

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

---

**FORM 8-K**

---

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 16, 2019**

---

**First Data Corporation**  
(Exact Name of Registrant as Specified in Charter)

---

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-11073**  
(Commission  
File Number)

**47-0731996**  
(I.R.S. Employer  
Identification No.)

**225 Liberty Street, 29th Floor**  
**New York, New York 10281**  
(Address of Principal Executive Offices)

**10281**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (800) 735-3362**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

---

---

## **Item 2.02 Results of Operations and Financial Condition**

On January 16, 2019, First Data Corporation (“First Data”) issued a press release announcing its preliminary financial results for the quarter and year ended December 31, 2018. A copy of the press release is attached as Exhibit 99.1 and is incorporated by reference herein.

## **Item 8.01 Other Events**

On January 16, 2019, First Data and Fiserv, Inc. (“Fiserv”) issued a joint press release announcing their entry into a definitive merger agreement pursuant to which Fiserv will acquire First Data in an all-stock transaction. A copy of the joint press release is attached hereto as Exhibit 99.2 and is incorporated by reference herein.

First Data provided supplemental information regarding the proposed transaction in connection with presentations to analysts and investors. A copy of the investor presentation is attached as Exhibit 99.3 to this report and incorporated by reference herein.

\* \* \*

## **IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT**

This communication is being made in respect of the proposed merger transaction between First Data and Fiserv. In connection with the proposed merger, Fiserv will file with the SEC a registration statement on Form S-4 that will include the joint proxy and consent solicitation statement of First Data and Fiserv and a prospectus of Fiserv, as well as other relevant documents regarding the proposed transaction. A definitive joint proxy and consent solicitation statement/prospectus will also be sent to First Data stockholders and Fiserv shareholders. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY AND CONSENT SOLICITATION STATEMENT/PROSPECTUS REGARDING THE MERGER WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the joint proxy and consent solicitation statement/prospectus, as well as other filings containing information about First Data and Fiserv, may be obtained at the SEC’s Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from First Data by accessing First Data’s website at [investor.firstdata.com](http://investor.firstdata.com) or from Fiserv by accessing Fiserv’s website at [investors.fiserv.com](http://investors.fiserv.com). Copies of the joint proxy and consent solicitation statement/prospectus can also be obtained, free of charge, by directing a request to First Data Investor Relations at Investor Relations, First Data, 5565 Glenridge Connector NE, Suite 2000, by calling 212-266-3565, or by sending an e-mail to [peter.poillon@firstdata.com](mailto:peter.poillon@firstdata.com) or to Fiserv Investor Relations at Investor Relations, Fiserv, 255 Fiserv Drive Brookfield, WI 53045, by calling 800-425-3478 or by sending an e-mail to [investor.relations@fiserv.com](mailto:investor.relations@fiserv.com).

First Data and Fiserv and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from First Data stockholders and Fiserv shareholders in respect of the transaction described in the joint proxy and consent solicitation statement/prospectus. Information regarding First Data’s directors and executive officers is contained in First Data’s Annual Report on Form 10-K for the year ended December 31, 2017 and its Proxy Statement on Schedule 14A, dated March 29, 2018, which are filed with the SEC. Information regarding Fiserv’s directors and executive officers is contained in Fiserv’s Annual Report on Form 10-K for the year ended December 31, 2017 and its Proxy Statement on Schedule 14A, dated April 10, 2018, which are filed with the SEC. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the joint proxy and consent solicitation statement/prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

## **FORWARD-LOOKING STATEMENTS**

Certain of the matters discussed in this communication 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 strategy, plans, projections or intentions. Examples of forward-looking statements include, but are not limited to, all statements made relating to revenue, earnings before net interest expense, income taxes, depreciation and amortization, 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. In addition to factors previously disclosed in First Data’s and Fiserv’s reports filed with the SEC and those identified elsewhere in this communication, the following factors, among

others, could cause actual results to differ materially from forward-looking statements or historical performance: the occurrence of any event, change or other circumstances that could give rise to the right of one or both of First Data and Fiserv to terminate the definitive merger agreement between First Data and Fiserv; the outcome of any legal proceedings that may be instituted against First Data, Fiserv or their respective stockholders, shareholders or directors; the ability to obtain regulatory approvals and meet other closing conditions to the merger, including the risk that regulatory approvals required for the merger are not obtained or are obtained subject to conditions that are not anticipated or that are material and adverse to First Data's or Fiserv's business; a delay in closing the merger; the ability to obtain approval by First Data stockholders and Fiserv shareholders on the expected terms and schedule; difficulties and delays in integrating the First Data and Fiserv businesses, including with respect to implementing systems to prevent a material security breach of any internal systems or to successfully manage credit and fraud risks in business units; failing to fully realizing anticipated cost savings and other anticipated benefits of the merger; business disruptions from the proposed merger that will harm First Data's or Fiserv's business, including current plans and operations; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger, including as it relates to First Data's or Fiserv's ability to successfully renew existing client contracts on favorable terms or at all and obtain new clients; certain restrictions during the pendency of the merger that may impact First Data's or Fiserv's ability to pursue certain business opportunities or strategic transactions; the ability of First Data or Fiserv to retain and hire key personnel; uncertainty as to the long-term value of the common stock of Fiserv following the merger; the continued availability of capital and financing following the merger; the business, economic and political conditions in the markets in which First Data and Fiserv operate; the impact of new or changes in current laws, regulations, credit card association rules or other industry standards, including privacy and cybersecurity laws and regulations; and events beyond First Data's or Fiserv's control, such as acts of terrorism.

Any forward-looking statements speak only as of the date of this communication or as of the date they were made, and neither First Data nor Fiserv undertakes any obligation to update forward-looking statements. For a more detailed discussion of these factors, also see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in First Data's and Fiserv's most recent reports on Form 10-K for the year ended December 31, 2017, and any material updates to these factors contained in any of First Data's and Fiserv's future filings.

As for the forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent uncertainties of estimates, forecasts and projections and may be better or worse than projected and such differences could be material. Given these uncertainties, you should not place any reliance on these forward-looking statements. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

---

**Item 9.01**      **Financial Statements and Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#"><u>Press Release, dated January 16, 2019</u></a>
99.2	<a href="#"><u>Joint Press Release, dated January 16, 2019</u></a>
99.3	<a href="#"><u>Investor Presentation, dated January 16, 2019</u></a>

---

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

\_\_\_\_\_  
FIRST DATA CORPORATION

(Registrant)

Date: January 16, 2019

By:

\_\_\_\_\_  
/s/ Adam L. Rosman

(Signature)

Name: Adam L. Rosman

Title: Executive Vice President and General Counsel



## First Data Reports Preliminary Fourth Quarter and Full Year 2018 Financial Results and Preliminary 2019 Full Year Guidance

**NEW YORK, January 16, 2019** - First Data Corporation (NYSE: FDC), a global leader in commerce-enabling technology, in connection with entering into a definitive merger agreement to combine with Fiserv, Inc. (Fiserv), today reported preliminary financial results for the fourth quarter and full year ended December 31, 2018 and preliminary full year 2019 guidance.

### Preliminary fourth quarter and full year 2018 results:

First Data expects to report fourth quarter and full year 2018 *consolidated revenue* of approximately \$2,399 million and \$9,498 million, respectively. Consolidated revenue in 2018 was negatively impacted by the adoption of new accounting standards required under ASC 606, which impacted comparability relative to the prior period, resulting in fourth quarter and full year declines of 24% and 21%, respectively.

The company expects to report fourth quarter *total segment revenue* of approximately \$2,185 million, up 5% on a reported constant currency basis(a), or up 6% on an organic constant currency basis(b). The company expects full year *total segment revenue* of \$8,657 million, up 7% on a reported constant currency basis(a), or up 6% on an organic constant currency basis(b). The segment revenue metrics for the fourth quarter and the full year are adjusted to apply the New Reporting Standards(c) to both 2018 and 2017, providing comparability for the aforementioned year-over-year growth rates.

The company expects to report fourth quarter *net income attributable to First Data diluted EPS* of approximately \$0.17, and *adjusted earnings per diluted share* of approximately \$0.38. For the full year 2018, the company expects to report *net income attributable to First Data diluted EPS* of approximately \$1.05, and *adjusted earnings per diluted share* of approximately \$1.41.

The preliminary fourth quarter and full year 2018 figures provided in this press release are unaudited and subject to revision. Final results for the fourth quarter and year ended December 31, 2018, will be provided in a press release on or about February 7, 2019.

- (a) Reported constant currency growth is defined as reported growth adjusted for the following: (1) excludes the impacts of year-over-year currency rate changes in the current period and (2) is adjusted to retrospectively apply the New Reporting Standards to the prior year period.
- (b) Organic constant currency growth is defined as reported growth adjusted for the following: (1) excludes the impacts of year-over-year currency rate changes in the current period; (2) excludes the results of significant divestitures in the prior year period; (3) includes the results of significant acquisitions in the prior year period; and (4) is adjusted to retrospectively apply the New Reporting Standards to the prior year period.
- (c) See Form 8-K filed on April 16, 2018, for full description of the New Reporting Standards and their impact on 2017 results.

---

**Preliminary full year 2019 guidance:**

First Data expects to generate full year 2019 *organic constant currency revenue growth*(b) in the range of 5% to 6%. Additionally, the company expects to generate *adjusted earnings per diluted share growth* in the low double digits.

The company will provide final detailed guidance with our fourth quarter earnings press release on or about February 7, 2019. The preliminary 2019 guidance does not include any impact related to the transaction with Fiserv.

**Agreement to combine with Fiserv**

In a separate joint press release issued today, First Data announced that it will enter into a definitive merger agreement to combine with Fiserv in an all-stock transaction. The transaction will position the combined entity as a global leader in the payments and fintech industry. The press release is available in the “Investor Relations” section of [www.firstdata.com](http://www.firstdata.com).

**About First Data**

First Data (NYSE: FDC) is a global leader in commerce-enabling technology and solutions, serving approximately six million business locations and 4,000 financial institutions in more than 100 countries around the world. The Company’s 22,000 owner-associates are dedicated to helping companies, from start-ups to the world’s largest corporations, conduct commerce every day by securing and processing more than 3,000 transactions per second and \$2.4 trillion per year.

**Contact**

Peter Poillon  
Investor Relations  
First Data  
212-266-3565  
[Peter.Poillon@firstdata.com](mailto:Peter.Poillon@firstdata.com)

Andrea Duffy  
Public Relations  
First Data  
212-515-0174  
[Andrea.Duffy@firstdata.com](mailto:Andrea.Duffy@firstdata.com)

---

## **Non-GAAP Measures**

To supplement the Company's consolidated financial statements presented in accordance with generally accepted accounting principles, or GAAP, the Company uses non-GAAP measures of certain financial performance. These non-GAAP measures include total segment revenue, adjusted EPS, and growth rates for these metrics compared to prior periods. The Company has included non-GAAP measures because management believes that they help to facilitate comparisons of the Company's operating results between periods. The Company believes the non-GAAP measures provide useful information to both management and users of our financial statements by excluding certain expenses, gains and losses that may not be indicative of its core operating results and business outlook. These non-GAAP measures are not in accordance with, or an alternative to, measures prepared in accordance with GAAP and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. These measures should only be used to evaluate the Company's results of operations in conjunction with the corresponding GAAP measures. Additional information about non-GAAP financial measures, including reconciliation to the most directly comparable GAAP measure of all non-GAAP measures can be found in the tables included in this press release.

## **Forward-Looking Statements**

The preliminary financial results for the fourth quarter and full year 2018 represent the most current information available to management and reflect estimates and assumptions. The company's actual results may differ materially from these preliminary results due to the completion of the company's financial closing procedures, final adjustments and other developments that may arise between the date of this press release and the time that financial results for the fourth quarter and full year 2018 are finalized. The foregoing preliminary financial results have not been compiled or examined by our independent registered public accounting firm nor have our independent registered public accounting firm performed any procedures with respect to this information or expressed any opinion or any form of assurance of such information. These preliminary financial results should not be viewed as a substitute for full financial statements prepared in accordance with U.S. GAAP or as a measure of performance. In addition, these preliminary financial results are not necessarily indicative of the results to be achieved for any future period.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding anticipated internal revenue growth, adjusted earnings per share and adjusted earnings per share growth.



Certain of the matters discussed in this communication 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 strategy, plans, projections or intentions. Examples of forward-looking statements include, but are not limited to, all statements made relating to revenue, earnings before net interest expense, income taxes, depreciation and amortization, 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. In addition to factors previously disclosed in First Data’s and Fiserv’s reports filed with the Securities and Exchange Commission (“SEC”) and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: the occurrence of any event, change or other circumstances that could give rise to the right of one or both of First Data and Fiserv to terminate the definitive merger agreement between First Data and Fiserv; the outcome of any legal proceedings that may be instituted against First Data, Fiserv or their respective stockholders, shareholders or directors; the ability to obtain regulatory approvals and meet other closing conditions to the merger, including the risk that regulatory approvals required for the merger are not obtained or are obtained subject to conditions that are not anticipated or that are material and adverse to First Data’s or Fiserv’s business; a delay in closing the merger; the ability to obtain approval by First Data stockholders and Fiserv shareholders on the expected terms and schedule; difficulties and delays in integrating the First Data and Fiserv businesses, including with respect to implementing systems to prevent a material security breach of any internal systems or to successfully manage credit and fraud risks in business units; failing to fully realizing anticipated cost savings and other anticipated benefits of the merger; business disruptions from the proposed merger that will harm First Data’s or Fiserv’s business, including current plans and operations; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger, including as it relates to First Data’s or Fiserv’s ability to successfully renew existing client contracts on favorable terms or at all and obtain new clients; certain restrictions during the pendency of the merger that may impact First Data’s or Fiserv’s ability to pursue certain business opportunities or strategic transactions; the ability of First Data or Fiserv to retain and hire key personnel; uncertainty as to the long-term value of the common stock of Fiserv following the merger; the continued availability of capital and financing following the merger; the business, economic and political conditions in the markets in which First Data and Fiserv operate; the impact of new or changes in current laws, regulations, credit card association rules or other industry standards, including privacy and cybersecurity laws and regulations; and events beyond First Data’s or Fiserv’s control, such as acts of terrorism.

Any forward-looking statements speak only as of the date of this communication or as of the date they were made, and neither First Data nor Fiserv undertakes any obligation to update forward-looking statements. For a more detailed discussion of these factors, also see the information under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in First Data’s and Fiserv’s most recent reports on Form 10-K for the year ended December 31, 2017, and any material updates to these factors contained in any of First Data’s and Fiserv’s future filings.

As for the forward-looking statements that relate to future financial results and other projections, actual results will be different due to the inherent uncertainties of estimates, forecasts and projections and may be better or worse than projected and such differences could be material. Given these uncertainties, you should not place any reliance on these forward-looking statements. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

**First Data Corporation**  
**Reconciliation of Non-GAAP Financial Measures**  
**(Unaudited)**  
**(in millions)**

	Three months ended December 31,				Twelve months ended December 31,			
	2018(a)	2017	% Change	Organic CC % Change(c)	2018(a)	2017	% Change	Organic CC % Change(c)
Consolidated Revenues	\$2,399	\$ 3,150	(24)%		\$9,498	\$12,052	(21)%	
Adjustments:								
Non wholly owned entities(b)	(9)	(15)	(40)%		(23)	(64)	(64)%	
Reimbursable items	(205)	(1,019)	(80)%		(818)	(3,923)	(79)%	
Total Segment Revenues	<u>\$2,185</u>	<u>\$ 2,116</u>	3%	6%	<u>\$8,657</u>	<u>\$ 8,065</u>	7%	6%

- (a) All amounts shown for the three and twelve months ended December 31, 2018 are preliminary and unaudited
- (b) 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. Segment revenue for our significant affiliates is reflected based on our proportionate share of the results of our investments in businesses accounted for under the equity method and consolidated subsidiaries with noncontrolling ownership interests. For other affiliates, we include equity earnings in affiliates, excluding amortization expense, in segment revenue.
- (c) Organic constant currency growth ("Organic CC growth") is defined as reported growth adjusted for the following: (1) excludes the impacts of year-over-year currency rate changes in the current period; (2) excludes the results of significant divestitures in the prior year period; (3) includes the results of significant acquisitions in the prior year period; and (4) is adjusted to retrospectively apply New Reporting Standards to the prior year period.

**First Data Corporation**  
**Reconciliation of Non-GAAP Financial Measures**  
**(Unaudited)**  
**(in millions)**

	<u>Three months ended December 31,</u>			<u>Twelve months ended December 31,</u>		
	<u>2018(a)</u>	<u>2017</u>	<u>% B/(W)(c)</u>	<u>2018(a)</u>	<u>2017</u>	<u>% B/(W)(c)</u>
Reported FDC segment revenue	\$2,185	\$2,116	3%	\$8,657	\$8,065	7%
New revenue standard adjustments (ASC 606)	—	31		—	103	
FDC segment revenue (comparable accounting)	2,185	2,147	2%	8,657	8,168	6%
Currency impact	61	—		80	—	
FDC CC adjusted segment revenue	2,246	2,147	5%	8,737	8,168	7%
Acquisitions/Divestitures	—	(25)		—	104	
Organic CC FDC segment revenue growth(b)	<u>\$2,246</u>	<u>\$2,122</u>	6%	<u>\$8,737</u>	<u>\$8,272</u>	6%

- (a) All amounts shown for the three and twelve months ended December 31, 2018 are preliminary and unaudited
- (b) Organic constant currency growth (“Organic CC growth”) is defined as reported growth adjusted for the following: (1) excludes the impacts of year-over-year currency rate changes in the current period; (2) excludes the results of significant divestitures in the prior year period; (3) includes the results of significant acquisitions in the prior year period; and (4) is adjusted to retrospectively apply New Reporting Standards to the prior year period.
- (c) “B” means results in 2018 are better than results in 2017 “(W)” means results are worse.

**First Data Corporation**  
**Reconciliation of Non-GAAP Financial Measures**  
**(Unaudited)**  
**(in millions)**

**ADJUSTED NET INCOME RECONCILIATION**

	Three months ended December 31,			Twelve months ended December 31,		
	2018(a)	2017	% Change	2018(a)	2017	% Change
Net income attributable to First Data Corporation	\$ 162	\$ 948	(83)%	\$ 1,005	\$ 1,465	(31)%
Adjustments:						
Stock-based compensation	56	62	(10)%	248	245	1%
Loss on debt extinguishment	150	8	NM	153	80	NM
Amortization of acquisition intangibles and deferred financing costs(b)	101	108	(6)%	413	403	2%
Other(c)	14	9	56%	(90)	127	NM
Discrete tax adjustment(d)	—	12	NM	—	11	NM
Income tax on above items and discrete tax items(e)(f)	(119)	(735)	(84)%	(375)	(911)	(59)%
Adjusted net income attributable to First Data Corporation	<u>\$ 364</u>	<u>\$ 412</u>	(12)%	<u>\$ 1,354</u>	<u>\$ 1,420</u>	(5)%
Net income attributable to First Data per share:						
Basic	\$ 0.17	\$ 1.03	(83)%	\$ 1.08	\$ 1.60	(33)%
Diluted	\$ 0.17	\$ 1.00	(83)%	\$ 1.05	\$ 1.56	(33)%
Adjusted net income per share:						
Basic	\$ 0.39	\$ 0.45	(13)%	\$ 1.46	\$ 1.55	(6)%
Diluted	\$ 0.38	\$ 0.44	(13)%	\$ 1.41	\$ 1.51	(6)%
Weighted-average common shares used to compute adjusted net income per share:						
Basic	933	919	2%	929	916	1%
Diluted	961	945	2%	957	940	2%

NM represents not meaningful

- (a) All amounts shown for the three and twelve months ended December 31, 2018 are preliminary and unaudited
- (b) 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.
- (c) See “Other operating expense, net” and “Other income (expense)” in our unaudited consolidated statements of income in Part I of this form 10-Q.
- (d) Prior to January 1, 2018, we excluded the impact of all discrete tax items from Adjusted Net Income and Diluted Adjusted Net Income per Share. We will no longer exclude certain discrete items which were deemed to be recurring in nature. We retrospectively adjusted the prior period results presented in these unaudited consolidated financial statements.
- (e) We exclude from Adjusted net income certain discrete tax item, such as tax law changes, tax impact of mergers and acquisitions, valuation allowance releases, and tax reserves related to issues that arose before KKR acquired us within a quarter.
- (f) 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.

**First Data Corporation**  
**Reconciliation of Non-GAAP Financial Measures**  
**(Unaudited)**  
**(in millions)**

**Consolidated Revenue Growth to Total Segment Organic Revenue Growth**

	<u>FY 2019 vs. FY 2018</u>
Consolidated revenue (at reported rates)	<b>~2.0 - 3.0%</b>
Adjustments:	
+Non wholly owned entities	
+Reimbursable postage and other	
+Currency Impact	
+Divestiture Impact	
Memo: Total organic revenue growth (at constant currency)	<b>~5.0 - 6.0%</b>

**Net Income Per Diluted Share to Adjusted Net Income Per Diluted Share**

	<u>FY 2019 vs. FY 2018</u>
Net income attributable to FDC per diluted share	<b>Negative Low Single Digits<sup>(1)</sup></b>
Adjustments (note: adjustments represent positive balances)	
+Stock-based compensation	
+Amortization of acquisition intangibles and deferred financing cost	
+Other <sup>(2)</sup>	
Adjusted net income per diluted share	<b>Low Double Digits</b>

(1) Impacted by the non-recurrence of a significant one-time tax benefit recorded in 2018.

(2) Includes loss on debt extinguishment, gain/loss on divestitures, restructuring, impairment, litigation and other, as well as the impact of tax expense/(benefit) of the adjusted items. Full year 2018 included a significant one-time tax benefit which is not expected to recur in 2019.

## **IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT**

This communication is being made in respect of the proposed merger transaction between First Data and Fiserv. In connection with the proposed merger, Fiserv will file with the SEC a registration statement on Form S-4 that will include the joint proxy and consent solicitation statement of First Data and Fiserv and a prospectus of Fiserv, as well as other relevant documents regarding the proposed transaction. A definitive joint proxy/consent solicitation statement/prospectus will also be sent to First Data stockholders and Fiserv shareholders. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY AND CONSENT SOLICITATION STATEMENT/PROSPECTUS REGARDING THE MERGER WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the joint proxy and consent solicitation statement/prospectus, as well as other filings containing information about First Data and Fiserv, may be obtained at the SEC's Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from First Data by accessing First Data's website at [investor.firstdata.com](http://investor.firstdata.com) or from Fiserv by accessing Fiserv's website at [investors.fiserv.com](http://investors.fiserv.com). Copies of the joint proxy and consent solicitation statement/prospectus can also be obtained, free of charge, by directing a request to First Data Investor Relations at Investor Relations, First Data, 5565 Glenridge Connector NE, Suite 2000, by calling 212-266-3565, or by sending an e-mail to [peter.poillon@firstdata.com](mailto:peter.poillon@firstdata.com) or to Fiserv Investor Relations at Investor Relations, Fiserv, 255 Fiserv Drive Brookfield, WI 53045, by calling 800-425-3478 or by sending an e-mail to [investor.relations@fiserv.com](mailto:investor.relations@fiserv.com).

First Data and Fiserv and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from First Data stockholders and Fiserv shareholders in respect of the transaction described in the joint proxy and consent solicitation statement/prospectus. Information regarding First Data's directors and executive officers is contained in First Data's Annual Report on Form 10-K for the year ended December 31, 2017 and its Proxy Statement on Schedule 14A, dated March 29, 2018, which are filed with the SEC. Information regarding Fiserv's directors and executive officers is contained in Fiserv's Annual Report on Form 10-K for the year ended December 31, 2017 and its Proxy Statement on Schedule 14A, dated April 10, 2018, which are filed with the SEC. Additional information

---

regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the joint proxy and consent solicitation statement/prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.





## News Release

### Fiserv to Combine with First Data Corporation to Create Global Leader in Payments and FinTech

- *Combined Company to Have Increased Scale, Expanded Footprint and More Extensive Range of High-Value Client Solutions*
- *Expected to Generate Approximately \$900 Million of Run-Rate Cost Savings and at Least \$500 Million of Revenue Synergies, Leading to Enhanced Revenue Growth from Expanded Capabilities*
- *Anticipate Annual Free Cash Flow of More Than \$4 Billion, Including Synergies, in Year Three*
- *Projected to be Accretive to Adjusted EPS by More Than 20 Percent in Year One*
- *Expected to Retain Fiserv's Investment Grade Ratings of Baa2/BBB*
- *Fiserv CEO to Become CEO and Chairman of Combined Entity, First Data CEO to Become President and COO and to Join Board of Directors*
- *Companies to Host Investor Conference Call Today at 8:30 a.m. ET / 7:30 a.m. CT*

**BROOKFIELD, Wis. and NEW YORK** – January 16, 2019 – Fiserv (NASDAQ: FISV) and First Data Corporation (NYSE: FDC) today announced that their boards of directors have unanimously approved a definitive merger agreement under which Fiserv will acquire First Data in an all-stock transaction. The transaction unites two premier companies to create one of the world's leading payments and financial technology providers, and an enhanced value proposition for its clients.

Under the terms of the agreement, First Data shareholders will receive a fixed exchange ratio of 0.303 Fiserv shares for each share of First Data common stock they own, for an equity value of \$22 billion. This represents \$22.74 based on closing prices as of January 15, and a premium of 29% to the five-day volume weighted average price as of that date. Following the close of the transaction, Fiserv shareholders will own 57.5% of the combined company, and First Data shareholders will own 42.5%, on a fully diluted basis. The all-stock transaction is intended to be tax-free to First Data shareholders.

This highly complementary combination will offer leading technology capabilities that enable a range of payments and financial services, including account processing and digital banking solutions; card issuer processing and network services; e-commerce; integrated payments; and the Clover™ cloud-based point-of-sale solution. The combined company will offer comprehensive distribution channels and have deep expertise in partnering with financial institutions, merchants and billers of all sizes, as well as software developers.

“Through this transformative combination, we expect to redefine the manner in which people and institutions move money and information,” said Jeffery Yabuki, President and Chief Executive Officer of Fiserv. “We admire First Data for its excellence in merchant acquiring and global issuing services, and the tremendous progress they have made under Frank’s leadership. We expect this combination to catalyze and support an enhanced value proposition for our collective clients and their customers.”

“I have long admired what Fiserv has achieved over the years, and I look forward to working with the talented associates of both companies as we set a higher standard of innovation and service in the industry,” said First Data Chairman and CEO Frank Bisignano. “Our goal at First Data has always been to provide our clients with the most comprehensive suite of innovative, highly-differentiated solutions and services, and I am excited by the significant value that the combination with Fiserv creates for all stakeholders.”

“We expect the combined company to retain our current investment-grade ratings based on our strong financial profile and excellent free cash flow. Together, this should provide the basis for continued disciplined capital allocation, including debt repayment and share repurchase,” said Yabuki. “We look forward to welcoming First Data’s talented associates to Fiserv as we drive the global digitization of payments and financial technology services.”

### Compelling Strategic Benefits

- **Differentiated Financial Services Platform:** With an even more extensive range of end-to-end solutions, the combined company expects to create additional value for account processing clients and deepen relationships. Fiserv and First Data will link their respective merchant and cash management capabilities, further developing new offerings and providing First Data’s Clover cloud-based platforms for small and medium-sized businesses. For example, First Data’s digital merchant account enrollment capabilities can be integrated into Fiserv’s digital banking solutions that serve thousands of financial institutions.
- **Enhanced Payments Capabilities:** The combination creates a differentiated, end-to-end payments platform from issuance to acceptance. Through an enhanced focus on innovation, the combined company will enable additional payment methods that give financial institutions, merchants and billers the ability to meet their customers’ needs across the multiple ways they want to pay.
- **Highly Complementary Products and Distribution Channels:** The combined company will create additional value for Fiserv and First Data clients through an expanded universe of solutions. For example, Fiserv will be uniquely positioned to help financial institution clients more effectively meet the needs of business and commercial clients with offerings such as First Data’s Clover platform. First Data corporate clients will benefit through market-leading biller solutions from Fiserv.

- **Investing to Enrich Future Value Proposition:** Fiserv and First Data will explore integrated, complementary technology capabilities and solutions to enhance client value and increase market differentiation. Following the close of the transaction, the combined company expects to invest an incremental \$500 million over five years to create significantly enhanced solutions for clients and accelerate growth. The program will focus on a series of new and existing technologies, including next-generation merchant solutions, digital enablement, advanced risk management, and data-focused solutions to keep the combined company at the forefront of evolving client expectations and innovative payment methods.

### Compelling Financial Benefits

- **Enhanced Revenue Growth Potential:** The transaction is expected to generate at least \$500 million of revenue synergies over a five year period. Incremental revenue growth is expected to come from a focus on delivering additional client value in areas such as bank merchant services and Clover, credit processing, additional biller services and network innovation.
- **Strong Adjusted Earnings Per Share Accretion:** The transaction is expected to be accretive to adjusted EPS by more than 20 percent in the first full year following close. The combined company expects accretion of more than 40 percent to adjusted EPS at the full cost synergy run-rate.
- **Significant Cash Flow Generation:** The combined company expects to generate significant free cash flow exceeding \$4 billion in the third year following close, including synergies. Fiserv intends to deploy its cash flow through the continuation of its proven and disciplined capital allocation strategy, and remains committed to retaining its investment grade debt ratings.
- **Substantial Cost Savings:** The combination is expected to generate approximately \$900 million of run-rate cost synergy savings over five years, driven primarily by the elimination of duplicative corporate structures, streamlined technology infrastructure, increased operational efficiencies, process improvements, and footprint optimization. These efficiencies will be achieved across the combined organization while maintaining its commitment to serving clients with excellence and innovation.
- **Strong Financial Position:** Fiserv intends to refinance the approximately \$17 billion of debt that First Data is expected to have at the time of closing, and has entered into a committed bridge financing arrangement in connection with the transaction. Fiserv anticipates having a capital structure, balance sheet and capital allocation policy consistent with an investment grade credit rating. As such, Fiserv expects to utilize its strong free cash flow to reduce the company's debt to adjusted EBITDA ratio to a level generally in line with Fiserv's historical performance within 24 months after the transaction closes. Fiserv expects to retain its current investment grade ratings of Baa2 and BBB from Moody's and S&P, respectively. Fiserv will also suspend share repurchases as of today until the close of the transaction to minimize debt at closing.

---

## **Governance and Leadership**

The combined company will be led by an experienced board and leadership team that leverages the strengths and capabilities of both companies. Upon closing, the board of the combined company will consist of 10 members, six of whom will be from the board of Fiserv and four of whom will be from the board of First Data.

Upon closing, Jeffery Yabuki, current Fiserv President and Chief Executive Officer, will serve as Chief Executive Officer and Chairman of the board of directors of the combined company. Frank Bisignano, current Chairman and Chief Executive Officer of First Data, will assume the role of President and Chief Operating Officer, and will serve as director of the board of the combined company. The combined entity will be known as Fiserv.

An affiliate of Kohlberg Kravis Roberts & Co. L.P., New Omaha Holdings L.P., which controls approximately 39% of the outstanding First Data common stock and 86% of the voting rights of First Data, has entered into a voting agreement in support of the transaction. Upon closing, New Omaha Holdings will own approximately 16% of the outstanding common stock of the combined company.

## **Timing and Approvals**

The transaction, which is expected to close during the second half of 2019, is subject to customary closing conditions and regulatory approvals, including the approval of shareholders of both companies. The transaction is not subject to any financing conditions.

## **Preliminary Fourth Quarter and Full Year 2018 Financial Results and 2019 Outlook**

In separate press releases issued today, both Fiserv and First Data announced selected preliminary financial results for the fourth quarter and full year 2018 and their outlooks for 2019. The Fiserv press release is available in the “Investor Relations” section of [fiserv.com](http://fiserv.com). The First Data press release is available in the “Investor Relations” section of [firstdata.com](http://firstdata.com).

## **Advisors**

J.P. Morgan Securities LLC is serving as financial advisor to Fiserv and has provided committed financing. Sullivan & Cromwell LLP is serving as legal advisor to Fiserv.

BofA Merrill Lynch is serving as financial advisor to First Data. Simpson Thacher & Bartlett LLP is serving as legal advisor to First Data. Evercore is serving as financial advisor to the independent directors of the board of First Data, and Latham & Watkins LLP is serving as legal advisor to the independent directors of the board of First Data. Kirkland & Ellis LLP is serving as legal advisor to New Omaha Holdings.

---

## Conference Call and Webcast

The companies will host a joint conference call and webcast today at 8:30 a.m. ET (7:30 a.m. CT) to discuss the transaction.

The conference call can be accessed by dialing 866-610-1072 within the United States and 973-935-2840 for all other locations. The confirmation code is 1177498. Participants should dial in 10 minutes prior to the scheduled start time.

A live webcast of the conference call and associated presentation materials will be available in the investor relations section of each company's website at [investors.fiserv.com](http://investors.fiserv.com) and [investor.firstdata.com](http://investor.firstdata.com).

A replay of the conference call will be available after the completion of the conference call through March 15, 2019, and can be accessed by dialing 800-585-8367 from the United States or 404-537-3406 from outside the United States. The replay confirmation code is 1177498. The webcast will be archived in the investor relations section of each company's website.

## About Fiserv

Fiserv, Inc. (NASDAQ:FISV) enables clients worldwide to create and deliver financial services experiences in step with the way people live and work today. For 35 years, Fiserv has been a trusted leader in financial services technology, helping clients achieve best-in-class results by driving quality and innovation in payments, processing services, risk and compliance, customer and channel management, and insights and optimization. Fiserv is a member of the FORTUNE® 500 and has been named among the FORTUNE Magazine World's Most Admired Companies® for five consecutive years, recognized for strength of business model and innovation leadership. Visit [fiserv.com](http://fiserv.com) and [follow on social media](#) for more information and the latest company news.

## About First Data

First Data (NYSE: FDC) is a global leader in commerce-enabling technology, serving approximately 6 million business locations and 4,000 financial institutions in more than 100 countries around the world. The company's 22,000 owner-associates are dedicated to helping companies, from start-ups to the world's largest corporations, conduct commerce every day by securing and processing more than 3,000 transactions per second and \$2.4 trillion per year. For more information, visit [www.firstdata.com](http://www.firstdata.com) and follow us on Twitter at [@FirstData](#) and [LinkedIn](#).

## Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 could cause Fiserv's actual results to differ materially include, among others: the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the transaction within the expected time frames or at all and to successfully integrate the operations of First Data into those of Fiserv; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected, including for possible reasons such as unexpected costs, charges or expenses resulting from the transaction; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the transaction; the retention of certain key employees; the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the outcome of any legal proceedings that may be instituted against Fiserv, First Data and others related to the merger agreement; unforeseen risks relating to liabilities of Fiserv or First Data may exist; stockholder approval or other conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the amount of the costs, fees, expenses and charges related to the transaction, including the costs, fees, expenses and charges related to any financing arrangements entered into in connection with the transaction; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the transaction. Fiserv and First Data are subject to, among other matters, changes in customer demand for their products and services; pricing and other actions by competitors; general changes in local, regional, national and international economic conditions and the impact they may have on Fiserv and First Data and their customers and Fiserv's and First Data's assessment of that impact; rapid technological developments and changes, and the ability of Fiserv's and First Data's technology to keep pace with a rapidly evolving marketplace; the impact of a security breach or operational failure on Fiserv's and First Data's business; the effect of proposed and enacted legislative and regulatory actions in the United States and internationally affecting the financial services industry as a whole and/or Fiserv and First Data and their subsidiaries individually or collectively; regulatory supervision and oversight, and Fiserv's and First Data's ability to comply with government regulations; the impact of Fiserv's and First Data's strategic initiatives; Fiserv's and First Data's ability to continue to introduce competitive new products and services on a timely, cost-effective basis; the ability to contain costs and expenses; the protection and validity of intellectual property rights; the outcome of pending and future litigation and governmental proceedings; acts of war and terrorism; and other factors included in "Risks Factors" in Fiserv's and First Data's respective filings with the SEC, including their respective Annual Reports on Form 10-K for the year ended December 31, 2017, and in other documents that the companies file with the SEC, which are available at [www.sec.gov](http://www.sec.gov). You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements. Fiserv and First Data assume no obligation to update any forward-looking statements, which speak only as of the date of this press release.

---

## **Additional Information and Where to Find It**

This press release does not constitute an offer to sell or the solicitation of an offer to buy or sell any securities or a solicitation of a proxy or of any vote or approval. This press release may be deemed to be solicitation material in respect of the proposed transaction contemplated by the Agreement and Plan of Merger, dated as of January 16, 2019 (the “Merger Agreement”), by and among Fiserv, Inc. (“Fiserv”), 300 Holdings, Inc. (“Merger Sub”) and First Data (“First Data”). In connection with the proposed transaction contemplated by the Merger Agreement, Fiserv intends to file a registration statement on Form S-4 with the Securities and Exchange Commission (the “SEC”) that will include a joint proxy/consent solicitation statement of Fiserv and First Data that will also constitute a prospectus of Fiserv. This press release is not a substitute for the registration statement, the joint proxy/consent solicitation statement/prospectus or any other documents that will be made available to the stockholders of Fiserv and First Data, or any other documents that any party to the Merger Agreement, including Fiserv, First Data, or any of their respective affiliates, may file with the SEC or make available to their respective security holders. **SHAREHOLDERS OF FISERV AND FIRST DATA AND THEIR RESPECTIVE AFFILIATES ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY, INCLUDING THE JOINT PROXY/CONSENT SOLICITATION STATEMENT/PROSPECTUS (WHEN AVAILABLE) BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED COMBINATION.**

When available, stockholders will be able to obtain copies of the registration statement, including the joint proxy/consent solicitation statement/prospectus and any other documents that may be filed with the SEC (when available) free of charge from the SEC’s website at [www.sec.gov](http://www.sec.gov). Copies of documents filed with the SEC by Fiserv also can be obtained free of charge from Fiserv’s website at [fiserv.com](http://fiserv.com). Copies of documents filed with the SEC by First Data also can be obtained free of charge from First Data’s website at [firstdata.com](http://firstdata.com).

## **Participants in the Solicitation**

Fiserv, First Data, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction under the rules of the SEC. Information about the directors and executive officers of Fiserv is set forth in the proxy statement relating to Fiserv’s 2018 annual meeting of stockholders filed with the SEC on April 10, 2018. Information about the directors and executive officers of First Data is set forth in the proxy statement relating to First Data’s 2018 annual meeting of stockholders filed with the SEC on March 29, 2018. Additional information regarding the interests of these participants will be included in the joint proxy/consent solicitation statement/prospectus regarding the proposed transaction and other relevant materials to be filed with the SEC when they become available. Shareholders should read the joint proxy/consent solicitation statement/prospectus carefully if and when it becomes available before making any voting or investment decisions. Shareholders may obtain free copies of these documents as described in the preceding paragraph.

**Contacts for Fiserv  
Media Relations:**

Britt Zarling  
Vice President  
Corporate Communications  
Fiserv, Inc.  
+1-414-378-4040  
britt.zarling@fiserv.com

**Investor Relations:**

Tiffany Willis, CPA  
Vice President  
Investor Relations  
Fiserv, Inc.  
+1 678-375-4643  
tiffany.willis@fiserv.com

**Contacts for First Data  
Media Relations:**

Andrea Duffy  
Public Relations  
First Data  
646-984-0240  
andrea.duffy@firstdata.com

**Investor Relations:**

Peter Poillon  
Investor Relations  
First Data  
212-266-3565  
peter.poillon@firstdata.com

FISV-E



# Fiserv to Combine with First Data to Create Global Leader in Payments and FinTech

Investor Presentation  
January 16, 2019

**First Data**

© 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# Forward Looking Statements

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 expected financial results of the combined company including anticipated free cash flow and the impact of any expected synergies, and the ability of Fiserv to complete the proposed acquisition and related transactions and to achieve the synergies described herein. 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 Fiserv'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 could cause Fiserv's actual results to differ materially include, among others: the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the transaction within the expected time frames or at all and to successfully integrate the operations of First Data into those of Fiserv; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected, including for possible reasons such as unexpected costs, charges or expenses resulting from the transaction; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the transaction; the retention of certain key employees; the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; the outcome of any legal proceedings that may be instituted against Fiserv, First Data and others related to the merger agreement; unforeseen risks relating to liabilities of Fiserv or First Data may exist; shareholder approval or other conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the amount of the costs, fees, expenses and charges related to the transaction, including the costs, fees, expenses and charges related to any financing arrangements entered into in connection with the transaction; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the transaction. Fiserv and First Data are subject to, among other matters, changes in customer demand for their products and services; pricing and other actions by competitors; general changes in local, regional, national and international economic conditions and the impact they may have on Fiserv and First Data and their customers and Fiserv's and First Data's assessment of that impact; rapid technological developments and changes, and the ability of Fiserv's and First Data's technology to keep pace with a rapidly evolving marketplace; the impact of a security breach or operational failure on Fiserv's and First Data's business; the effect of proposed and enacted legislative and regulatory actions in the United States and internationally affecting the financial services industry as a whole and/or Fiserv and First Data and their subsidiaries individually or collectively; regulatory supervision and oversight, and Fiserv and First Data's ability to comply with government regulations; the impact of Fiserv's and First Data's strategic initiatives; Fiserv's and First Data's ability to continue to introduce competitive new products and services on a timely, cost-effective basis; the ability to contain costs and expenses; the protection and validity of intellectual property rights; the outcome of pending and future litigation and governmental proceedings; acts of war and terrorism; and other factors included in "Risks Factors" in Fiserv's and First Data's respective filings with the SEC, including their respective Annual Reports on Form 10-K for the year ended December 31, 2017, and in other documents that the companies file with the SEC, which are available at <http://www.sec.gov>. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements. Fiserv assumes no obligation to update any forward-looking statements, which speak only as of the date of this presentation.

## Additional Information and Where to Find It

This presentation does not constitute an offer to sell or the solicitation of an offer to buy or sell any securities or a solicitation of a proxy or of any vote or approval. This presentation may be deemed to be solicitation material in respect of the proposed transaction contemplated by the Agreement and Plan of Merger, dated as of January 16, 2019 (the "Merger Agreement"), by and among Fiserv, Inc. ("Fiserv"), 300 Holdings, Inc. ("Merger Sub") and First Data Corporation ("First Data"). In connection with the proposed transaction contemplated by the Merger Agreement, Fiserv intends to file a registration statement on Form S-4 with the Securities and Exchange Commission (the "SEC") that will include a joint proxy/consent solicitation statement of Fiserv and First Data that will also constitute a prospectus of Fiserv. This presentation is not a substitute for the registration statement, the joint proxy/consent solicitation statement/prospectus or any other documents that will be made available to the shareholders of Fiserv and First Data, or any other documents that any party to the Merger Agreement, including Fiserv, First Data, or any of their respective affiliates, may file with the SEC or make available to their respective security holders. SHAREHOLDERS OF FISERV AND FIRST DATA AND THEIR RESPECTIVE AFFILIATES ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY, INCLUDING THE JOINT PROXY/CONSENT SOLICITATION STATEMENT/PROSPECTUS (WHEN AVAILABLE) BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED COMBINATION.

When available, shareholders will be able to obtain copies of the registration statement, including the joint proxy/consent solicitation statement/prospectus and any other documents that may be filed with the SEC (when available) free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov). Copies of documents filed with the SEC by Fiserv also can be obtained free of charge from Fiserv's website at [www.Fiserv.com](http://www.Fiserv.com). Copies of documents filed with the SEC by First Data also can be obtained free of charge from First Data's website at [www.FirstData.com](http://www.FirstData.com).

## Participants in the Solicitation

Fiserv, First Data, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction under the rules of the SEC. Information about the directors and executive officers of Fiserv is set forth in the proxy statement relating to Fiserv's 2018 annual meeting of shareholders filed with the SEC on April 10, 2018. Information about the directors and executive officers of First Data is set forth in the proxy statement relating to First Data's 2018 annual meeting of stockholders filed with the SEC on March 29, 2018. Additional information regarding the interests of these participants will be included in the joint proxy/consent solicitation statement/prospectus regarding the proposed transaction and other relevant materials to be filed with the SEC when they become available. Shareholders should read the joint proxy/consent solicitation statement/prospectus carefully if and when it becomes available before making any voting or investment decisions. Shareholders may obtain free copies of these documents as described in the preceding paragraph.

**First Data**

3 © 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

## Presenters

Jeff Yabuki, President and CEO, Fiserv

Frank Bisignano, Chairman and CEO, First Data

# Transaction Summary

<b>Structure and Exchange Ratio</b>	<ul style="list-style-type: none"> <li>All-stock consideration, creating a global leader in financial and payments technology</li> <li>First Data's shareholders will receive 0.303 new Fiserv shares for each First Data share (equivalent to \$22.74 per share)<sup>1</sup></li> <li>Pro forma ownership: 57.5% Fiserv shareholders / 42.5% First Data shareholders<sup>2</sup></li> <li>\$22 billion implied equity value for First Data representing a 29% premium to the five-day volume weighted average price as of January 15, 2019, and a premium of approximately 15% to enterprise value</li> </ul>
<b>Governance and Leadership</b>	<ul style="list-style-type: none"> <li>Jeff Yabuki to be Chairman and CEO of the combined company</li> <li>Frank Bisignano to be President, COO, and a director of the combined company</li> <li>10 member board, 6 of whom will be from the board of Fiserv and 4 of whom will be from the board of First Data</li> </ul>
<b>Capital Structure</b>	<ul style="list-style-type: none"> <li>Significant free cash flow generation should allow rapid debt reduction over 24 months with Debt/EBITDA ratio expected to be generally in-line with Fiserv's historical performance</li> <li>Expect Moody's and S&amp;P Global both to affirm Fiserv's existing ratings of Baa2/BBB, respectively</li> </ul>
<b>Name / HQ</b>	<ul style="list-style-type: none"> <li>Consolidated company will continue as Fiserv</li> <li>Global headquarters will be located in Wisconsin</li> </ul>
<b>Timing and Approvals</b>	<ul style="list-style-type: none"> <li>Transaction is expected to close during the second half of 2019</li> <li>Subject to customary closing conditions including regulatory and shareholder approvals</li> <li>New Omaha Holdings, an affiliate of KKR, has entered into a voting agreement in support of the transaction</li> </ul>

<sup>1</sup> Based on closing share prices of as of 1/15/2019

<sup>2</sup> Based on fully diluted ownership, including options and restricted stock units/awards, as applicable

## Building Sustainable Value

<b>Grow</b> high-quality revenue Multiple opportunities to expand recurring revenue growth globally	
<b>Expand</b> operating margin Cost and operational efficiencies boost performance	
<b>Extend</b> differentiation through innovation and integration Proven integration capabilities; enhanced innovation funding	
<b>Enhance</b> engagement Best combined team in Fintech to deliver differentiated client value	
<b>Maintain</b> disciplined capital allocation Excellent free cash flow generation; investment grade ratings expected	

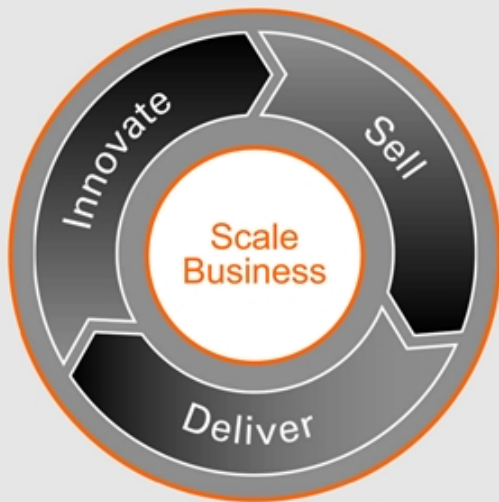
**First Data**

6 © 2019 First Data Corporation or its affiliates

FORTUNE Magazine **World's Most Admired Companies®**  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

## Strong Business Model Attributes



mission-critical solutions

privileged relationships

high-quality recurring revenue

significant free cash flow

investments for the future



# Business Model Alignment

## Card-Based Payments and Security Solutions | (42% of EBITDA<sup>1</sup>)

**Broad set of card-based solutions for bank and non-bank issuers and wide range of value-added network services**

### Scale

 4,000+ FI connections      25 billion annual transactions  
1.2 billion accounts on file      121 million cards (in STAR)

**World-leading risk management solutions**  
 Transaction security  
 Fraud prevention

 **Digitally-focused**

### Card-based acceptance across multiple products

 Credit      Retail      Loans  
Debit      Commercial      Prepaid

**Consistent with current Fiserv business model**

## Global Merchant Acquiring | (58% of EBITDA<sup>1</sup>)

**Comprehensive merchant acquiring business solutions**


### Scale

 \$2.4 trillion annual global volume      68 billion annual transactions

### Comprehensive distribution

 Partner solutions      Financial institutions      Direct

### Leading solutions to meet merchant needs

 Global eCommerce      Integrated payments      Cloud-based POS offering (Clover)

**New attractive and strategically aligned market, at scale**

**First Data**

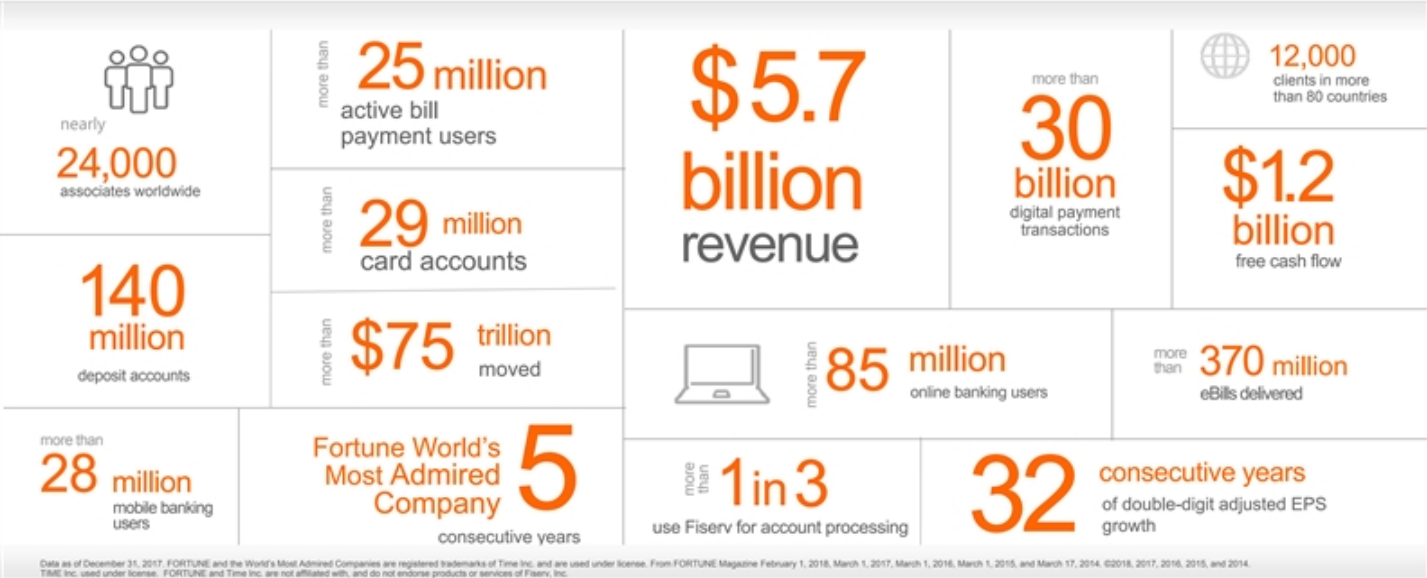
<sup>1</sup> Based on segment EBITDA as reported by First Data on a stand-alone basis, based on financial information for the twelve months ended 9/30/2018; corporate expenses and eliminations allocated proportionately

FORTUNE Magazine **World's Most Admired Companies**<sup>®</sup>  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**



# Fiserv by the Numbers



First Data.

9 © 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# First Data by the Numbers

more than <b>93</b> billion transactions processed annually	 more than <b>22,000</b> employees worldwide	<b>#1</b> global issuer processor	more than <b>\$2.4</b> trillion global payment volume	1 million STAR ATM and POS locations
<b>#1</b> global merchant acquirer	<b>\$ 8.6</b> billion adjusted revenue	 more than <b>6 million</b> business locations	more than <b>4,000</b> financial institutions	<b>\$1.5</b> billion free cash flow
more than <b>1 billion</b> card accounts on file globally	process <b>4 out of 10</b> transactions at the point-of-sale in the US	engaged by nearly all of the <b>Top 50</b> Fortune 500 companies		

Note: Data as of March 31, 2018; LTM 9/30/18 revenue and free cash flow figures

**First Data.**

10 © 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# Strategic Investments in Technology Solutions

## Enriches Future Value Proposition

Accelerate client value  
through differentiated  
solution integration

Develop new capabilities  
based on market trends  
and client need

Create transformative  
digital experiences  
reflecting changing client  
needs

Incremental innovation investment

**\$500 million**

funded from cost synergies  
deployed over five years

- Digital enablement
- Advanced risk management
- eCommerce
- Next-generation merchant solutions
- Data-focused solutions

**First Data**

© 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# Significant Shareholder Value Opportunity

<b>Significant cash flow generation</b>	<ul style="list-style-type: none"> <li>• Pro-forma \$3.6 billion in combined annual free cash flow<sup>1</sup> which includes run-rate synergies</li> <li>• Continued disciplined capital allocation strategy while maintaining investment grade debt ratings</li> <li>• Provides flexibility to strategically deploy capital to build shareholder value over next 18-24 months</li> </ul>
<b>Substantial cost savings</b>	<ul style="list-style-type: none"> <li>• Estimated \$900 million annual recurring cost synergies with full run-rate within five years of closing</li> <li>• Majority of savings from duplicative overhead, streamlining operations, enhanced operational efficiency and process improvements</li> </ul>
<b>Enhanced revenue growth potential</b>	<ul style="list-style-type: none"> <li>• Attractive opportunities from expanded capabilities and broadened geographic presence</li> <li>• At least \$500 million of anticipated run-rate revenue synergies over a five year period</li> <li>• Incremental strategic investments in technology solutions, innovation and integration of \$500 million over 5 years</li> </ul>
<b>Strong adjusted EPS accretion</b>	<ul style="list-style-type: none"> <li>• More than 20% accretive to adjusted EPS in the first full year following close</li> <li>• More than 40% accretive to adjusted EPS at anticipated full synergy run-rate</li> </ul>
<b>Strong financial position</b>	<ul style="list-style-type: none"> <li>• Committed financing has been obtained to refinance First Data's existing debt</li> <li>• Commitment to deleverage to historical levels within 24 months</li> <li>• Expect investment grade Baa2/BBB ratings for the consolidated company</li> </ul>

**First Data**

© 2019 First Data Corporation or its affiliates

<sup>1</sup> For the last twelve months ended 9/30/2018, plus run-rate revenue synergies of \$500 million (at 45% margin) and run-rate cost savings of \$900 million; free cash flow defined as cash flow from operations less capex, less distributions to non-controlling interests and adjusted for one-time items

FORTUNE Magazine **World's Most Admired Companies**<sup>®</sup>  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# Compelling Financial Profile

In billions, as of the twelve months ended 9/30/2018

	Fiserv	First Data	Synergies	Combined (including run-rate synergies <sup>4</sup> )
Adjusted revenue <sup>1</sup>	\$5.5	\$8.6	\$0.5	\$14.6 ✓
Adjusted operating income <sup>2</sup>	\$1.8	\$2.4	\$1.1	\$5.3 ✓
Free cash flow <sup>3</sup>	\$1.2	\$1.5	\$0.9	\$3.6 ✓

<sup>1</sup> Adjusted revenue for Fiserv, as reported on a stand-alone basis; Segment revenue shown for First Data, as reported on a stand-alone basis

<sup>2</sup> Adjusted operating income includes proportional reporting for First Data, encumbered by stock-based compensation expense

<sup>3</sup> Free cash flow defined as cash flow from operations, less capex, less distributions to non-controlling interests and adjusted for one-time items

<sup>4</sup> Includes anticipated run-rate revenue synergies of \$500 million (at 45% margin) and run-rate cost savings of \$900 million; assumes 17.5% tax rate on synergies for purposes of combined free cash flow

**First Data**

13 © 2019 First Data Corporation or its affiliates

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**

# Anticipated Synergies Drive Accelerated Growth and Margin Expansion

## Annual Run-Rate Cost Savings<sup>1</sup>

Technology infrastructure	\$350 million
Operational synergies	\$200 million
Duplicative corporate structures	\$350 million
Total	<b>\$900 million</b>

## Annual Run-Rate Revenue Synergies<sup>1</sup>

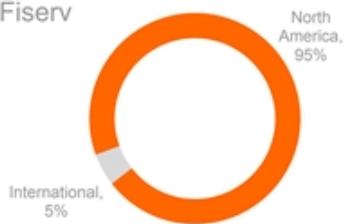
Distribution of merchant bank acquiring services	\$200 million
Expanded payments offerings and network innovation	\$250 million
Integrated Sales	\$50 million
Total	<b>\$500 million</b>

<sup>1</sup> Estimated synergies expected to be realized over 5 years

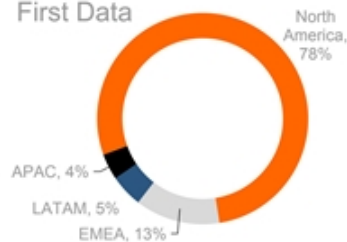
# Expanded Geographic and Capabilities Presence

## Geography

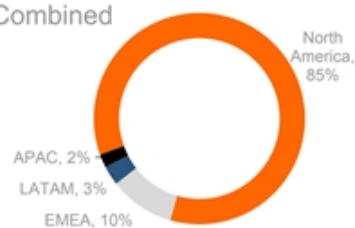
Fiserv



First Data

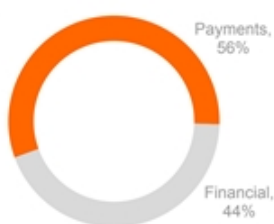


Combined



## Capabilities

Fiserv



First Data<sup>1</sup>



Combined



**First Data**

© 2019 First Data Corporation or its affiliates

Note: Based on financials as of the last twelve months ended 9/30/2018; excluding contribution from revenue synergies  
<sup>1</sup> Card-based solutions includes Global Financial Solutions and Network and Security Solutions segments; Merchant acquiring includes Global Business Solutions segment

FORTUNE Magazine World's Most Admired Companies®  
2014 | 2015 | 2016 | 2017 | 2018  
© 2019 Fiserv, Inc. or its affiliates.

**fiserv.**