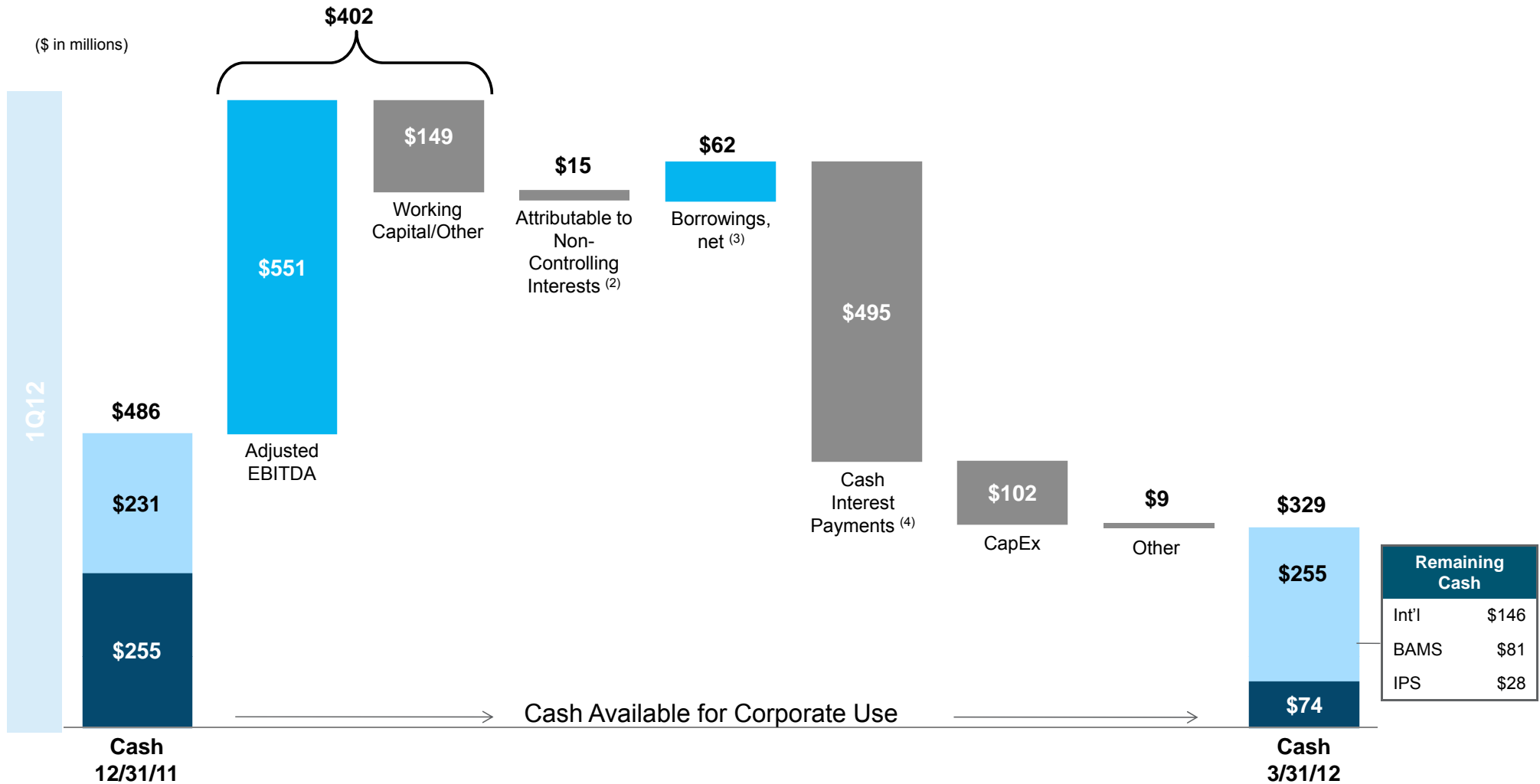
(3) 4Q11 – 1Q12 adjusted represents the impact of Chase moving transactions First Data processed back to their own platform

(4) Card accounts on file include bankcard and retail

See Appendix pages 21- 23

1Q12 Cash Flow

- ▶ Ended 1Q12 with \$1.5 billion in unrestricted liquidity⁽¹⁾



(1) Unrestricted liquidity = \$1.389B revolver + \$74M cash available for corporate use

(2) Represents cash distributions to minority holders in excess of net income attributable to non-controlling interest (\$53M - \$38M)

(3) Includes short and long-term term borrowings, net, debt modification proceeds (payments) and related financing costs, net and accrued interest funded upon issuance of notes

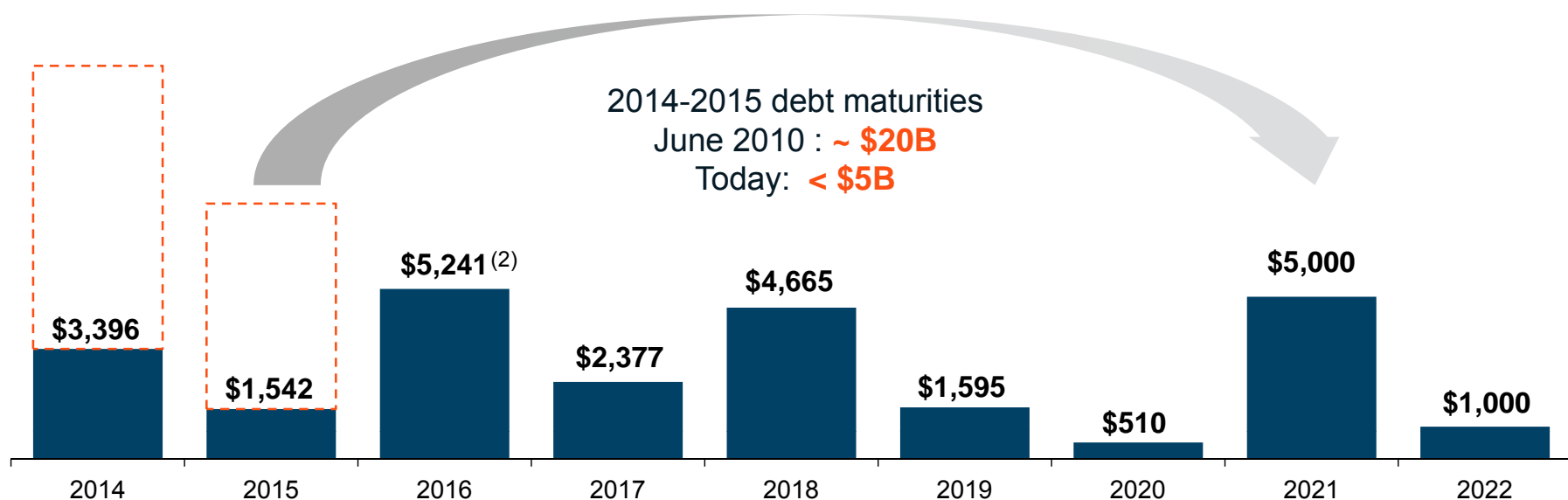
(4) Represents cash interest paid on long-term debt service obligations

See Appendix page 24

Proactively Managing Capital Structure

- ▶ **Ample liquidity:** \$1.5 billion revolving credit facility
- ▶ **Significant headroom** in only financial covenant (4.3x versus covenant of 6.5x)
- ▶ **Full Year Cash Interest Estimate⁽³⁾:** 2012 - \$1,795 million; 2013 - \$1,680 million

Debt Maturity Profile ⁽¹⁾



(1) Excludes short-term borrowings related primarily to revolving credit facility, outstanding settlement lines of credit and capital leases

(2) Includes HoldCo PIK maturity of \$2,741 (\$1 billion original note plus accrued interest)

(3) Based on current capital structure, related derivative positions and assumes PIK toggle is cash pay; forward curve as of 4/5/2012



Q&A



Appendix

Capital Structure

(\$ in millions)

Tranche	Rate ⁽¹⁾	Maturity	Par Amount 3/31/2012
Revolver (\$499 million)	L + 275	2013	26
Extended Revolver (\$1,016 million)	L + 400	2016	53
Term Loan	L + 275	2014	3,392 ⁽¹⁾
Extended Term Loan	L + 500	2017	2,377 ⁽¹⁾
Extended Term Loan	L + 400	2018	4,665 ⁽¹⁾
First Lien Notes	7.375%	2019	1,595 ⁽²⁾
First Lien Notes	8.875%	2020	510
Senior Secured	6.40%		\$12,618
Second Lien Notes	8.250%	2021	2,000
Second Lien PIK Toggle Notes	8.750%/10.00%	2022	1,000
Second Lien	8.42%		\$3,000
Senior Unsecured Notes	9.875%	2015	784
Senior Unsecured Notes	10.550%	2015	748
Senior Unsecured Notes	12.625%	2021	3,000
Senior Unsecured	11.81%		\$4,532
Subordinated	11.25%	2016	\$2,500
Other	3.74%		232
Holdco PIK Notes	11.50%	2016	1,657
Total Debt	8.46%		\$24,539
Cash			\$329
Net Debt			\$24,210

(1) \$5 billion swapped to fixed at 4.89% maturing 9/24/12; \$5 billion forward starting step up swaps (9/24/12 – 9/24/16) fixed at average 1.32%

(2) \$750 million swapped to floating receiving 3.11% and paying LIBOR flat, mandatory termination on swap 6/15/15

Consolidated Non-GAAP Reconciliation

(\$ in millions)

	<u>Three months ended March 31,</u>			<u>Three months ended December 31,</u>			<u>Three months ended September 30,</u>		
	<u>2012</u>	<u>2011</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
<u>Consolidated Adjusted Revenue</u>									
Adjusted revenue	\$ 1,615.4	\$ 1,537.3	5%	\$ 1,734.5	\$ 1,688.0	3%	\$ 1,661.0	\$ 1,623.7	2%
Adjustments for non-wholly owned entities	21.1	48.0		35.0	57.5		46.6	56.5	
Official check and money order revenues	4.0	2.9		(1.6)	(23.9)		4.7	1.3	
ISO commission expense	116.2	91.7		111.5	86.9		99.7	93.0	
Reimbursable debit network fees, postage and other	807.3	864.3		808.4	922.0		919.8	858.6	
Consolidated revenues	<u>\$ 2,564.0</u>	<u>\$ 2,544.2</u>	1%	<u>\$ 2,687.8</u>	<u>\$ 2,730.5</u>	-2%	<u>\$ 2,731.8</u>	<u>\$ 2,633.1</u>	4%

	<u>Three months ended June 30,</u>			<u>Three months ended March 31,</u>		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
<u>Consolidated Adjusted Revenue</u>						
Adjusted revenue	\$ 1,656.2	\$ 1,620.8	2%	\$ 1,537.3	\$ 1,508.4	2%
Adjustments for non-wholly owned entities	50.1	57.7		48.0	52.4	
Official check and money order revenues	3.9	4.7		2.9	9.9	
ISO commission expense	100.6	81.6		91.7	72.3	
Reimbursable debit network fees, postage and other	939.0	849.9		864.3	759.1	
Consolidated revenues	<u>\$ 2,749.8</u>	<u>\$ 2,614.7</u>	5%	<u>\$ 2,544.2</u>	<u>\$ 2,402.1</u>	6%

Consolidated Non-GAAP Reconciliation

(\$ in millions)

	Three months ended March 31,		Change
	2012	2011	
<u>Consolidated Adjusted EBITDA</u>			
Adjusted EBITDA	\$ 550.7	\$ 467.8	18%
Adjustments for non-wholly owned entities	(3.7)	13.2	
Depreciation and amortization	(309.1)	(341.8)	
Interest expense	(461.1)	(442.3)	
Interest income	2.5	1.9	
Other items	(14.0)	(44.4)	
Income tax benefit	108.2	148.0	
Stock based compensation	(3.6)	(4.1)	
Official check and money order EBITDA	1.7	0.1	
Costs of alliance conversions	(11.5)	(6.3)	
KKR related items	(8.4)	(9.2)	
Debt issuance costs	(4.2)	-	
Net loss attributable to First Data Corporation	<u>\$ (152.5)</u>	<u>\$ (217.1)</u>	-30%

Consolidated Non-GAAP Reconciliation

(\$ in millions)

	Three months ended March 31,		Change
	2012	2011	
Adjusted Expenses	\$ 1,064.7	\$ 1,069.5	0%
ISO Commission expense	116.2	91.7	
Reimbursable debit network fees, postage and other	807.3	864.3	
Depreciation and amortization	309.1	341.8	
Adjustments for non-wholly-owned entities	13.9	29.9	
Restructuring, net	5.8	15.5	
Impairments	-	1.1	
Litigation	-	1.5	
Official check and money order adjusted expenses	2.3	2.8	
Stock based compensation	3.6	4.1	
Cost of alliance conversions	11.5	6.3	
KKR Related items	8.4	9.2	
Debt issuance costs	4.2	-	
Consolidated expenses	<u>\$ 2,347.0</u>	<u>\$ 2,437.7</u>	-4%

Consolidated Non-GAAP Reconciliation

(\$ in millions)

	Three Months Ended			
	March 31, 2011	June 30, 2011	September 30, 2011	December 31, 2011
<u>Consolidated Adjusted EBITDA</u>				
Adjusted EBITDA	\$ 467.8	\$ 561.1	\$ 564.5	\$ 655.1
Adjustments for non-wholly owned entities	13.2	10.9	25.0	10.4
Depreciation and amortization	(341.8)	(329.8)	(263.7)	(309.7)
Interest expense	(442.3)	(462.3)	(466.7)	(461.8)
Interest income	1.9	1.9	1.6	2.5
Other items	(44.4)	(22.5)	84.9	44.4
Income tax benefit	148.0	88.1	18.9	15.1
Stock based compensation	(4.1)	(4.4)	(4.2)	(4.2)
Official check and money order EBITDA	0.1	1.2	2.2	(4.0)
Costs of alliance conversions	(6.3)	(6.7)	(7.0)	(8.4)
KKR related items	(9.2)	(9.8)	(9.4)	(9.0)
Debt issuance costs	-	(3.5)	-	0.3
Net loss attributable to First Data Corporation	<u>\$ (217.1)</u>	<u>\$ (175.8)</u>	<u>\$ (53.9)</u>	<u>\$ (69.3)</u>

Segment Non-GAAP Reconciliation

(\$ in millions)

Financial Services Segment Revenue (adjusted for WaMu termination fee)

	Three Months Ended December 31,		Change
	2011	2010	
Segment revenue	\$ 353.6	\$ 357.8	-1%
WaMu termination fee	-	(9.3)	
Segment revenue adjusted for WaMu	<u>\$ 353.6</u>	<u>\$ 348.5</u>	1%

Retail and Alliance Services Merchant Acquiring Revenue per Transaction ("RPT") (adjusted)

	Three Months Ended March 31, 2012			Three Months Ended March 31, 2011			RPT Growth
	Revenue	Transactions	RPT	Revenue	Transactions	RPT	
Merchant Acquiring	\$ 613.3	8,834.8	\$ 0.0694	\$ 523.6	8,371.5	\$ 0.0625	11%
Adjustment ⁽¹⁾	(44.4)	(84.1)	NM	(5.2)	(375.2)	NM	NM
Adjusted Merchant Acquiring	<u>\$ 568.9</u>	<u>8,750.7</u>	<u>\$ 0.0650</u>	<u>\$ 518.4</u>	<u>7,996.3</u>	<u>\$ 0.0648</u>	0%

(1) Adjusted to exclude specific customer loss, customer deconversions related to our former Chase Paymentech Alliance, incremental processing revenue from the Bank of America Merchant Services alliance and lower debit interchange rates associated with the Durbin Amendment.

International Non-GAAP Reconciliation

(\$ in millions)

International Segment Revenue (Constant Currency)

	<u>Three Months Ended March 31,</u>			<u>Three Months Ended June 30,</u>		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Segment Revenue	\$ 415.3	\$ 391.7	6%	\$ 451.5	\$ 387.1	17%
Foreign exchange impact (1)	(6.0)	-		(39.0)	-	
Segment Revenue on a constant currency basis	<u>\$ 409.3</u>	<u>\$ 391.7</u>	4%	<u>\$ 412.5</u>	<u>\$ 387.1</u>	7%

	<u>Three Months Ended September 30,</u>			<u>Three Months Ended December 31,</u>		
	<u>2011</u>	<u>2010</u>	<u>Change</u>	<u>2011</u>	<u>2010</u>	<u>Change</u>
Segment Revenue	\$ 453.0	\$ 402.5	13%	\$ 441.5	\$ 439.5	0%
Foreign exchange impact (1)	(29.9)	-		6.5	-	
Segment Revenue on a constant currency basis	<u>\$ 423.1</u>	<u>\$ 402.5</u>	5%	<u>\$ 448.0</u>	<u>\$ 439.5</u>	2%

(1) Foreign exchange impact represents the difference between actual 2011 revenue and 2011 revenue calculated using 2010 exchange rates.

International Non-GAAP Reconciliation

(\$ in millions)

International Segment Revenue By Line of Business (Constant Currency)

International segment revenue - merchant acquiring
Foreign exchange impact (1)
International segment revenue - merchant acquiring on a constant currency basis

International segment revenue - card issuing
Foreign exchange impact (1)
International segment revenue - card issuing on a constant currency basis

	Three months ended March 31,		
	2012	2011	Change
\$	182.4	\$ 184.4	-1%
	7.0	-	
\$	<u>189.4</u>	<u>\$ 184.4</u>	3%
\$	222.5	\$ 230.9	-4%
	2.5	-	
\$	<u>225.0</u>	<u>\$ 230.9</u>	-3%

International Segment EMEA Region Revenue By Line of Business (Constant Currency)

EMEA merchant acquiring revenue
Foreign exchange impact (1)
EMEA merchant acquiring revenue on a constant currency basis

EMEA card issuing revenue
Foreign exchange impact (1)
EMEA card issuing revenue on a constant currency basis

	Three months ended March 31,		
	2012	2011	Change
\$	116.1	\$ 121.6	-5%
	4.9	-	
\$	<u>121.0</u>	<u>\$ 121.6</u>	0%
\$	107.2	\$ 124.6	-14%
	3.6	-	
\$	<u>110.8</u>	<u>\$ 124.6</u>	-11%

International Segment Expenses (Constant Currency)

International segment expenses
Foreign exchange impact (2)
International segment expenses on a constant currency basis

	Three months ended March 31,		
	2012	2011	Change
\$	309.5	\$ 323.6	\$ (14.1)
	7.0	-	
\$	<u>316.5</u>	<u>\$ 323.6</u>	\$ (7.1)

(1) Foreign exchange impact represents the difference between actual 2012 revenue and 2012 revenue calculated using 2011 exchange rates.

(2) Foreign exchange impact represents the difference between actual 2012 expense and 2012 expense calculated using 2011 exchange rates.

(3) Foreign exchange impact represents the difference between actual 2012 EBITDA and 2012 EBITDA calculated using 2011 exchange rates.

International Non-GAAP Reconciliation

(\$ in millions)

	Three Months Ended March 31,		Change
	2012	2011	
International Segment Revenue (Constant Currency By Region)			
EMEA revenue	\$ 223.3	\$ 246.2	-9%
Foreign exchange impact (1)	8.5	-	
EMEA revenue on a constant currency basis	<u>\$ 231.8</u>	<u>\$ 246.2</u>	-6%
APAC revenue	\$ 97.1	\$ 96.0	1%
Foreign exchange impact (1)	(2.4)	-	
APAC revenue on a constant currency basis	<u>\$ 94.7</u>	<u>\$ 96.0</u>	-1%
LA revenue	\$ 59.0	\$ 52.2	13%
Foreign exchange impact (1)	3.1	-	
LA revenue on a constant currency basis	<u>\$ 62.1</u>	<u>\$ 52.2</u>	19%
Canada revenue	\$ 25.5	\$ 20.9	22%
Foreign exchange impact (1)	0.3	-	
Canada revenue on a constant currency basis	<u>\$ 25.8</u>	<u>\$ 20.9</u>	23%
International Segment Revenue (Constant Currency)			
Segment revenue	\$ 404.9	\$ 415.3	-3%
Foreign exchange impact (1)	9.5	-	
Segment revenue on a constant currency basis	<u>\$ 414.4</u>	<u>\$ 415.3</u>	0%

(1) Foreign exchange impact represents the difference between actual 2012 revenue and 2012 revenue calculated using 2011 exchange rates.

Cash Flow Non-GAAP Reconciliation

(\$ in millions)

Cash Flow Non-GAAP Reconciliation

	<u>Three Months Ended March 31, 2012</u>	<u>Three Months Ended March 31, 2011</u>
Adjusted EBITDA	\$ 551	\$ 468
Total working capital/other	(149)	(40)
	<u>\$ 402</u>	<u>\$ 428</u>
Net cash provided by (used in) operating activities	\$ (54)	\$ 108
Cash interest payments	495	353
Net cash provided by operating activities excluding cash interest payments	441	461
Net Income Attributable to noncontrolling interests	(38)	(33)
	<u>\$ 402</u>	<u>\$ 428</u>

	<u>Last Twelve Months Ended March 31, 2012</u>
Net cash provided by operating activities	\$955
Cash interest payments	1,579
Net cash provided by operating activities excluding cash interest payments	<u>\$2,534</u>

Notice to Investors, Prospective Investors and the Investment Community; Cautionary Information Regarding Forward-Looking Statements

Statements in this presentation regarding First Data Corporation (the “Company”) which are not historical facts are forward-looking statements. You can identify forward-looking statements because they contain words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “intends,” “plans,” “estimates,” or “anticipates” or similar expressions which concern our strategy, plans, projections or intentions. Examples of forward-looking statements include, but are not limited to, all statements the Company makes relating to revenue, EBITDA, earnings, margins, growth rates and other financial results for future periods. Forward-looking statements are based on the Company’s current expectations and assumptions regarding its business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. The Company’s actual results may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: (a) no adverse impact on the Company’s business as a result of its high degree of leverage; (b) successful conversions under service contracts with major clients; (c) successfully adjusting to the new U.S. financial regulatory reform legislation and regulations; (d) successful implementation and improvement of processing systems to provide new products, improved functionality and increased efficiencies; (e) anticipation of and response to technological changes, particularly with respect to e-commerce and mobile commerce; (f) no further consolidation among client financial institutions or other client groups which has a significant impact on Company client relationships and no material loss of business from significant customers of the Company; (g) achieving planned revenue growth throughout the Company, including in the merchant alliance program which involves several alliances not under the sole control of the Company and each of which acts independently of the others, and successful management of pricing pressures through cost efficiencies and other cost-management initiatives; (h) successfully managing the credit and fraud risks in the Company’s business units and the merchant alliances, particularly in e-commerce and mobile markets; (i) no material breach of security of any of the Company’s systems; (j) continuing development and maintenance of appropriate business continuity plans for the Company’s processing systems based on the needs and risks relative to each such system; (k) no unanticipated changes in laws, regulations, credit card association rules or other industry standards affecting the Company’s businesses which require significant product redevelopment efforts, reduce the market for or value of its products or render products obsolete; (l) continuation of the existing interest rate environment so as to avoid unanticipated increases in interest on the Company’s borrowings; (m) no significant adverse movement in foreign currency exchange rates (n) no unanticipated developments relating to lawsuits, investigations or similar matters; (o) no catastrophic events that could impact the Company’s or its major customer’s operating facilities, communication systems and technology or that has a material negative impact on current economic conditions or levels of consumer spending; (p) successfully managing the potential both for patent protection and patent liability and other risks that are set forth in the “Risk Factors” and “Management Discussion and Analysis of Results of Operations and Financial Condition” sections of the Annual Report on Form 10-K for the period ended December 31, 2011.