



January 20, 2003

Fiserv Reports Record Earnings for Fourth Quarter, Year-end 2002

BROOKFIELD, Wis.--(BUSINESS WIRE)--Jan. 20, 2003--Fiserv, Inc. (Nasdaq:FISV) announced today record earnings for 2002.

For the three-month period ended December 31, 2002, Fiserv revenues (excluding customer reimbursements) were \$591.1 million, a 16% increase over the \$507.4 million for the fourth quarter of 2001. Net income per share-diluted (excluding realized gains from sale of investment) for the fourth quarter of 2002 was \$0.35 per share, compared to \$0.27 per share for the fourth quarter of 2001.

For the year ended December 31, 2002, Fiserv revenues (excluding customer reimbursements) were \$2,277.6 million, an 18% increase over the \$1,927.0 million in 2001. Net income per share-diluted (excluding realized gains from sale of investment) for the year ended December 31, 2002, was \$1.36 per share, compared to \$1.07 per share for 2001.

Effective January 1, 2002, the Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142 requires that intangible assets with definite lives be amortized over their useful lives and that goodwill and other intangible assets with indefinite lives not be amortized but evaluated for impairment. The effect of adopting SFAS No. 142 would have increased 2001 diluted net income per share (excluding realized gains from sale of investment) by approximately \$0.02 per share for the fourth quarter and \$0.09 per share for the full year, due to the elimination of goodwill amortization.

"Fiserv finished 2002 with strong earnings, for both the quarter and the year," said Leslie M. Muma, President and CEO of Fiserv, Inc. "We also saw continued solid growth in new sales, cross sales and acquisitions. With five acquisitions closed in 2002, we added combined annualized revenues of more than \$210 million and over 1,100 new employees. These organizations encompass all of our business lines--from banking to insurance to securities--as we continue to seek out companies that complement the portfolio of Fiserv products and services. For 2002, our sales efforts generated more new banking, lending, securities and insurance relationships than the prior year. We foresee continued strength in our sales pipelines and acquisition opportunities across all of our major business lines as we begin 2003.

"Our earnings per share target for 2003 (before any realized gains from sale of investment) is \$1.58 to \$1.62 per share," Muma concluded.

Significant client relationships signed in the fourth quarter include the following: Commercial Federal Corporation, the parent company of \$13.5 billion Omaha, Nebraska-based Commercial Federal Bank, renewed its technology services relationship with Fiserv in a six-year agreement valued at more than \$120 million; CITIC Industrial Bank, the sixth largest bank in China with \$36 billion (US dollars) in assets, selected Fiserv core banking and customer servicing solutions through a Fiserv partnership with IBM China. Fiserv has been active in the Asia-Pacific region for more than a decade, but this agreement marks the Company's entry into the Chinese domestic banking market. Fiserv gained additional business in the region through an agreement with Australia's Bank of Queensland Limited to provide a new core banking system for the \$6.6 billion bank. Finally, in a multi-year agreement, First Ontario Credit Union, Canada, selected Fiserv to provide core processing, teller platform and contact management solutions.

During 2002, Fiserv acquired five companies, including Case Shiller Weiss, Inc., a nationally recognized provider of automated home valuation services and collateral risk management products; the correspondent clearing business of Investec Ernst & Company, the New York-based division of international banking group Investec; the life and health third-party administration business of Willis Group Holdings; EDS' Consumer Network Services unit, one of the nation's largest electronic funds transaction processors and automated teller machine operators; and Lenders Financial Services, a provider of default mortgage management products and services. Subsequent to year-end, Fiserv completed its previously announced agreement to acquire AVIDYN, Inc., a provider of specialized health care services.

Fiserv, Inc. (Nasdaq: FISV) is an independent, full-service provider of integrated data processing and information management systems to the financial industry. As a leading technology resource, Fiserv serves more than 13,000 financial services providers worldwide, including banks, broker-dealers, credit unions, financial planners and investment advisers, insurance companies and agents, mortgage banks and savings institutions. Headquartered in Brookfield, Wisconsin, Fiserv also can be found on the Internet at www.fiserv.com.

The disclosure set forth above contains forward-looking statements, specifically Mr. Muma's statements regarding earnings targets, sales pipelines and acquisition prospects for 2003. These statements are covered by the safe harbor included in the Securities Litigation Act of 1995. Such forward-looking statements are subject to inherent risks and uncertainties that may cause actual results to differ materially from those contemplated by such forward-looking statements. The factors that may cause actual results to differ materially from those contemplated by the forward-looking statements include, among others, changes in customers' demand for the Corporation's products, pricing and other actions by competitors, and general changes in economic conditions or U.S. financial markets. These factors should be considered in evaluating the forward-looking statements, and undue reliance should not be placed on such statements.

FISERV, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share amounts)

(Unaudited)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2002	2001	2002	2001
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Revenues(1)				
Processing and services	\$591,123	\$507,410	\$2,277,642	\$1,927,030
Customer reimbursements	77,738	71,265	291,245	262,151
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Total Revenues	668,861	578,675	2,568,887	2,189,181
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Cost of revenues(1)				
Salaries, commissions and payroll related costs	281,838	252,041	1,090,315	936,233
Customer reimbursement expenses	77,738	71,265	291,245	262,151
Data processing costs and equipment rentals	45,235	39,851	165,283	148,469
Other operating expenses(2)	112,484	86,372	437,891	340,935
Depreciation and amortization(2)	37,729	39,648	141,114	147,696
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Total cost of revenues	555,024	489,177	2,125,848	1,835,484
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Operating income	113,837	89,498	443,039	353,697
Interest expense - net	(2,500)	(2,518)	(9,169)	(12,073)
Realized gain from sale of investment	512	1,077	2,420	5,404
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Income before income taxes	111,849	88,057	436,290	347,028
Income tax provision	43,621	35,223	170,153	138,811
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Net income	\$ 68,228	\$ 52,834	\$266,137	\$208,217
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Net income per share:				
Basic	\$0.36	\$0.28	\$1.39	\$1.11
Diluted	\$0.35	\$0.27	\$1.37	\$1.09
Excluding realized gain from sale of investment:				
Diluted	\$0.35	\$0.27	\$1.36	\$1.07
Diluted (excluding goodwill amortization)	\$0.35	\$0.29	\$1.36	\$1.16

Shares used in computing
net income per share:

Basic	191,408	188,051	191,386	186,929
Diluted	194,153	192,696	194,951	191,584

See next page for notes.

FISERV, INC. AND SUBSIDIARIES
SELECTED SEGMENT INFORMATION
(In thousands)
(Unaudited)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2002	2001	2002	2001
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Processing and services revenues:				
Financial institution outsourcing, systems and services	\$505,540	\$426,354	\$1,956,449	\$1,581,216
Securities processing and trust services	60,152	55,573	228,201	259,437
All other and corporate	25,431	25,483	92,992	86,377
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Total	\$591,123	\$507,410	\$2,277,642	\$1,927,030
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Operating income:				
Financial institution outsourcing, systems and services	\$105,418	\$ 79,563	\$418,824	\$322,073
Securities processing and trust services	7,427	7,498	28,839	34,793
All other and corporate	992	2,437	(4,624)	(3,169)
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Total	\$113,837	\$89,498	\$443,039	\$353,697
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(1) Effective January 1, 2002, the Company adopted Emerging Issues Task Force Issue No. 01-14, "Income Statement Characterization of Reimbursements Received for 'Out of Pocket' Expenses Incurred," which requires that customer reimbursements received for direct costs paid to third parties and related expenses be characterized as revenue. Comparative financial statements for 2001 have been reclassified to provide consistent presentation. For the year ended December 31, 2002 and 2001, the Company has presented customer reimbursement revenue and expenses of \$291.2 million and \$262.2 million, respectively, in accordance with Issue No. 01-14. Customer reimbursements represent direct costs paid to third parties primarily for postage and data communication costs. In addition, processing and services revenues and salaries / data processing costs were increased by \$38.6 million and \$36.6 million for the year ended December 31, 2002 and 2001, respectively. The adoption of Issue No. 01-14 did not impact the Company's financial position, operating income or net income.

(2) Includes reclassification of software development amortization

expense of \$38.2 million and \$35.5 million from other operating expenses to depreciation and amortization for the years ended December 31, 2002 and 2001, respectively, and \$10.4 million and \$10.6 million for the three months ended December 31, 2002 and 2001, respectively.