2016 Fourth Quarter Financial Results

February 13, 2017

First Data®

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 more information regarding risks and uncertainties.
- Reconciliation to Non-GAAP measures and description of usefulness 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 investor.firstdata.com.
- ***Note: All growth percentages referenced and margin comparisons are year-over-year unless otherwise stated.***

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Fourth Quarter Highlights

✓ Solid Financial Performance

- Consolidated revenue down 1%; total segment revenue growth up 3% excluding the impacts from currency and the Australian ATM divestiture
- Net income of $192 million, up $1.4 billion, diluted EPS of $0.21; adjusted net income of $365 million, up 35%, adjusted diluted EPS of $0.39
- Total segment EBITDA of $771 million, up 1%, or up 4% excluding the impacts from currency and the Australian ATM divestiture; total segment EBITDA margin expanded 50 bps to 42.1%
- Cash flow from operations of $451 million; free cash flow of $270 million

✓ Executing on Key Initiatives

- Tangible improvements in SMB direct business
- Integrated payments channel launched and seeing early traction
- Multiple new enterprise wins and renewals
- Strong momentum in international markets

✓ Continued Organic Deleveraging and Balance Sheet Management

- Total borrowings and net debt reduced $1.1 billion in full year 2016
- Refinanced $9.4 billion of debt in Q4 2016 and YTD 2017 helping further reduce interest costs

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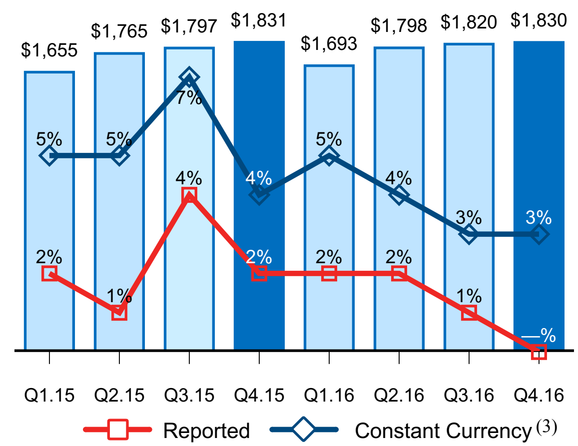
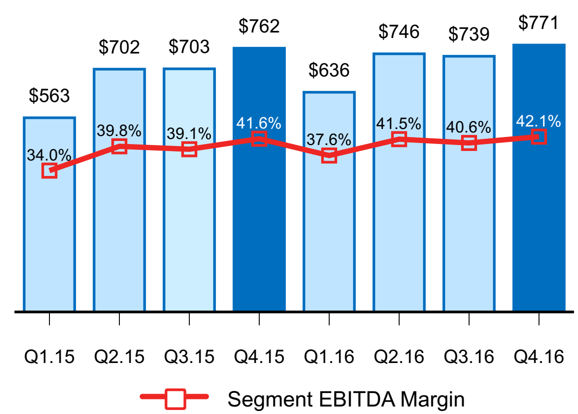
Q4.16 Summary Financial Results

- **Consolidated revenue of $2.9 billion**, down 1%
- **Total segment revenue of $1.8 billion**[(1)], flat
  - Up 3% excluding the impacts from currency and the Australian ATM divestiture
- **Net income of $192 million,** up $1.4 billion
  - Diluted EPS of $0.21
- **Adjusted net income of $365 million**, up $94 million
  - Adjusted diluted EPS of $0.39
- **Operating profit of $480 million,** up 385%
- **Total segment EBITDA of $771 million**, up 1%
  - Up 4% excluding the impacts from currency and the Australian ATM divestiture
  - Total segment EBITDA margin of 42.1%, up 50 basis points[(2)]
- **Cash flow from operations of $451 million**
- **Free cash flow of $270 million**

Total Segment Revenue ($M) and % Change



Total Segment EBITDA ($M) and Margin



See slide 15 for reconciliation of consolidated revenue to total segment revenue, slide 17 for reconciliation of net (loss) income to total segment EBITDA, slide 18 for net (loss) income to adjusted net income, slide 19 for quarterly reconciliations of cash flow from operations to free cash flow and slides 21-23 for reconciliation of Australian ATM divestiture. (1) Total segment revenue modifies consolidated revenue for the exclusion of various pass-through items and other impacts. (2) Total segment EBITDA margin defined as total segment EBITDA divided by total segment revenue. (3) Q4 2016 constant currency growth rate adjusted for Australian ATM divestiture.

Q4.16 Financial Overview

Fourth Quarter

	Q4.16	Q4.15	Reported Rates $ B/(W)[3]	Reported Rates % B/(W)	CC[1] [2] % B/(W)
Consolidated Revenue	**$2,943**	**$2,964**	**($21)**	**(1%)**	**1%**
Consolidated Expense	**$2,463**	**$2,865**	**$402**	**14%**	**13%**
Net Income	**$192**	**($1,217)**	**$1,409**		
Diluted EPS	**$0.21**				
Total Segment Revenue	**$1,830**	**$1,831**	**($1)**	**0%**	**3%**
GBS	1,026	1,039	(13)	(1%)	2%
GFS	415	394	21	5%	10%
NSS	389	398	(9)	(2%)	(2%)
Total Segment Expenses	**$1,059**	**$1,069**	**$10**	**1%**	**(2%)**
GBS	580	603	23	4%	0%
GFS	242	232	(10)	(4%)	(9%)
NSS	206	207	1	0%	1%
Corporate	31	27	(4)	(15%)	(15%)
Total Segment EBITDA	**$771**	**$762**	**$9**	**1%**	**4%**
GBS	446	436	10	2%	6%
GFS	173	162	11	7%	11%
NSS	183	191	(8)	(4%)	(4%)
Corporate	(31)	(27)	(4)	(15%)	(15%)
Total Segment EBITDA Margin	**42.1%**	**41.6%**	**50**	**bps**	
GBS	43.5%	42.0%	150		
GFS	41.7%	41.1%	60		
NSS	47.0%	48.0%	(100)		
Adjusted Net Income	**$365**	**$271**	**$94**	**35%**	
Adjusted Diluted EPS	**$0.39**				

Year-to-Date

	2016	2015	Reported Rates $ B/(W)[3]	Reported Rates % B/(W)	CC[1] [2] % B/(W)
Consolidated Revenue	**$11,584**	**$11,451**	**$133**	**1%**	**2%**
Consolidated Expense	**$9,982**	**$10,281**	**$299**	**3%**	**2%**
Net Income	**$420**	**($1,481)**	**$1,901**		
Diluted EPS	**$0.46**				
Total Segment Revenue	**$7,141**	**$7,048**	**$93**	**1%**	**4%**
GBS	4,063	4,089	(26)	(1%)	2%
GFS	1,593	1,495	98	7%	10%
NSS	1,485	1,464	21	1%	1%
Total Segment Expenses	**$4,249**	**$4,318**	**$69**	**2%**	**(1%)**
GBS	2,338	2,408	70	3%	0%
GFS	947	945	(2)	0%	(4%)
NSS	819	825	6	1%	1%
Corporate	145	140	(5)	(4%)	(4%)
Total Segment EBITDA	**$2,892**	**$2,730**	**$162**	**6%**	**9%**
GBS	1,725	1,681	44	3%	6%
GFS	646	550	96	17%	21%
NSS	666	639	27	4%	4%
Corporate	(145)	(140)	(5)	(4%)	(4%)
Total Segment EBITDA Margin	**40.5%**	**38.7%**	**180**	**bps**	
GBS	42.5%	41.1%	140		
GFS	40.6%	36.8%	380		
NSS	44.8%	43.6%	120		
Adjusted Net Income	**$1,220**	**$621**	**$599**	**96%**	
Adjusted Diluted EPS	**$1.32**				

See slide 16 for reconciliation of consolidated expenses to total segment expenses. (1) Certain measures in this release are presented excluding the estimated impact of foreign currency changes ("constant-currency" or "CC"). To present this information, monthly results in the current period for entities reporting in currencies other than United States dollars are translated into United States dollars at the average exchange rates in effect during the corresponding month of the prior fiscal year, rather than the actual average exchange rates in effect during the current fiscal year. Once translated, each month in the period is added together to calculate the constant currency current period results. (2) Segment revenues, expenses and EBITDA constant currency growth rates are shown excluding the impact of the Australian ATM divestiture (3) "B" means results in Q4.16 are better than results in Q4.15, "(W)" means results are worse.

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Q4.16 Global Business Solutions

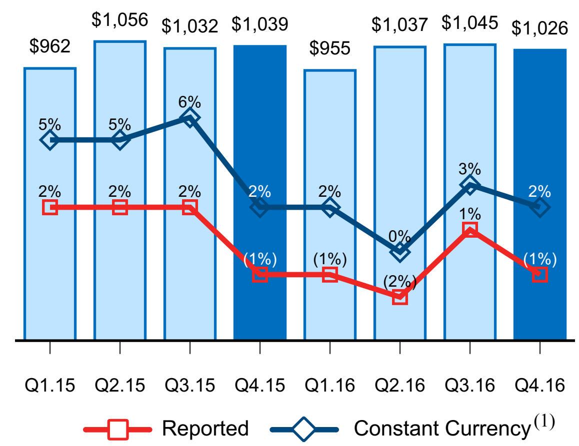
Segment revenue of $1.0 billion, down 1%; up 2% excluding the impacts from currency and the Australian ATM divestiture

- North America revenue of $805 million, flat, as transaction growth of 7% was largely offset by lower blended yield
- EMEA revenue of $133 million, down 8% or flat constant currency, driven by solid transaction growth, largely offset by lower hardware revenue and prior year interchange pricing benefit
- LATAM revenue of $54 million, up 17% or up 45% constant currency, driven by strong results in Brazil and Argentina
- APAC revenue of $34 million, down 28%, or down 3% excluding the impacts from currency and the Australian ATM divestiture

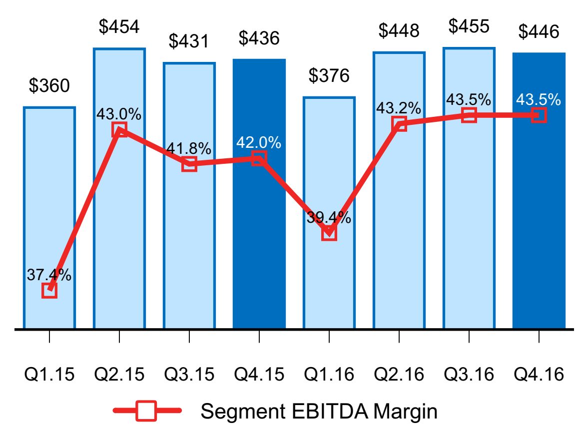
Segment EBITDA of $446 million, up 2%; up 6% excluding the impacts from currency and the Australia ATM divestiture

- Segment expenses of $580 million, down 4%, or flat excluding the impacts from currency and the Australia ATM divestiture
- Segment EBITDA margin of 43.5%, up 150 basis points

Segment Revenue ($M) and % Change



Segment EBITDA ($M) and Margin



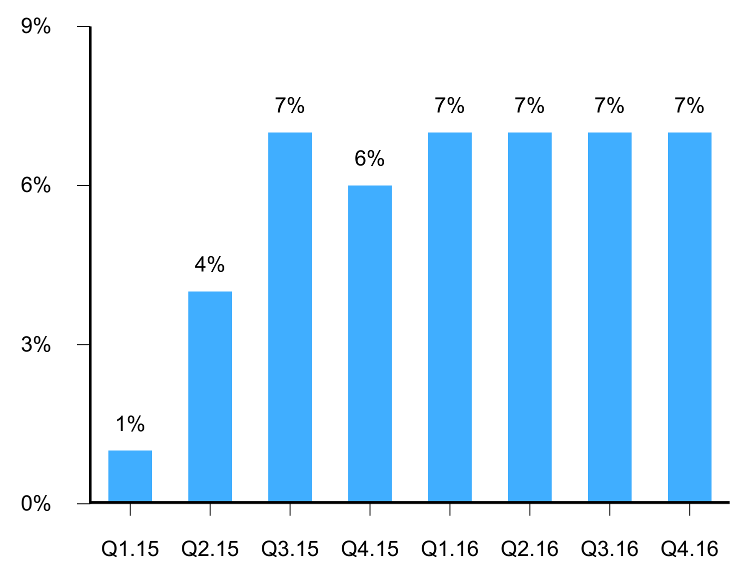
(1) Q4 2016 constant currency growth rate adjusted for Australian ATM divestiture.

GBS Revenue and Transaction Growth By Region

Q4.16 Revenue Detail

	Revenue	Constant Currency Growth YoY [1]	
	$M	%	$M
GBS North America	$805	0%	$3
GBS EMEA	$133	0%	—
GBS LATAM	$54	45%	$20
GBS APAC	$34	(3%)	($1)
GBS Segment	**$1,026**	**2%**	**$22**

Transaction Growth – GBS North America



- North America 7% transaction growth offset by lower blended yield
- LATAM continuing to show solid growth, driven by Brazil and Argentina

(1) Q4 2016 constant currency growth rate adjusted for Australian ATM divestiture.

Q4.16 Global Financial Solutions

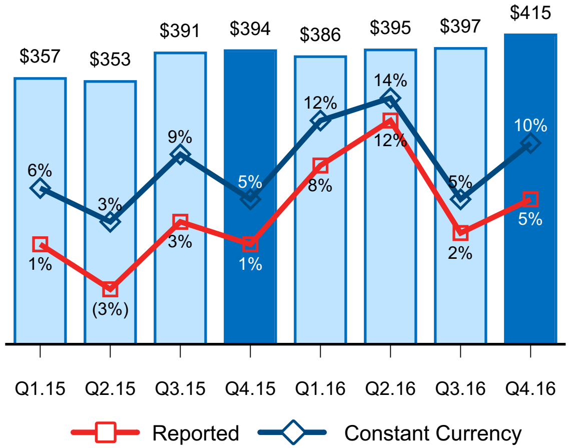
Segment revenue of $415 million, up 5%; up 10% constant currency

- North America revenue of $250 million, up 7%, largely driven by growth in processing and print, partially offset by a decline in card personalization revenue
- EMEA revenue of $109 million, down 7% or up 6% constant currency, due to new business and internal growth
- LATAM revenue of $33 million, up 32%, or up 50% constant currency, driven by growth in Argentina and Colombia
- APAC revenue of $23 million, up 28%, or up 25% constant currency, driven by growth in Australia

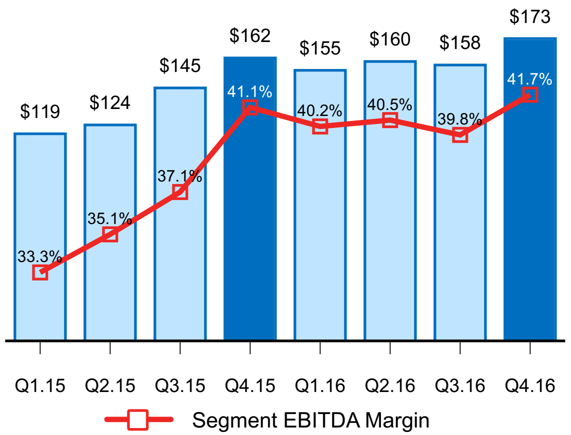
Segment EBITDA of $173 million, up 7%; up 11% constant currency

- Segment expenses of $242 million, up 4%, or up 9% constant currency
- Segment EBITDA margin of 41.7%, up 60 basis points

Segment Revenue ($M) and % Change



Segment EBITDA ($M) and Margin

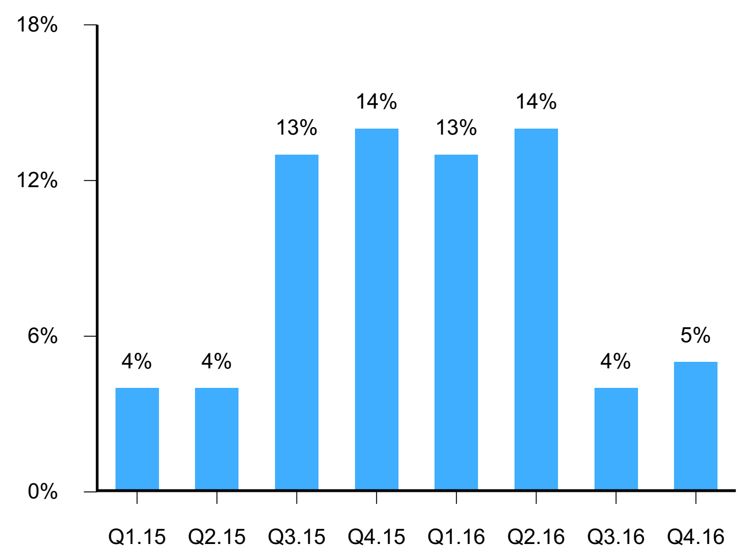


GFS Revenue and Accounts on File By Region

Q4.16 Revenue Detail

	Revenue	Constant Currency Growth YoY	
	$M	%	$M
GFS North America	$250	7%	$16
GFS EMEA	$109	6%	$7
GFS LATAM	$33	50%	$12
GFS APAC	$23	25%	$4
GFS Segment	**$415**	**10%**	**$39**

Accounts on File Growth – GFS North America



- Revenue growth driven by solid performance across all regions
- Growth in Q4.16 North America Accounts on File driven by organic growth

Q4.16 Network & Security Solutions

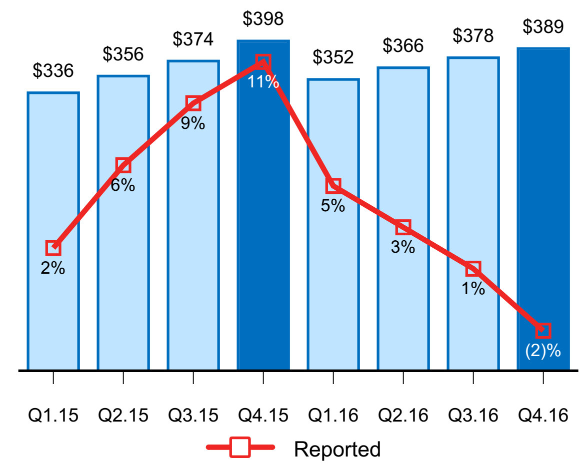
Segment revenue of $389 million, down 2%, partly impacted by non-recurrence of favorable year-ago change in the contract for one client

- EFT Network revenue of $128 million, flat, as mid-single digit transaction growth was offset by lower blended yield
- Security and Fraud revenue of $112 million, up 1%, driven by strong growth in both security and fraud solutions, partly offset by a decline in TeleCheck
- Stored Value Network revenue of $97 million, down 11%, driven by prior year benefit from a change in the contract for one client

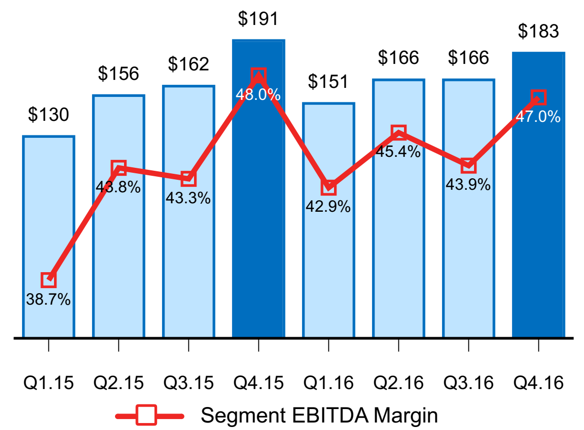
Segment EBITDA of $183 million, down 4%

- Segment expenses of $206 million, flat
- Segment EBITDA margin of 47.0%, down 100 basis points

Segment Revenue ($M) and % Change



Segment EBITDA ($M) and Margin



Our Network & Security Solutions segment is comprised of more than 95% domestic businesses with no material foreign exchange impact on reported results.

Free Cash Flow

	Fourth Quarter			Year-to-Date		
Free Cash Flow ($M)	**2016**	**2015**	**$ Change**	**2016**	**2015**	**$ Change**
Total Segment EBITDA	$771	$762	$9	$2,892	$2,730	$162
Cash Interest Payments	(249)	(470)	221	(1,008)	(1,800)	792
Cash Taxes	(34)	(18)	(16)	(118)	(95)	(23)
Capital Expenditures	(126)	(145)	19	(477)	(602)	125
Working Capital Change	(90)	(154)	64	(64)	(204)	140
Dividends Received from Unconsolidated Affiliates(1)	16	8	8	74	75	(1)
Net Impact from Consolidated Affiliates(2)	(17)	(26)	9	(76)	(99)	23
Items Excluded from Total Segment EBITDA/Other(3)	(1)	(74)	73	(7)	(124)	117
Free Cash Flow(4)	**$270**	**($117)**	**$387**	**$1,216**	**($119)**	**$1,335**
Memo: Cash Flow from Operations	$451	$108	$343	$2,111	$795	$1,316

- YTD Free Cash Flow improvement reflects increased total segment EBITDA, lower cash interest, improved working capital performance, and lower capital expenditures

(1) Distributions received from minority partners less earnings from unconsolidated affiliates. (2) Distributions paid to minority partners less net income attributable to non-controlling interest. (3) Primarily non-operating addbacks such as severance, retention, litigation, 3rd party fees, facility closures and KKR fees. (4) See slide 19 for reconciliation of cash flow from operations to free cash flow and the company's definition of free cash flow, defined as cash flow from operations less capital expenditures less distributions to minority interest and other.

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Capital Structure – Debt Reduction Year-to-Date

$ Million	As of **12/31/15** Par Value	As of **9/30/16** Par Value	As of **12/31/16** Par Value	12/31/16 vs 9/30/16	12/31/16 vs 12/31/15
Revolver ($1,250M)	—	—	—	—	—
A/R Securitization	—	$208	$160	($48)	$160
Capital Leases/Other	$195	$298	$331	$33	$136
Term Loans/1st Lien	$13,189	$12,887	$12,470	($417)	($719)
2nd Lien	$2,950	$2,200	2,200	—	($750)
Unsecured	$3,400	$3,400	3,400	—	—
Gross Debt(1)	$19,734	$18,993	$18,561	($432)	($1,173)
Cash(2)	$429	$475	$385	($90)	($44)
Net Debt(3)	$19,305	$18,518	$18,176	($342)	($1,129)
Memo: TTM Total Segment EBITDA(4)	$2,730	$2,883	$2,892		
Memo: Total Borrowings	$19,593	$18,891	$18,489	($402)	($1,104)

- Continued organic deleveraging
- FCF helps drive net debt lower by $1.1 billion year-to-date

(1) Gross debt shown at par value and excludes outstanding settlement lines of credit. See slide 20 for reconciliation of total borrowings to gross debt. (2) Cash represents cash and cash equivalents. As of December 31, 2016, "Cash and cash equivalents" includes a $102 million reclassification related to settlement activities to conform certain domestic and international businesses to our global policies, which increased "Cash and cash equivalents" and decreased "Accounts receivable, net" in our consolidated balance sheet. Free cash flow excludes the impact of reclassification. (3) Net debt defined as gross debt, as defined in footnote 1, less cash and cash equivalents. (4) Defined as trailing twelve months total segment EBITDA.

Balance Sheet Update

- **3 Refinancing Transactions**
  - In Oct 2016, refinanced $4.5 billion of 2021 term loans from L+400 to L+300
  - In Dec 2016, refinanced $3.6 billion of 2022 term loans, reducing $2.8 billion of U.S. dollar term loans from L+375 to L+300, and €0.8 billion of Euro term loans from L+375 to L+325
  - In Jan 2017, issued $1.3 billion of amortizing term loans at L+200; proceeds used to pay down 6.75% 2020 first lien notes

$100M+ annual interest cost reduction

- **Other Features of FDC's Debt**
  - ~70% of gross debt is fixed rate or hedged within a fixed range
  - Current average cost of debt is 4.8% post YTD refinancing activity
  - No material maturities until 2020

- Anticipate 2017 full year book interest expense of ~$930M

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Appendix

Non-GAAP Reconciliation: Consolidated Revenue to Total Segment Revenue

	Three Months Ended ($M)								Twelve Months Ended ($M)	
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2015	2016
Consolidated Revenue	$ 2,695	$ 2,872	$ 2,920	$ 2,964	$ 2,777	$ 2,928	$ 2,936	$ 2,943	$ 11,451	$ 11,584
Adjustments:										
Non wholly owned entities[(a)]	(20)	(20)	(18)	(16)	(14)	(20)	(25)	(21)	(74)	(80)
Independent Sales Organization (ISO) commission expense[(b)]	(147)	(161)	(167)	(167)	(163)	(158)	(155)	(142)	(642)	(618)
Reimbursable debit fees, postage, and other	(873)	(926)	(938)	(950)	(907)	(952)	(936)	(950)	(3,687)	(3,745)
Total segment revenues	$ 1,655	$ 1,765	$ 1,797	$ 1,831	$ 1,693	$ 1,798	$ 1,820	$ 1,830	$ 7,048	$ 7,141

(a) Net adjustment to reflect our proportionate share of the results of our investments in businesses accounted for under the equity method and consolidated subsidiaries with noncontrolling ownership interests.
(b) Retail Independent Sales Organization commissions are presented within Selling, general, and administrative expense in the unaudited consolidated statements of operations but are netted in segment revenues for segment reporting.

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Non-GAAP Reconciliation: Consolidated Expenses to Total Segment Expenses

	Three Months Ended ($M)								Twelve Months Ended ($M)	
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2015	2016
Consolidated Expenses	$ 2,435	$ 2,463	$ 2,518	$ 2,865	$ 2,539	$ 2,498	$ 2,482	$ 2,463	$ 10,281	$ 9,982
Adjustments:										
Non wholly owned entities[a]	(15)	(18)	(22)	(19)	(18)	(18)	(16)	(18)	(74)	(70)
Independent Sales Organization (ISO) commission expense[b]	(147)	(161)	(167)	(167)	(163)	(158)	(155)	(142)	(642)	(618)
Reimbursable debit fees, postage, and other	(873)	(926)	(938)	(950)	(907)	(952)	(936)	(950)	(3,687)	(3,745)
Depreciation and amortization	(251)	(252)	(257)	(262)	(238)	(238)	(237)	(236)	(1,022)	(949)
Stock-based compensation	(7)	(16)	(8)	(298)	(115)	(56)	(43)	(49)	(329)	(263)
Other[c]	(50)	(27)	(32)	(100)	(41)	(24)	(14)	(9)	(209)	(88)
Total segment expenses	$ 1,092	$ 1,063	$ 1,094	$ 1,069	$ 1,057	$ 1,052	$ 1,081	$ 1,059	$ 4,318	$ 4,249

(a) Net adjustment to reflect our proportionate share of the results of our investments in businesses accounted for under the equity method and consolidated subsidiaries with noncontrolling ownership interests.
(b) Independent Sales Organization commissions are presented within Selling, general, and administrative expense in the unaudited consolidated statements of operations but are netted in segment revenues for segment reporting.
(c) Restructuring, non-normal course litigation and regulatory settlements, asset impairments, and debt issuance costs.

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Non-GAAP Reconciliation: Net (Loss) Income to Total Segment EBITDA

	Three Months Ended ($M)								Twelve Months Ended ($M)	
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2015	2016
Net (loss) income attributable to First Data Corporation	$ (112)	$ (26)	$ (126)	$ (1,217)	$ (56)	$ 152	$ 132	$ 192	$ (1,481)	$ 420
Adjustments:										
Non wholly owned entities[(a)]	(7)	(6)	(6)	(7)	(10)	(7)	(7)	(6)	(26)	(30)
Depreciation and amortization	251	252	257	262	238	238	237	236	1,022	949
Interest expense, net	406	405	388	338	263	284	263	258	1,537	1,068
Loss on debt extinguishment	—	—	108	960	46	9	3	12	1,068	70
Other items[(b)]	15	51	42	72	35	(14)	44	6	180	71
Income tax expense	3	10	32	56	5	28	24	24	101	81
Stock-based compensation	7	16	8	298	115	56	43	49	329	263
Total segment EBITDA	$ 563	$ 702	$ 703	$ 762	$ 636	$ 746	$ 739	$ 771	$ 2,730	$ 2,892

(a) Net adjustment to reflect our proportionate share of the results of our investments in businesses accounted for under the equity method and consolidated subsidiaries with noncontrolling ownership interests.
(b) Restructuring, non-normal course litigation and regulatory settlements, asset impairments, debt issuance costs and "Other income (expense)" as presented in the unaudited consolidated statements of operations, which includes divestitures, derivative gains (losses), non-operating foreign currency gains (losses), and Kohlberg Kravis Roberts & Co. (KKR) related items. KKR related items represent KKR annual sponsorship fees for management, consulting, financial and other advisory services. Upon completing the IPO in October 2015, the Company is no longer obligated to pay KKR annual sponsorship fees.

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Non-GAAP Reconciliation: Net (Loss) Income to Adj. Net Income

	Three Months Ended ($M)								Twelve Months Ended ($M)	
	Q1 2015	**Q2 2015**	**Q3 2015**	**Q4 2015**	**Q1 2016**	**Q2 2016**	**Q3 2016**	**Q4 2016**	**2015**	**2016**
Net (loss) income attributable to First Data Corporation	$ (112)	$ (26)	$ (126)	$ (1,217)	$ (56)	$ 152	$ 132	$ 192	$ (1,481)	$ 420
Adjustments:										
Stock-based compensation	7	16	8	298	115	56	43	49	329	263
Loss on debt extinguishment[a]	—	—	108	960	46	9	3	12	1,068	70
Mark-to-market adjustment for derivatives and euro-denominated debt expense/(benefit)[b]	(66)	33	13	(33)	4	1	—	—	(53)	5
Amortization of acquisition intangibles and deferred financing costs[c]	148	146	140	145	108	106	104	104	579	422
Loss on Australian ATM divestiture	—	—	—	—	—	—	31	3	—	34
Gain on Visa Europe share sale	—	—	—	—	—	(29)	—	—	—	(29)
Restructurings, impairment, litigation and other[d]	56	11	24	99	17	34	10	9	190	70
Income tax expense/(benefit)[e]	2	(36)	4	19	(14)	(6)	(11)	(4)	(11)	(35)
Adjusted net income	$ 35	$ 144	$ 171	$ 271	$ 220	$ 323	$ 312	$ 365	$ 621	$ 1,220

(a) Represents costs associated with debt restructuring activities on extinguished debt.
(b) Represents mark-to-market activity related to our undesignated hedges, ineffectiveness of our designated hedges, and mark-to-market activity on our euro-denominated debt held in the United States. The euro-denominated debt was designated as a non-derivative hedge of net investment in foreign operations during the first quarter of 2016 with the gain (loss) reflected within accumulated other comprehensive income during 2016.
(c) Represents amortization of intangibles established in connection with the 2007 Merger and acquisitions we have made since 2007, excluding the percentage of our consolidated amortization of acquisition intangibles related to non wholly owned consolidated alliances equal to the portion of such alliances owned by our alliance partners. This line also includes amortization related to deferred financing costs.
(d) Represents restructuring, impairments, non-normal course litigation and regulatory settlements, investments gains (losses), fees paid on debt modifications, and divestitures, as applicable to the periods presented. Excludes the divestiture in our Australian ATM business, which is broken out separately within “Loss on Australian ATM divestiture” above.
(e) The tax effect of the adjustments between our GAAP and adjusted results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. effective tax rate for certain adjustments, including the majority of amortization of intangible assets, deferred financing costs, stock compensation, and loss on debt extinguishment; whereas the tax impact of other adjustments, including restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable effective tax rate(s) in those jurisdictions. Income tax (expense) benefit also includes the impact of significant discrete tax items impacting Net income (loss) attributable to First Data Corporation.

Non-GAAP Reconciliation: Cash Flow from Operations to Free Cash Flow

	Three Months Ended ($M)								Twelve Months Ended ($M)	
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	2015	2016
Cash (used in) / provided by operating activities[a]	**$ (102)**	**$ 555**	**$ 234**	**$ 108**	**$ 386**	**$ 522**	**$ 752**	**$ 451**	**$ 795**	**$ 2,111**
Capital expenditures	(145)	(139)	(173)	(145)	(117)	(115)	(119)	(126)	(602)	(477)
Distributions to minority interest and other[a]	(63)	(100)	(69)	(80)	(58)	(99)	(206)	(55)	(312)	(418)
Free cash flow (use)/source	$ (310)	$ 316	$ (8)	$ (117)	$ 211	$ 308	$ 427	$ 270	$ (119)	$ 1,216

(a) The twelve months ended December 31, 2016 includes a $102 million reclassification related to settlement activities to conform certain domestic and international businesses to our global policies, which increased "Cash and cash equivalents" and decreased "Accounts receivable, net" in our consolidated balance sheet. Free cash flow excludes the impact of reclassification.

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Non-GAAP Reconciliation: Total Borrowings to Net Debt

	As of				
	December 31, 2015	**March 31, 2016**	**June 30, 2016**	**September 30, 2016**	**December 31, 2016**
Total Long-term borrowings	$ 18,737	$ 18,857	$ 18,828	$ 18,514	$ 18,131
Total Short-term and current portion of long-term borrowings	856	604	308	377	358
Total borrowings	**19,593**	**19,461**	**19,136**	**18,891**	**18,489**
Unamortized discount and unamortized deferred financing costs	184	181	184	173	156
Total borrowings at par	**19,777**	**19,642**	**19,320**	**19,064**	**18,645**
Less: Settlement lines of credit and other arrangements	(43)	(42)	(33)	(71)	(84)
Gross debt	**19,734**	**19,600**	**19,287**	**18,993**	**18,561**
Less: Cash and cash equivalents[(a)]	(429)	(311)	(282)	(475)	(385)
Net debt	**$ 19,305**	**$ 19,289**	**$ 19,005**	**$ 18,518**	**$ 18,176**
Memo: Trailing twelve months total segment EBITDA	2,730	2,803	2,847	2,883	2,892

(a) As of December 31, 2016, "Cash and cash equivalents" reflects a reclassification of $102 million related to settlement activities to conform certain domestic and international businesses to our global policies, which increased "Cash and cash equivalents" and decreased "Accounts receivable, net" in our consolidated balance sheet.

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Non-GAAP Reconciliation: Adjustment for Australian ATM Divestiture and Constant Currency

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% B/(W)[a]	2016	2015	% B/(W)[a]
Segment revenue	$ 1,830	$ 1,831	— %	$ 7,141	$ 7,048	1 %
Currency impact	41	—		146	—	
Australian ATM divestiture[b]	—	(12)		(32)	(50)	
Normalized segment revenue growth	$ 1,871	$ 1,819	3 %	$ 7,255	$ 6,998	4 %
GBS revenue	$ 1,026	$ 1,039	(1)%	$ 4,063	$ 4,089	(1)%
Currency impact	23	—		91	—	
Australian ATM divestiture	—	(12)		(32)	(50)	
Normalized GBS revenue growth	$ 1,049	$ 1,027	2 %	$ 4,122	$ 4,039	2 %
GBS APAC revenue	$ 34	$ 47	(28)%	$ 159	$ 180	(12)%
Currency impact	—	—		4	—	
Australian ATM divestiture	—	(12)		(32)	(50)	
Normalized GBS APAC revenue growth	$ 34	$ 35	(3)%	$ 131	$ 130	1 %

(a) "B" means results in Q4.16 are better than results in Q4.15, "(W)" means results are worse.
(b) 2016 Australian ATM divestiture revenue, expense, EBITDA shown in constant currency rates.

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Non-GAAP Reconciliation: Adjustment for Australian ATM Divestiture and Constant Currency

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% B/(W)[a]	2016	2015	% B/(W)[a]
Segment expense	$ 1,059	$ 1,069	1 %	$ 4,249	$ 4,318	2 %
Currency impact	22	—		80	—	
Australian ATM divestiture[b]	—	(10)		(28)	(41)	
Normalized segment expense growth	$ 1,081	$ 1,059	(2)%	$ 4,301	$ 4,277	(1)%
GBS expense	$ 580	$ 603	4 %	$ 2,338	$ 2,408	3 %
Currency impact	11	—		46	—	
Australian ATM divestiture	—	(10)		(28)	(41)	
Normalized GBS expense growth	$ 591	$ 593	— %	$ 2,356	$ 2,367	— %
GBS APAC expense	$ 21	$ 29	28 %	$ 106	$ 119	11 %
Currency impact	—	—		2	—	
Australian ATM divestiture	—	(10)		(28)	(41)	
Normalized GBS APAC expense growth	$ 21	$ 19	11 %	$ 80	$ 78	(3)%

(a) "B" means results in Q4.16 are better than results in Q4.15, "(W)" means results are worse.
(b) 2016 Australian ATM divestiture revenue, expense, EBITDA shown in constant currency rates.

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Non-GAAP Reconciliation: Adjustment for Australian ATM Divestiture and Constant Currency

	Three months ended December 31,			Twelve months ended December 31,		
	2016	2015	% B/(W)[a]	2016	2015	% B/(W)[a]
Segment EBITDA	$ 771	$ 762	1 %	$ 2,892	$ 2,730	6 %
Currency impact	19	—		66	—	
Australian ATM divestiture[b]	—	(2)		(4)	(9)	
Normalized segment EBITDA growth	$ 790	$ 760	4 %	$ 2,954	$ 2,721	9 %
GBS EBITDA	$ 446	$ 436	2 %	$ 1,725	$ 1,681	3 %
Currency impact	12	—		45	—	
Australian ATM divestiture	—	(2)		(4)	(9)	
Normalized GBS EBITDA growth	$ 458	$ 434	6 %	$ 1,766	$ 1,672	6 %
GBS APAC EBITDA	$ 13	$ 18	(28)%	$ 53	$ 61	(13)%
Currency impact	—	—		2	—	
Australian ATM divestiture	—	(2)		(4)	(9)	
Normalized GBS APAC EBITDA growth	$ 13	$ 16	(19)%	$ 51	$ 52	(2)%

(a) "B" means results in Q4.16 are better than results in Q4.15, "(W)" means results are worse.
(b) 2016 Australian ATM divestiture revenue, expense, EBITDA shown in constant currency rates.

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

Certain matters we discuss in our public statements may constitute 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 we make relating to revenue, earnings before net interest expense, income taxes, depreciation, and amortization (EBITDA), earnings, margins, growth rates, and other financial results for future periods. By their nature, forward-looking statements speak only as of the date they are made; are not statements of historical fact or guarantees of future performance; and are subject to risks, uncertainties, assumptions or changes in circumstances that are difficult to predict or quantify. Actual results could differ materially and adversely from our forward-looking statements due to a variety of factors, including the following: (1) adverse impacts from global economic, political, and other conditions affecting trends in consumer, business, and government spending; (2) our ability to anticipate and respond to changing industry trends, including technological changes and increasing competition; (3) our ability to successfully renew existing client contracts on favorable terms and obtain new clients; (4) our ability to prevent a material breach of security of any of our systems; (5) our ability to implement and improve processing systems to provide new products, improve functionality, and increase efficiencies; (6) the successful management of our merchant alliance program which involves several alliances not under our sole control and each of which acts independently of the others; (7) our successful management of credit and fraud risks in our business units and merchant alliances, particularly in the context of eCommerce and mobile markets; (8) consolidation among financial institution clients or other client groups that impacts our client relationships; (9) our ability to use our net operating losses without restriction to offset income for US tax purposes; (10) our ability to improve our profitability and maintain flexibility in our capital resources through the implementation of cost savings initiatives; (11) the acquisition or disposition of material business or assets; (12) our high degree of leverage; (13) adverse impacts from currency exchange rates or currency controls imposed by any government or otherwise; (14) changes in the interest rate environment that increase interest on our borrowings or the interest rate at which we can refinance our borrowings; (15) the impact of new or changes in current laws, regulations, credit card association rules, or other industry standards; and (16) new lawsuits, investigations, or proceedings, or changes to our potential exposure in connection with pending lawsuits, investigations or proceedings, and various other factors set forth in our Annual Report on Form 10-K for the period ended December 31, 2015, including but not limited to, Item 1 - Business, Item 1A - Risk Factors, and Item 7 - Management’s Discussion and Analysis of Financial Condition and Results of Operations and Item 1A - Risk Factors in the quarterly report on Form 10-Q for the period ended June 30, 2016. Except as required by law, we do not intend to revise or update any forward-looking statement as a result of new information, future developments or otherwise.

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