

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

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FORM 8-K/A  
(Amendment No. 1)

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CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 9, 2016

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**NCR CORPORATION**

(Exact name of registrant as specified in its charter)

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Commission File Number 001-00395

**Maryland**

(State or other jurisdiction of  
incorporation or organization)

**31-0387920**

(I.R.S. Employer  
Identification No.)

**3097 Satellite Boulevard  
Duluth, Georgia 30096**

(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (937) 445-5000**

**N/A**

(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 (see General Instruction A.2 below):

- 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))
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## EXPLANATORY NOTE

NCR Corporation (“NCR” or the “Company”) is furnishing this Form 8-K/A to make certain changes to the fourth quarter (quarter to date only) 2015 GAAP and non-GAAP earnings per share results that were included in its fourth quarter 2015 earnings press release and supplementary earnings conference call materials, which were furnished as exhibits 99.1 and 99.2, respectively, to its Current Report on Form 8-K dated February 9, 2016 (the “February 9 Form 8-K”).

These changes do not affect any of the Company's full year 2015 GAAP or non-GAAP results or any other fourth quarter GAAP or non-GAAP results.

The fourth quarter non-GAAP Diluted Earnings Per Share should have been \$0.90, rather than \$0.92, and GAAP Basic Earnings Per Share from Continuing Operations (attributable to NCR) should have been \$0.27, rather than \$0.28.

These changes result from an update to the fourth quarter weighted average share counts used in the GAAP Basic Earnings Per Share and Diluted Earnings Per Share calculations, which should have been 162.1 million and 164.6 million, respectively, and the fourth quarter weighted average share count used in the non-GAAP Diluted Earnings Per Share calculation, which should have been 174.7 million.

This Form 8-K/A is not intended to, nor does it, reflect events occurring after the filing of the February 9 Form 8-K, and NCR's fourth quarter 2015 earnings press release and supplementary earnings conference call presentation materials that were included with the February 9 Form 8-K are not being modified or updated in any way other than as necessary to reflect the change regarding fourth quarter GAAP Basic Earnings Per Share from Continuing Operations (attributable to NCR) and fourth quarter non-GAAP Diluted Earnings Per Share described above.

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

A copy of the Company's fourth quarter 2015 earnings press release, as revised to reflect the changes to its fourth quarter GAAP Basic Earnings Per Share from Continuing Operations (attributable to NCR) and fourth quarter non-GAAP Diluted Earnings Per Share results described in the Explanatory Note above, is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

### **Item 7.01. Regulation FD Disclosure.**

A copy of the Company's fourth quarter 2015 supplementary earnings conference call materials, as revised to reflect the changes to its fourth quarter GAAP Basic Earnings Per Share from Continuing Operations (attributable to NCR) and fourth quarter non-GAAP Diluted Earnings Per Share results described in the Explanatory Note above, is attached hereto as Exhibit 99.2 and hereby incorporated by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

The following exhibits are attached with this current report on Form 8-K:

Exhibit No.	Description
99.1	Revised Fourth Quarter 2015 Earnings Press Release
99.2	Revised Fourth Quarter 2015 Supplementary Earnings Conference Call Materials

## SIGNATURES

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.

NCR Corporation

By: /s/ Robert Fishman  
Robert Fishman  
Senior Vice President and Chief Financial Officer

Date: February 10, 2016

**Index to Exhibits**

The following exhibits are attached with this current report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Revised Fourth Quarter 2015 Earnings Press Release
99.2	Revised Fourth Quarter 2015 Supplementary Earnings Conference Call Materials



February 9, 2016 (as revised February 10, 2016)\*

### **NCR Announces Fourth Quarter 2015 Results**

- **Fourth quarter revenue of \$1.68 billion, down 5% as reported, flat constant currency; Full year revenue of \$6.37 billion, down 3% as reported, up 3% constant currency**
- **Fourth quarter software-related revenue of \$459 million, down 4% as reported, down 1% constant currency; Full year software-related revenue of \$1.75 billion, flat as reported, up 4% constant currency**
- **Fourth quarter non-pension operating income (NPOI) of \$264 million, up 5% as reported, up 14% constant currency; Fourth quarter non-GAAP diluted EPS of \$0.90, up 2% as reported, up 10% constant currency**
- **Fourth quarter GAAP income from operations of \$138 million, up 294%; Fourth quarter GAAP diluted EPS of \$0.27**
- **Fourth quarter free cash flow of \$184 million; Fourth quarter net cash provided by operating activities of \$265 million; Full year free cash flow of \$409 million; Full year net cash provided by operating activities of \$681 million**
- **Strategic investment of \$820 million from Blackstone; \$1 billion share repurchase completed**
- **2016 guidance announced**

**DULUTH, Georgia** - NCR Corporation (NYSE: NCR) reported financial results today for the three months ended December 31, 2015.

"Our overall fourth quarter results were in-line with our expectations and concluded a successful year for NCR and our customers," said Chairman and CEO Bill Nuti. "Performance across our business was solid, particularly in Retail Solutions where we capitalized on an improving industry environment and in Hospitality where we generated strong fourth quarter and full year software and cloud growth. While Financial Services faced more difficult currency and geographic headwinds this year, we offset some of those challenges through growth in our high-value software offerings which led to improving margins. We were particularly pleased with the growth in free cash flow for the year, which exceeded our guidance and is a top area of investor focus. Looking ahead, we are riveted on strengthening our omni-commerce leadership across all markets and further executing our sales and services transformation to take advantage of the expected widespread increase in connected devices and continued shift in consumer transaction preferences."

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\* This earnings release has been revised as described in the "Explanatory Note" to the Form 8-K/A of NCR Corporation furnished to the Securities and Exchange Commission on February 10, 2015.

## Q4 Financial Summary

\$ in millions, except per share amounts	Fourth Quarter			
	2015	2014	As Reported	Constant Currency
Revenue	\$1,680	\$1,768	(5)%	—%
Income from operations *	\$138	\$35	294%	
Non-pension operating income (NPOI)	\$264	\$251	5%	14% **
Diluted earnings per share *	\$0.27	\$0.22	23%	
Non-GAAP diluted earnings per share	\$0.90	\$0.88	2%	10% **

\* Income from operations and diluted earnings per share in the fourth quarter of 2015 includes pension expense of \$33 million, or \$0.11 per share, and a \$20 million, or \$0.07 per share, reserve associated with a subcontracting arrangement in emerging industries in Middle East Africa and the fourth quarter of 2014 includes pension expense of \$150 million, and \$0.43 per share. Diluted earnings per share in the fourth quarter of 2015 includes a \$34 million, or \$0.17 per share, of an impairment charge related to the pending sale of the Interactive Printer Solutions business.

\*\* NPOI includes approximately \$21 million, and non-GAAP diluted earnings per share includes approximately \$0.07, of unfavorable foreign currency impacts.

In this release, we use the non-GAAP measures non-pension operating income (NPOI), non-GAAP diluted earnings per share and free cash flow, and we present certain measures on a constant currency basis. These non-GAAP measures are described and reconciled to their most directly comparable GAAP measures elsewhere in this release.

## Q4 Supplemental Revenue Information

\$ in millions	Fourth Quarter			
	2015	2014	% Change	% Change Constant Currency
Cloud	\$ 134	\$ 129	4%	5%
Software License/Software Maintenance	176	189	(7%)	(3%)
Professional Services	149	159	(6%)	(2%)
Total Software-Related Revenue	459	477	(4%)	(1%)
Hardware	631	714	(12%)	(6%)
Other Services	590	577	2%	8%
Total Revenue	\$ 1,680	\$ 1,768	(5%)	—%

## Q4 Operating Segment Results

### Fourth Quarter

\$ in millions	Fourth Quarter			
	2015	2014	% Change	% Change Constant Currency
<b>Revenue by segment</b>				
Financial Services	\$ 861	\$ 968	(11)%	(5)%
Retail Solutions	528	526	—%	4%
Hospitality	189	172	10%	12%
Emerging Industries	102	102	—%	6%
<b>Total Revenue</b>	<b>\$ 1,680</b>	<b>\$ 1,768</b>	<b>(5)%</b>	<b>—%</b>
<b>Operating income by segment</b>				
Financial Services	155	159	(3)%	8%
% of Financial Services Revenue	18.0%	16.4%		
Retail Solutions	55	47	17%	26%
% of Retail Solutions Revenue	10.4%	8.9%		
Hospitality	40	29	38%	38%
% of Hospitality Revenue	21.2%	16.9%		
Emerging Industries	14	16	(13)%	(6)%
% of Emerging Industries Revenue	13.7%	15.7%		
<b>Segment operating income</b>	<b>\$ 264</b>	<b>\$ 251</b>	<b>5%</b>	<b>14%</b>
% of Total Revenue	15.7%	14.2%		

*Financial Services* Constant currency revenue decreased due primarily to declines in China and Russia. Excluding the impact of foreign currency, operating income increased due to a more favorable mix of revenue and expense management.

*Retail Solutions* Constant currency revenue growth was driven by growth in North America and Europe. Operating income increased due to higher revenue and expense management.

*Hospitality* Constant currency revenue growth was driven by improvements in software-related revenue in the Americas. The increase in operating income was driven by higher software-related revenue, including cloud and professional services revenue.

*Emerging Industries* Constant currency revenue growth was driven by our Telecom & Technology business. Excluding the impact of foreign currency, operating income decreased due to an unfavorable mix of revenue.

## Free Cash Flow

\$ in millions	Fourth Quarter		Full Year	
	2015	2014	2015	2014
<b>Net cash provided by operating activities</b>	<b>\$ 265</b>	<b>\$ 289</b>	<b>\$ 681</b>	<b>\$ 524</b>
Total capital expenditures	(65)	(61)	(229)	(258)
Net cash used in discontinued operations	(16)	(29)	(43)	(1)
Pension discretionary contributions and settlements	—	30	—	48
<b>Free cash flow</b>	<b>\$ 184</b>	<b>\$ 229</b>	<b>\$ 409</b>	<b>\$ 313</b>

Free cash flow was lower in the fourth quarter of 2015 as compared to the fourth quarter of 2014 due to lower cash provided by operating activities. Full year free cash flow increased 31% mainly due to improvements in cash provided by operating activities and lower capital expenditures. Quarterly linearity of free cash flow improved significantly in 2015.



## **2016 Outlook**

In 2016, revenue is expected to be \$6.1 billion to \$6.2 billion, GAAP diluted earnings per share is expected to be \$2.07 to \$2.17, non-GAAP diluted earnings per share is expected to be \$2.72 to \$2.82, and free cash flow is expected to be \$425 million to \$475 million. The 2016 guidance includes expected foreign currency headwinds, the impact of the pending divestiture of the Interactive Printer Solutions business, and ongoing pension expense.

For the first quarter of 2016, revenue is expected to be \$1,440 million to \$1,450 million, GAAP diluted earnings per share is expected to be \$0.10 to \$0.15, and non-GAAP diluted earnings per share is expected to be \$0.30 to \$0.35. The first quarter 2016 guidance includes expected foreign currency headwinds and ongoing pension expense.

NCR will provide additional information regarding its 2016 first quarter and full-year guidance during its fourth quarter 2015 earnings conference call and webcast.

## **2015 Fourth Quarter Earnings Conference Call**

A conference call is scheduled for today at 4:30 p.m. (EDT) to discuss the fourth quarter 2015 results and guidance for first quarter and full-year 2016. Access to the conference call and accompanying slides, as well as a replay of the call, are available on NCR's web site at <http://investor.ncr.com/>. Additionally, the live call can be accessed by dialing 888-208-1386 and entering the participant passcode 1184023.

More information on NCR's Q4 2015 earnings, including additional financial information and analysis, is available on NCR's Investor Relations website at <http://investor.ncr.com/>.

### **About NCR Corporation**

NCR Corporation (NYSE: NCR) is the global leader in consumer transaction technologies, turning everyday interactions with businesses into exceptional experiences. With its software, hardware, and portfolio of services, NCR enables nearly 550 million transactions daily across the financial, retail, hospitality, travel, telecom and technology industries. NCR solutions run the everyday transactions that make your life easier.

NCR is headquartered in Duluth, Georgia with over 30,000 employees and does business in 180 countries. NCR is a trademark of NCR Corporation in the United States and other countries. NCR encourages investors to visit its web site which is updated regularly with financial and other important information about NCR.

Web site: [www.ncr.com](http://www.ncr.com)

Twitter: @NCRCorporation

Facebook: [www.facebook.com/ncrcorp](http://www.facebook.com/ncrcorp)

LinkedIn: <http://linkd.in/ncrgroup>

YouTube: [www.youtube.com/user/ncrcorporation](http://www.youtube.com/user/ncrcorporation)

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**Note to Investors** This release contains forward-looking statements. Forward-looking statements use words such as “expect,” “anticipate,” “outlook,” “intend,” “believe,” “will,” “should,” “would,” “could” and words of similar meaning. Statements that describe or relate to NCR’s plans, goals, intentions, strategies or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. The forward-looking statements in this release include statements about NCR’s plans to strengthen its omni-commerce leadership and execute its sales and services transformation; market and economic conditions affecting NCR and its business and NCR’s full-year and first quarter financial outlook (including the section entitled “2016 Outlook”) and the expected type and magnitude of the non-operational adjustments included in any forward-looking non-GAAP measures. Forward-looking statements are based on our current beliefs, expectations and assumptions, which may not prove to be accurate, and involve a number of known and unknown risks and uncertainties, many of which are out of NCR’s control. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors relating to: domestic and global economic and credit conditions including, in particular, market conditions and spending trends in the financial services industry, fluctuations in oil and commodity prices and their effects on local, regional and global market conditions, and economic and market conditions in Russia and China; the impact of our indebtedness and its terms on our financial and operating activities; the impact of the terms of our strategic relationship with Blackstone and our Series A Convertible Preferred Stock; foreign currency fluctuations; our ability to successfully introduce new solutions and compete in the information technology industry; the transformation of our business model and our ability to sell higher-margin software and services; our ability to improve execution in our sales and services organizations; defects or errors in our products or problems with our hosting facilities; compliance with data privacy and protection requirements; manufacturing disruptions; collectability difficulties in subcontracting relationships in Emerging Industries; the historical seasonality of our sales; the availability and success of acquisitions, divestitures and alliances; our pension strategy and underfunded pension obligation; the success of our ongoing restructuring plan; tax rates; reliance on third party suppliers; development and protection of intellectual property; workforce turnover and the ability to attract and retain skilled employees; environmental exposures from our historical and ongoing manufacturing activities; and uncertainties with regard to regulations, lawsuits, claims and other matters across various jurisdictions. Additional information concerning these and other factors can be found in the Company’s filings with the U.S. Securities and Exchange Commission, including the Company’s most recent annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

**Non-GAAP Financial Measures** While NCR reports its results in accordance with Generally Accepted Accounting Principles in the United States, or GAAP, in this release NCR also uses the non-GAAP measures listed and described below.

*Non-Pension Operating Income and Non-GAAP Diluted Earnings Per Share.* NCR’s non-pension operating income and non-GAAP diluted earnings per share are determined by excluding certain pension expenses and other special items, including amortization of acquisition related intangibles, from NCR’s GAAP income (loss) from operations. With respect to pension expense, in its Q4 2015 reported results, NCR excluded all components of pension expense, including both ongoing pension expense and mark-to-market adjustments, and pension settlements, curtailments and special termination benefits, when determining these non-GAAP measures, and in its FY 2016 and first quarter 2016 outlook, NCR no longer excludes ongoing pension expense when determining non-GAAP diluted earnings per share, but excludes only mark-to-market adjustments, and pension settlements, curtailments and special termination benefits. Due to the significant historical changes in its overall pension expense from year to year and the non-operational nature of pension expense, NCR’s management uses these non-GAAP measures to evaluate year-over-year operating performance. NCR also used non-pension operating income, and continues to use non-GAAP diluted earnings per share, to manage and determine the effectiveness of its business managers and as a basis for incentive compensation. NCR believes these measures are useful for investors because they provide a more complete understanding of NCR’s underlying operational performance, as well as consistency and comparability with NCR’s past reports of financial results.

*Free Cash Flow.* NCR defines free cash flow as net cash provided by/used in operating activities and cash flow provided by/used in discontinued operations less capital expenditures for property, plant and equipment, additions to capitalized software, discretionary pension contributions and settlements. NCR’s management uses free cash flow to assess the financial performance of the Company and believes it is useful for investors because it relates the operating cash flow of the Company to the capital that is spent to continue and improve business operations. In particular, free cash flow indicates the amount of cash generated after capital expenditures which can be used for, among other things, investment in the Company’s existing businesses, strategic acquisitions, strengthening the Company’s balance sheet, repurchase of Company stock and repayment of the Company’s debt obligations. Free cash flow does not represent the residual cash flow available for discretionary expenditures since there may be other nondiscretionary expenditures that are not deducted from the measure. Free cash flow does not have a uniform definition under GAAP and, therefore, NCR’s definition may differ from other companies’ definitions of this measure.

*Constant Currency.* NCR presents certain measures, such as period-over-period revenue growth, on a constant currency basis, which excludes the effects of foreign currency translation. Due to the continuing strengthening of the U.S. dollar against foreign currencies and the overall variability of foreign exchange rates from period to period, NCR’s management uses these measures on a constant currency basis to evaluate period-over-period operating performance. Measures presented on a constant currency basis are calculated by translating current period results at prior period monthly average exchange rates.

NCR's definitions and calculations of these non-GAAP measures may differ from similarly-titled measures reported by other companies and cannot, therefore, be compared with similarly-titled measures of other companies. These non-GAAP measures should not be considered as substitutes for, or superior to, results determined in accordance with GAAP. These non-GAAP measures are reconciled to their most directly comparable GAAP measures in the tables below or, in the case of quarterly free cash flow, in the body of this release.

**Reconciliation of Diluted Earnings Per Share (GAAP) to Non-GAAP Diluted Earnings Per Share  
and Diluted Earnings Per Share (non-GAAP)**

	Q4 2015 Actual	Q4 2014 Actual	2016 Guidance <sup>(3)</sup>	Q1 2016 Guidance <sup>(3)</sup>
<b>Diluted EPS (GAAP) <sup>(1)</sup></b>	\$ 0.27	\$ 0.22	\$2.07 - \$2.17	\$0.10 - \$0.15
Pension expense (benefit)	0.11	0.43	—	—
Restructuring plan	0.14	0.10	0.10	0.03
Acquisition-related amortization of intangibles	0.12	0.11	0.50	0.15
Acquisition-related costs	0.02	0.01	0.05	0.02
OFAC and FCPA Investigations <sup>(2)</sup>	—	0.01	—	—
Reserve related to a subcontract in MEA	0.07	—	—	—
Loss on pending sale of IPS business	0.17	—	—	—
<b>Non-GAAP Diluted EPS <sup>(1)</sup></b>	\$ 0.90	\$ 0.88	\$2.72 - \$2.82	\$0.30 - \$0.35

<sup>(1)</sup> GAAP and non-GAAP diluted EPS are determined using the most dilutive measure, either including the impact of dividends on the Company's Series A Convertible Preferred Stock in the calculation of net income or loss available to common stockholders or including the impact of the conversion of the Series A Convertible Preferred Stock into common stock in the calculation of the weighted average diluted shares outstanding. Therefore, GAAP diluted EPS and non-GAAP diluted EPS may be calculated using different methods, and may not mathematically reconcile.

<sup>(2)</sup> Estimated expenses for 2016 will be affected by, among other things, the status and progress of the OFAC matter. There can be no assurance that the Company will not be subject to fines or other remedial measures as a result of OFAC's investigation.

<sup>(3)</sup> Except for the adjustments noted herein as well as the pending divestiture of IPS business, this guidance does not include the effects of any future acquisitions/divestitures, restructuring activities, pension mark-to-market adjustments, taxes or other events, which are difficult to predict and which may or may not be significant.

**Reconciliation of Income from Operations (GAAP) to Non-pension Operating Income and Operating Income (non-GAAP)**

\$ in millions	Q4 2015 Actual	Q4 2014 Actual
<b>Income from Operations (GAAP)</b>	\$ 138	\$ 35
Pension expense	33	150
Restructuring plan	38	33
Acquisition-related costs	4	2
Acquisition-related amortization of intangibles	31	30
OFAC and FCPA Investigations <sup>(2)</sup>	—	1
Reserve related to a subcontract in MEA	20	—
<b>Non-pension Operating Income (non-GAAP)</b>	\$ 264	\$ 251

**Reconciliation of Net Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP)**

\$ in millions	2016 Guidance
<b>Net cash provided by operating activities</b>	\$675 - \$725
Total capital expenditures	(220)
Net cash used in discontinued operations	(30)
<b>Free cash flow</b>	\$425 - \$475

**Reconciliation of Revenue Growth (GAAP) to  
Revenue Growth on a Constant Currency Basis (non-GAAP)**

Three months ended December 31, 2015

	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Financial Services	(11)%	(6)%	(5)%
Retail Solutions	—%	(4)%	4%
Hospitality	10%	(2)%	12%
Emerging Industries	—%	(6)%	6%
Total Revenue	(5)%	(5)%	—%

Twelve months ended December 31, 2015

	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Financial Services	(7)%	(8)%	1%
Retail Solutions	—%	(5)%	5%
Hospitality	4%	(3)%	7%
Emerging Industries	1%	(8)%	9%
Total Revenue	(3)%	(6)%	3%

Three months ended December 31, 2015

	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Cloud	4%	(1)%	5%
Software License/Software Maintenance	(7)%	(4)%	(3)%
Professional Services	(6)%	(4)%	(2)%
Total Software-Related Revenue	(4)%	(3)%	(1)%
Hardware	(12)%	(6)%	(6)%
Other Services	2%	(6)%	8%
Total Revenue	(5)%	(5)%	—%

Twelve months ended December 31, 2015

	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Total Software-Related Revenue	—%	(4)%	4%

**Reconciliation of Operating Income Growth (GAAP) to  
Operating Income Growth on a Constant Currency Basis (non-GAAP)**

Three months ended December 31, 2015

	Operating Income Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Operating Income Growth % (non- GAAP)
Financial Services	(3)%	(11)%	8%
Retail Solutions	17%	(9)%	26%
Hospitality	38%	—%	38%
Emerging Industries	(13)%	(7)%	(6)%
<b>Total Operating Income</b>	<b>5%</b>	<b>(9)%</b>	<b>14%</b>



**NCR CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(in millions, except per share amounts)

Schedule A

	For the Periods Ended December 31			
	Three Months		Twelve Months	
	2015	2014	2015	2014
<b>Revenue</b>				
Products	\$ 716	\$ 815	\$ 2,711	\$ 2,892
Services	964	953	3,662	3,699
<b>Total Revenue</b>	<b>1,680</b>	<b>1,768</b>	<b>6,373</b>	<b>6,591</b>
Cost of products	533	599	2,072	2,153
Cost of services	671	737	2,832	2,706
<b>Total gross margin</b>	<b>476</b>	<b>432</b>	<b>1,469</b>	<b>1,732</b>
% of Revenue	28.3%	24.4 %	23.1 %	26.3%
Selling, general and administrative expenses	254	288	1,042	1,012
Research and development expenses	55	77	230	263
Restructuring-related charges	29	32	62	104
<b>Income from operations</b>	<b>138</b>	<b>35</b>	<b>135</b>	<b>353</b>
% of Revenue	8.2%	2.0 %	2.1 %	5.4%
Interest expense	(42)	(46)	(173)	(181)
Other (expense), net	(43)	(11)	(57)	(35)
Total other (expense), net	(85)	(57)	(230)	(216)
<b>Income (loss) before income taxes and discontinued operations</b>	<b>53</b>	<b>(22)</b>	<b>(95)</b>	<b>137</b>
% of Revenue	3.2%	(1.2)%	(1.5)%	2.1%
Income tax expense (benefit)	5	(62)	55	(48)
<b>Income (loss) from continuing operations</b>	<b>48</b>	<b>40</b>	<b>(150)</b>	<b>185</b>
(Loss) income from discontinued operations, net of tax	(20)	(5)	(24)	10
<b>Net income (loss)</b>	<b>28</b>	<b>35</b>	<b>(174)</b>	<b>195</b>
Net income attributable to noncontrolling interests	—	2	4	4
<b>Net income (loss) attributable to NCR</b>	<b>\$ 28</b>	<b>\$ 33</b>	<b>\$ (178)</b>	<b>\$ 191</b>
<b>Amounts attributable to NCR common stockholders:</b>				
Income (loss) from continuing operations	\$ 48	\$ 38	\$ (154)	\$ 181
Dividends on convertible preferred stock	(4)	—	(4)	—
Income (loss) from continuing operations attributable to NCR common stockholders	44	38	(158)	181
(Loss) income from discontinued operations, net of tax	(20)	(5)	(24)	10
Net income (loss) attributable to NCR common stockholders	\$ 24	\$ 33	\$ (182)	\$ 191
<b>Net income (loss) per share attributable to NCR common stockholders:</b>				
<b>Net income (loss) per common share from continuing operations</b>				
Basic	\$ 0.27	\$ 0.23	\$ (0.94)	\$ 1.08
Diluted	\$ 0.27	\$ 0.22	\$ (0.94)	\$ 1.06
<b>Net income (loss) per common share</b>				
Basic	\$ 0.15	\$ 0.20	\$ (1.09)	\$ 1.14
Diluted	\$ 0.15	\$ 0.19	\$ (1.09)	\$ 1.12
<b>Weighted average common shares outstanding</b>				
Basic	162.1	168.5	167.6	167.9
Diluted	164.6	171.3	167.6	171.2



**NCR CORPORATION**  
**REVENUE AND OPERATING INCOME SUMMARY**  
**(Unaudited)**  
**(in millions)**

**Schedule B**

For the Periods Ended December 31

	Three Months				Twelve Months			
	2015	2014	% Change	% Change Constant Currency	2015	2014	% Change	% Change Constant Currency
<b>Revenue by segment</b>								
Financial Services	\$ 861	\$ 968	(11)%	(5)%	\$ 3,319	\$ 3,561	(7)%	1%
Retail Solutions	528	526	— %	4 %	2,001	2,008	— %	5%
Hospitality	189	172	10 %	12 %	686	659	4 %	7%
Emerging Industries	102	102	— %	6 %	367	363	1 %	9%
<b>Total Revenue</b>	<b>\$ 1,680</b>	<b>\$ 1,768</b>	<b>(5)%</b>	<b>— %</b>	<b>\$ 6,373</b>	<b>\$ 6,591</b>	<b>(3)%</b>	<b>3%</b>
<b>Operating income by segment</b>								
Financial Services	\$ 155	\$ 159			\$ 518	\$ 543		
% of Revenue	18.0%	16.4%			15.6%	15.2%		
Retail Solutions	55	47			156	155		
% of Revenue	10.4%	8.9%			7.8%	7.7%		
Hospitality	40	29			115	91		
% of Revenue	21.2%	16.9%			16.8%	13.8%		
Emerging Industries	14	16			41	31		
% of Revenue	13.7%	15.7%			11.2%	8.5%		
<b>Subtotal-segment operating income</b>	<b>\$ 264</b>	<b>\$ 251</b>			<b>\$ 830</b>	<b>\$ 820</b>		
% of Revenue	15.7%	14.2%			13.0%	12.4%		
Pension expense	33	150			464	152		
Other adjustments <sup>(1)</sup>	93	66			231	315		
<b>Total income from operations</b>	<b>\$ 138</b>	<b>\$ 35</b>			<b>\$ 135</b>	<b>\$ 353</b>		

<sup>(1)</sup> The following table presents the other adjustments for NCR:

In millions	For the Periods Ended December 31			
	Three Months		Twelve Months	
	2015	2014	2015	2014
Restructuring plan	\$ 38	\$ 33	\$ 74	\$ 160
Acquisition-related amortization of intangible assets	31	30	125	119
Acquisition-related costs	4	2	11	27
Acquisition-related purchase price adjustments	—	—	—	6
OFAC and FCPA investigations	—	1	1	3
Reserve related to a subcontract in MEA	20	—	20	—
<b>Total other adjustments</b>	<b>\$ 93</b>	<b>\$ 66</b>	<b>\$ 231</b>	<b>\$ 315</b>



**NCR CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)  
(in millions, except per share amounts)

Schedule C

	December 31, 2015	September 30, 2015	December 31, 2014
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 328	\$ 303	\$ 511
Accounts receivable, net	1,251	1,424	1,404
Inventories	643	718	669
Other current assets	327	453	504
<b>Total current assets</b>	<b>2,549</b>	<b>2,898</b>	<b>3,088</b>
Property, plant and equipment, net	322	338	396
Goodwill	2,733	2,750	2,760
Intangibles, net	798	830	926
Prepaid pension cost	130	137	551
Deferred income taxes	582	383	349
Other assets	521	515	496
<b>Total assets</b>	<b>\$ 7,635</b>	<b>\$ 7,851</b>	<b>\$ 8,566</b>
<b>Liabilities and stockholders' equity</b>			
Current liabilities			
Short-term borrowings	\$ 13	\$ 5	\$ 187
Accounts payable	657	691	712
Payroll and benefits liabilities	189	210	196
Deferred service revenue and customer deposits	476	537	494
Other current liabilities	446	392	481
<b>Total current liabilities</b>	<b>1,781</b>	<b>1,835</b>	<b>2,070</b>
Long-term debt	3,239	3,207	3,431
Pension and indemnity plan liabilities	696	684	705
Postretirement and postemployment benefits liabilities	133	180	170
Income tax accruals	167	176	181
Other liabilities	79	82	111
<b>Total liabilities</b>	<b>6,095</b>	<b>6,164</b>	<b>6,668</b>
Redeemable noncontrolling interests	16	12	15
Series A convertible preferred stock: par value \$0.01 per share, 3.0 shares authorized, 0.8 shares issued and outstanding as of December 31, 2015; 0.0 shares authorized, issued and outstanding as of September 30, 2015 and December 31, 2014	798	—	—
<b>Stockholders' equity</b>			
NCR stockholders' equity:			
Preferred stock: par value \$0.01 per share, 100.0 shares authorized, no shares issued and outstanding as of December 31, 2015, September 30, 2015 and December 31, 2014, respectively	—	—	—
Common stock: par value \$0.01 per share, 500.0 shares authorized 133.0, 169.9 and 168.6 shares issued and outstanding as of December 31, 2015, September 30, 2015 and December 31, 2014, respectively	1	2	2
Paid-in capital	—	485	442
Retained earnings	869	1,357	1,563
Accumulated other comprehensive loss	(150)	(175)	(136)
<b>Total NCR stockholders' equity</b>	<b>720</b>	<b>1,669</b>	<b>1,871</b>
Noncontrolling interests in subsidiaries	6	6	12
<b>Total stockholders' equity</b>	<b>726</b>	<b>1,675</b>	<b>1,883</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 7,635</b>	<b>\$ 7,851</b>	<b>\$ 8,566</b>





**NCR CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(in millions)

Schedule D

	For the Periods Ended December 31			
	Three Months		Twelve Months	
	2015	2014	2015	2014
<b>Operating activities</b>				
Net income (loss)	\$ 28	\$ 35	\$ (174)	\$ 195
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Loss (income) from discontinued operations	20	5	24	(10)
Depreciation and amortization	79	73	308	284
Stock-based compensation expense	10	5	42	31
Deferred income taxes	(2)	(97)	24	(125)
Loss (gain) on sale of property, plant and equipment and other assets	(1)	(3)	(2)	(5)
Impairment of long-lived and other assets	47	8	63	16
Changes in assets and liabilities:				
Receivables	108	2	28	(104)
Inventories	40	82	(46)	77
Current payables and accrued expenses	(9)	23	8	70
Deferred service revenue and customer deposits	(53)	(19)	19	1
Employee benefit plans	17	117	384	105
Other assets and liabilities	(19)	58	3	(11)
<b>Net cash provided by operating activities</b>	<b>265</b>	<b>289</b>	<b>681</b>	<b>524</b>
<b>Investing activities</b>				
Expenditures for property, plant and equipment	(32)	(30)	(79)	(118)
Proceeds from sales of property, plant and equipment	19	1	19	1
Additions to capitalized software	(33)	(31)	(150)	(140)
Business acquisition, net	—	—	—	(1,647)
Changes in restricted cash	—	—	—	1,114
Other investing activities, net	1	(2)	1	2
<b>Net cash used in investing activities</b>	<b>(45)</b>	<b>(62)</b>	<b>(209)</b>	<b>(788)</b>
<b>Financing activities</b>				
Short term borrowings, net	8	(2)	8	—
Payments on term credit facilities	(71)	(17)	(383)	(37)
Borrowings on term credit facilities	—	—	—	250
Payments on revolving credit facilities	(717)	(522)	(1,694)	(1,050)
Borrowings on revolving credit facilities	817	456	1,698	1,146
Debt issuance costs	—	(2)	—	(5)
Series A preferred stock issuance, net of issuance costs of \$26 million, \$0 million, \$26 million, and \$0 million, respectively	794	—	794	—
Tender offer share repurchase, including repurchase costs of \$5 million, \$0 million, \$5 million, and \$0 million, respectively	(1,005)	—	(1,005)	—
Proceeds from employee stock plans	3	3	15	13
Tax withholding payments on behalf of employees	(6)	—	(16)	(28)
Other financing activities	—	(2)	—	(5)
<b>Net cash (used in) provided by financing activities</b>	<b>(177)</b>	<b>(86)</b>	<b>(583)</b>	<b>284</b>
<b>Cash flows from discontinued operations</b>				
Net cash used in discontinued operations	(16)	(29)	(43)	(1)
Effect of exchange rate changes on cash and cash equivalents	(2)	(25)	(29)	(36)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>25</b>	<b>87</b>	<b>(183)</b>	<b>(17)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>303</b>	<b>424</b>	<b>511</b>	<b>528</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 328</b>	<b>\$ 511</b>	<b>\$ 328</b>	<b>\$ 511</b>

# Q4 2015 EARNINGS CONFERENCE CALL

BILL NUTI, CHAIRMAN AND CEO  
BOB FISHMAN, CFO

February 9, 2016 (as revised February 10, 2016)\*

\* This presentation has been revised as described in the "Explanatory Note" to the Form 8-K/A of NCR Corporation furnished to the Securities and Exchange Commission on February 10, 2016.





# A 2015 RETROSPECTIVE

## MORE DIFFICULT THAN EXPECTED ...

- China and Russia markets
- Foreign Exchange environment
  - Y/Y negative impact: Revenue - \$415M; NPOI - \$72M, non-GAAP EPS - \$0.27
  - In key markets: Euro (10%); British Pound (5%); CAD (16%); AUD (10%); Brazilian Real (30%); and Russian Ruble and Turkish Lira over (20%)
  - Negative impact on price of goods/services
- Macro-economic challenges
  - Rapidly declining oil prices and related market destabilization
  - Geopolitical instability
  - Lower global GDP growth than anticipated
  - Volatile capital markets

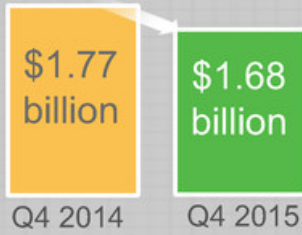
## ... AND RESULTS DELIVERED

- Met or exceeded full year key metrics of Revenue, NPOI, non-GAAP EPS and Free Cash Flow
  - Driven by diversity of markets, geographies and revenue streams
  - Strategic focus on Omni-Channel solutions
- Solid constant currency growth in full year software-related revenue
- Market leader position strengthened
- Comprehensive strategic review process completed



# Q4 2015 FINANCIAL RESULTS

## REVENUE

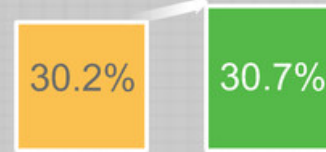


FX Impact  
~(\$90M)

Q4 2014      Q4 2015

Revenue down 5% y/y, flat CC  
Recurring revenue up 1% y/y, up 6% CC,  
41% of total revenue

## OPERATIONAL GROSS MARGIN



FX Impact  
~(20) bps

Q4 2014      Q4 2015

Up 50 bps y/y, up ~70 bps CC

## NPOI

## NON-GAAP EPS



FX Impact  
~(\$21M)

FX Impact  
~(\$0.07)

Q4 2014      Q4 2015      Q4 2014      Q4 2015

NPOI up 5% y/y, up 14% CC  
Non-GAAP EPS up 2% y/y, up 10% CC

## FREE CASH FLOW

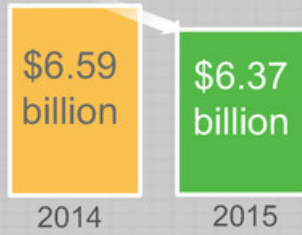


Q4 2014      Q4 2015

FCF down \$45M million due to lower cash from operations. Exceeded FY FCF guidance.

# 2015 FINANCIAL RESULTS

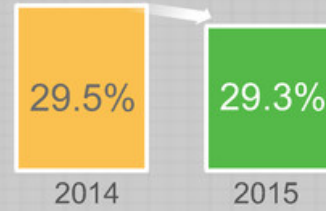
## REVENUE



FX Impact  
~(\$415M)

Revenue down 3% y/y, up 3% CC  
Recurring revenue down 1% y/y, up 5% CC,  
43% of total revenue

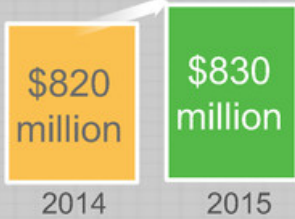
## OPERATIONAL GROSS MARGIN



Immaterial  
FX Impact

Down 20 bps y/y

## NPOI



FX  
Impact  
~(\$72M)

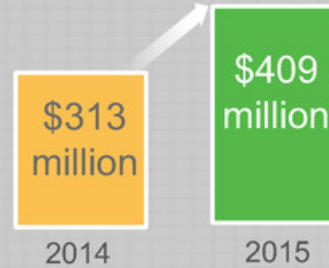
## NON-GAAP EPS



FX  
Impact  
~(\$0.27)

NPOI up 1% y/y, up 10% CC  
Non-GAAP EPS up 1% y/y, up 11% CC

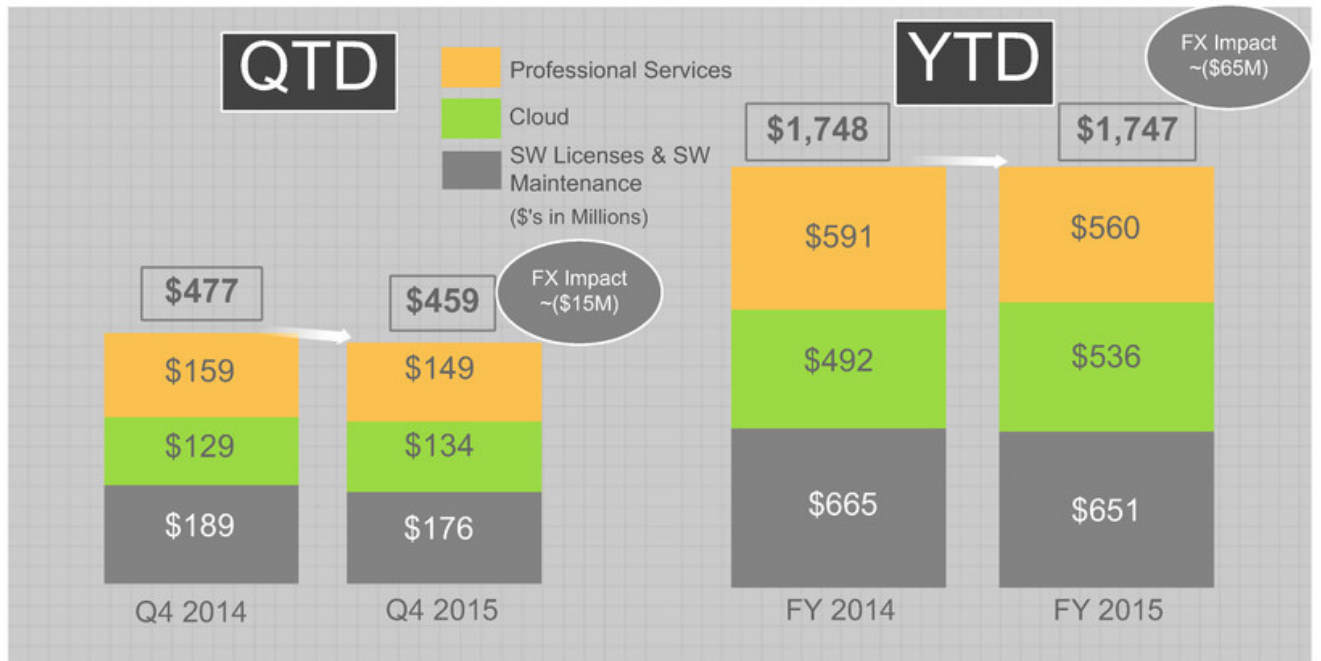
## FREE CASH FLOW



FCF growth of 31% y/y



# SOFTWARE-RELATED REVENUE



- QTD Software-related revenue down 4% y/y; down 1% CC
- QTD Cloud revenue up 4% y/y; up 5% CC
- QTD Professional Services revenue down 6% y/y; down 2% CC

- YTD Software-related revenue flat y/y; up 4% CC
- YTD Cloud revenue up 9% y/y; up 10% CC
- YTD Professional Services revenue down 5% y/y; up 1% CC



# Q4 & FULL YEAR OPERATIONAL RESULTS

	For the Periods Ended December 31							
	Three Months				Twelve Months			
	2015	2014	As Reported	Constant Currency	2015	2014	As Reported	Constant Currency
<b>Revenue</b>	\$1,680	\$1,768	(5)%	—%	\$6,373	\$6,591	(3)%	3%
<b>Operational Gross Margin</b>	516	534	(3)%	3%	1,865	1,942	(4)%	2%
<b>Operational Gross Margin Rate</b>	30.7%	30.2%			29.3%	29.5%		
<b>Expenses (non-GAAP)</b>	252	283	(11)%	(7)%	1,035	1,122	(8)%	(3)%
<b>% of Revenue</b>	15.0%	16.0%			16.2%	17.0%		
<b>NPOI</b>	264	251	5%	14%	830	820	1%	10%
<b>% of Revenue</b>	15.7%	14.2%	+150 bps	+190 bps	13.0%	12.4%	+60 bps	+180 bps
<b>Interest and other expense</b>	(51)	(57)	(11)%	(1)%	(196)	(213)	(8)%	(3)%
<b>Non-GAAP Diluted EPS <sup>(1)</sup></b>	\$0.90	\$0.88	2%	10%	\$2.78	\$2.74	1%	11%

\$ millions, except per share amounts

<sup>(1)</sup> Effective tax rate of 26% in Q4 2015, 20% in Q4 2014, 24% in FY 2015 and 22% in FY 2014.





# Q4 & FULL YEAR GAAP RESULTS

	For the Periods Ended December 31					
	Three Months			Twelve Months		
	2015	2014	% Change	2015	2014	% Change
<b>Revenue</b>	\$1,680	\$1,768	(5)%	\$6,373	\$6,591	(3)%
<b>Gross Margin <sup>(1)</sup></b>	476	432	10%	1,469	1,732	(15)%
<b>Gross Margin Rate</b>	28.3%	24.4%		23.1%	26.3%	
<b>Expenses <sup>(1)</sup></b>	338	397	(15)%	1,334	1,379	(3)%
<b>% of Revenue</b>	20.1%	22.5%		20.9%	20.9%	
<b>Income from Operations <sup>(1)</sup></b>	138	35	294%	135	353	(62)%
<b>% of Revenue</b>	8.2%	2.0%		2.1%	5.4%	
<b>Interest and other expense</b>	(85)	(57)	49%	(230)	(216)	6%
<b>GAAP Diluted EPS <sup>(1)</sup></b>	\$0.27	\$0.22	23%	(\$0.94)	\$1.06	(189)%

\$ millions, except per share amounts

<sup>(1)</sup> Refer to the supplementary slides for a reconciliation of the GAAP to non-GAAP results.



# Q4 & FULL-YEAR REVENUE BY SEGMENT

	For the Periods Ended December 31							
	Three Months				Twelve Months			
	2015	2014	% Change	% Change (Constant Currency)	2015	2014	% Change	% Change (Constant Currency)
<b>Financial Services</b>	\$861	\$968	(11) %	(5) %	\$3,319	\$3,561	(7) %	1 %
<b>Retail Solutions</b>	528	526	— %	4 %	2,001	2,008	— %	5 %
<b>Hospitality</b>	189	172	10 %	12 %	686	659	4 %	7 %
<b>Emerging Industries</b>	102	102	— %	6 %	367	363	1 %	9 %
<b>Total Revenue</b>	<b>\$1,680</b>	<b>\$1,768</b>	<b>(5) %</b>	<b>— %</b>	<b>\$6,373</b>	<b>\$6,591</b>	<b>(3) %</b>	<b>3 %</b>

\$ millions

# Q4 & FULL-YEAR OPERATING INCOME BY SEGMENT

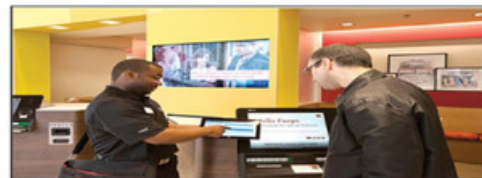
	For the Periods Ended December 31							
	Three Months				Twelve Months			
	2015	2014	% Change	% Change Constant Currency	2015	2014	% Change	% Change Constant Currency
<b>Financial Services</b>	\$155	\$159	(3%)	8%	\$518	\$543	(5%)	5%
<b>% of Financial Services Revenue</b>	18.0%	16.4%			15.6%	15.2%		
<b>Retail Solutions</b>	55	47	17%	26%	156	155	1%	10%
<b>% of Retail Solutions Revenue</b>	10.4%	8.9%			7.8%	7.7%		
<b>Hospitality</b>	40	29	38%	38%	115	91	26%	26%
<b>% of Hospitality Revenue</b>	21.2%	16.9%			16.8%	13.8%		
<b>Emerging Industries</b>	14	16	(13%)	(6%)	41	31	32%	52%
<b>% of Emerging Industries Revenue</b>	13.7%	15.7%			11.2%	8.5%		
<b>NPOI</b>	\$264	\$251	5%	14%	\$830	\$820	1%	10%
<b>% of Total Revenue</b>	15.7%	14.2%			13.0%	12.4%		

\$ millions



# FINANCIAL SERVICES

Q4 2015 Update



## Financial Results

	Q4 2015	Q4 2014	As Reported	Constant Currency
Revenue	\$861M	\$968M	(11%)	(5%)
Operating Income	\$155M	\$159M	(3%)	8%
Operating Income as a % of Revenue	18.0%	16.4%	+160 bps	+220 bps

## Key Metrics

- Revenue down 11% as reported and down 5% CC; and up 1% CC excluding BRIC countries
- Operating income down 3% as reported and up 8% CC due to a favorable mix of revenue and expense management
- Software-related revenue down 3% as reported and up 1% CC
- Branch Transformation revenue grew 8% led by North America

## Key Market Developments

- Transformation initiatives, improved mix, and software growth driving margin expansion despite revenue headwinds
- High value solutions expanded in 2015 (Branch Transformation solutions, cloud (led by Digital Insight), Enterprise SW, and Managed Services)
- Software-related revenue up 5% CC for the full year; Branch Transformation full year orders and revenue up over 50% y/y and Enterprise Software full year revenue up 9% y/y
- Positive trends in key businesses - Community banks orders up 30%, DI new contracts signed grew 20%, overall backlog up

# RETAIL SOLUTIONS

Q4 2015 Update



## Financial Results

	Q4 2015	Q4 2014	As Reported	Constant Currency
Revenue	\$528M	\$526M	—%	4%
Operating Income	\$55M	\$47M	17%	26%
Operating Income as a % of Revenue	10.4%	8.9%	+150 bps	+190 bps

## Key Metrics

- Revenue flat as reported and up 4% CC; CC growth in the Americas and Europe
- Operating income up 17% as reported and up 26% CC due to higher revenue and expense management
- Cloud revenue up 8% as reported; up 9% CC
- Software-related revenue down 12% as reported; down 10% CC due to larger customer roll-outs in Q4 2014

## Key Market Developments

- Retail ONE omni-commerce platform gaining traction and mindshare after successful National Retail Federation show and first implementation at Defense Commissary Agency (DeCA)
- Strengthened our global leadership position in 2015:
  - Leader in Forrester Point of Service Report; #1 Global SSCO provider for 14th consecutive year (RBR); #1 in EPOS shipments in NAMER & #2 Globally (RBR); #4 in retail software and SaaS sales globally (IHL); #2 Globally in bioptic stationary scanners
- Publicly recognized by IDC for Retail ONE and Gartner for CRM solutions
- Coles 'Supplier of the Year Award' for outstanding services and innovative technologies
- Retail market demonstrated improved fundamentals in the fourth quarter and throughout the year
- Software-related full year CC revenue down 3% y/y; Cloud revenue full year CC growth of 9% y/y

# HOSPITALITY

Q4 2015 Update



## Financial Results

	Q4 2015	Q4 2014	As Reported	Constant Currency
Revenue	\$189M	\$172M	10%	12%
Operating Income	\$40M	\$29M	38%	38%
Operating Income as a % of Revenue	21.2%	16.9%	+430 bps	+430 bps

## Key Metrics

- Revenue up 10% as reported and up 12% CC growth due to higher software-related revenue
- Operating income up 38% as reported and CC due to higher software-related revenue including cloud and professional services revenue
- Cloud revenue up 16%; up 19% CC
- Software-related revenue up 16%; up 18% CC

## Key Market Developments

- Driving improved results through sales transformation and increased software revenue
- Strong cloud revenue growth driven by omni-channel; total cloud application sites up 17% y/y
- Customer wins and leading omni-channel offerings driving global opportunities and pipeline
- Full year software-related revenue up 17% CC and cloud revenue up 24% CC
- International expansion continues - Q4 international software-related revenue up by 40% y/y
- SMB market strategy drives 13% SMB revenue growth y/y and 13% SMB software-related revenue growth y/y

# EMERGING INDUSTRIES

Q4 2015 Update



## Financial Results

	Q4 2015	Q4 2014	As Reported	Constant Currency
Revenue	\$102M	\$102M	—%	6%
Operating Income	\$14M	\$16M	(13%)	(6%)
Operating Income as a % of Revenue	13.7%	15.7%	(200 bps)	(180 bps)

## Key Metrics

- Revenue flat as reported and up 6% CC; CC growth driven by Telecom & Technology revenue
- Operating income down 13% as reported and down 6% CC due to an unfavorable mix of revenue

## Key Market Developments

### Telecom & Technology

- Revenue growth due to improved Services performance

### Travel

- Redesigning check-in experiences around the world - 45 million mobile airline boarding passes in Q4 2015, up 21% y/y

### Small Business (NCR Silver)

- Driving further adoption of NCR Silver; customer base up 2% over Q3 2015 and up 32% y/y

# Q4 SUPPLEMENTAL REVENUE INFORMATION

	For the Periods Ended December 31							
	Three Months				Twelve Months			
	2015	2014	% Change	% Change (Constant Currency)	2015	2014	% Change	% Change (Constant Currency)
Cloud	\$134	\$129	4%	5%	\$536	\$492	9%	10%
Software License and Software Maintenance	176	189	(7%)	(3%)	651	665	(2%)	3%
Professional Services	149	159	(6%)	(2%)	560	591	(5%)	1%
Total Software-Related Revenue	459	477	(4%)	(1%)	1,747	1,748	—%	4%
Hardware	631	714	(12%)	(6%)	2,408	2,571	(6)%	2%
Other Services	590	577	2%	8 %	2,218	2,272	(2%)	5%
<b>Total Revenue</b>	<b>\$1,680</b>	<b>\$1,768</b>	<b>(5%)</b>	<b>—%</b>	<b>\$6,373</b>	<b>\$6,591</b>	<b>(3%)</b>	<b>3%</b>

\$ millions





# FREE CASH FLOW

	Q4 2015	Q4 2014	FY 2015	FY 2014
Cash Provided by Operating Activities	\$265	\$289	\$681	\$524
Net capital expenditures	(65)	(61)	(229)	(258)
Cash used in Discontinued Operations	(16)	(29)	(43)	(1)
Pension discretionary contributions and settlements	—	30	—	48
<b>Free Cash Flow</b>	<b>\$184</b>	<b>\$229</b>	<b>\$409</b>	<b>\$313</b>
<b>Free Cash Flow as a % of non-GAAP net income</b>			<b>85%</b>	<b>67%</b>

\$ millions, except metrics



# NET DEBT & EBITDA METRICS

	Q4 2014	Q3 2015	Q4 2015
Debt	\$3,618	\$3,212	\$3,252
Cash	511	303	328
Net Debt	\$3,107	\$2,909	\$2,924
Adjusted EBITDA	\$1,000	\$1,013 <sup>(1)</sup>	\$1,033
Net Debt / Adjusted EBITDA	3.1x	2.9x	2.8x

<sup>(1)</sup> Adjusted EBITDA for the trailing twelve-month period.

\$ in millions, except metrics



# FY 2016 GUIDANCE

	2016 Guidance	2015
Revenue	\$6,100 - \$6,200	\$6,373
Diluted EPS (GAAP)	\$2.07 - \$2.17	(\$0.94)
Non-GAAP Diluted EPS	\$2.72 - \$2.82	\$2.78
Free Cash Flow	\$425 - \$475	\$409

For 2016, we have assumed OIE of \$200 million, an effective tax rate of 25% and a share count of 165 million compared to OIE of \$196 million, an effective tax rate of 24% and a share count of 172 million in 2015.

## Reconciliation of 2015 to 2016 Guidance

\$ in millions, except per share amounts

	Revenue	Non-GAAP Diluted EPS
2015	\$6,373	\$2.78
2016 Guidance (Same Basis as 2015)	\$6,535 - \$6,635	\$2.90 - \$3.00
2016 Guidance (Same Basis as 2015) Growth	3% - 4%	4% - 8%
Pending Divestiture <sup>(1)</sup>	(300)	—
Ongoing Pension Expense	—	(0.08)
Unfavorable Foreign Currency Impact	(135)	(0.10)
<b>2016 Guidance</b>	<b>\$6,100 - \$6,200</b>	<b>\$2.72 - \$2.82</b>

(1) Pending divestiture is related to the pending sale of the Interactive Printer Solutions business and assumes a closing date at the end of the first quarter of 2016.

# Q1 2016 GUIDANCE

	Q1 2016e <sup>(1)</sup>	Q1 2015
\$ millions, except per share amounts		
Revenue	\$1,440 - \$1,450	\$1,476
Diluted EPS (GAAP)	\$0.10 - \$0.15	\$0.23
Non-GAAP Diluted EPS <sup>(2)</sup>	\$0.30 - \$0.35	\$0.43

(1) For Q1 2016, we expect unfavorable foreign currency impacts of approximately \$45 million in revenue and \$0.01 in non-GAAP Diluted EPS.

(2) For Q1 2016, we have assumed OIE of \$50 million, an effective tax rate of 29% and a share count of 163 million compared to OIE of \$51 million, an effective tax rate of 21% and a share count of 172 million in Q1 2015. The decrease in diluted EPS includes an expected \$0.06 negative impact related to including ongoing pension expense, a higher tax rate, and unfavorable foreign currency offset by the decrease in the share count.





SUPPLEMENTARY  
NON-GAAP MATERIALS

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# NON-GAAP MEASURES

While NCR reports its results in accordance with generally accepted accounting principles (GAAP) in the United States, comments made during this conference call and in these materials will include non-GAAP measures. These measures are included to provide additional useful information regarding NCR's financial results, and are not a substitute for their comparable GAAP measures.

**Non-Pension Operating Income (NPOI), Non-GAAP Diluted EPS, Operational Gross Margin, Operational Gross Margin Rate, Expenses (non-GAAP), Effective Tax Rate and Non-GAAP Net Income.** NCR's non-pension operating income (NPOI), non-GAAP net income, non-GAAP diluted earnings per share, operational gross margin, operational gross margin rate, expenses (non-GAAP) and effective tax rate (non-GAAP) are determined by excluding certain pension expenses and other special items, including amortization of acquisition related intangibles, from NCR's GAAP income (loss) from operations, GAAP gross margin, gross margin rate, expenses and effective tax rate.

With respect to pension expense, in its Q4 and FY 2015 reported results, NCR excludes all components of pension expense, including both ongoing pension expense and mark-to-market adjustments, and pension settlements, curtailments and special termination benefits, when determining these non-GAAP measures, and in its FY and Q1 2016 guidance, NCR no longer excludes ongoing pension expense when determining these non-GAAP measures, but excludes only mark-to-market adjustments, and pension settlements, curtailments and special termination benefits.

Due to the significant historical changes in its overall pension expense from year to year and the non-operational nature of pension expense and these other special items, NCR's management uses these non-GAAP measures to evaluate year-over-year operating performance. NCR also used NPOI, and continues to use non-GAAP diluted EPS, to manage and determine the effectiveness of its business managers and as a basis for incentive compensation. NCR believes these measures are useful for investors because they provide a more complete understanding of NCR's underlying operational performance, as well as consistency and comparability with NCR's past reports of financial results.

**Free Cash Flow.** NCR defines free cash flow as net cash provided by/used in operating activities and cash flow provided by/used in discontinued operations less capital expenditures for property, plant and equipment, additions to capitalized software, discretionary pension contributions and settlements. NCR's management uses free cash flow to assess the financial performance of the Company and believes it is useful for investors because it relates the operating cash flow of the Company to the capital that is spent to continue and improve business operations. In particular, free cash flow indicates the amount of cash generated after capital expenditures which can be used for, among other things, investment in the Company's existing businesses, strategic acquisitions, strengthening the Company's balance sheet, repurchase of Company stock and repayment of the Company's debt obligations. Free cash flow does not represent the residual cash flow available for discretionary expenditures since there may be other nondiscretionary expenditures that are not deducted from the measure. Free cash flow (FCF) does not have a uniform definition under GAAP and, therefore, NCR's definition may differ from other companies' definition of this measure.



# NON-GAAP MEASURES

**Adjusted EBITDA.** NCR believes that Adjusted EBITDA (adjusted earnings before interest, taxes, depreciation and amortization) provides useful information to investors because it is an indicator of the strength and performance of the Company's ongoing business operations, including its ability to fund discretionary spending such as capital expenditures, strategic acquisitions and other investments. NCR determines Adjusted EBITDA for a given period based on its GAAP income (loss) from continuing operations plus interest expense, net; plus income tax expense (benefit); plus depreciation and amortization; plus other income (expense); plus pension expense (benefit); and plus special items included in the definition of NPOI. NCR believes that its ratio of net debt to Adjusted EBITDA provides useful information to investors because it is an indicator of the company's ability to meet its future financial obligations.

**Constant Currency.** NCR presents certain measures, such as period-over-period revenue growth, on a constant currency basis, which excludes the effects of foreign currency translation. Due to the continuing strengthening of the U.S. dollar against foreign currencies and the overall variability of foreign exchange rates from period to period, NCR's management uses these measures on a constant currency basis to evaluate period-over-period operating performance. Measures presented on a constant currency basis are calculated by translating current period results at prior period monthly average exchange rates.

NCR management's definitions and calculations of these non-GAAP measures may differ from similarly-titled measures reported by other companies and cannot, therefore, be compared with similarly-titled measures of other companies. These non-GAAP measures should not be considered as substitutes for, or superior to, results determined in accordance with GAAP. These non-GAAP measures are reconciled to their corresponding GAAP measures in the following slides and elsewhere in these materials. These reconciliations and other information regarding these non-GAAP measures are also available on the Investor Relations page of NCR's website at [www.ncr.com](http://www.ncr.com).





# GAAP TO NON-GAAP RECONCILIATION

## Income from Operations (GAAP) to Non-Pension Operating Income (non-GAAP) and Adjusted EBITDA (non-GAAP)

in millions	FY 2014	Q3 2015 LTM	FY 2015
Income (Loss) from Operations (GAAP)	\$353	\$32	\$135
Pension expense	152	581	464
Restructuring Plan	160	69	74
Acquisition-Related Amortization of Intangibles	119	124	125
Acquisition-Related Costs	27	9	11
Acquisition-Related Purchase Price Adjustment	6	—	—
OFAC and FCPA Investigations <sup>(1)</sup>	3	2	1
Reserve related to a subcontract in MEA	—	—	20
<b>Non-Pension Operating Income (non-GAAP)</b>	<b>\$820</b>	<b>\$817</b>	<b>\$830</b>
Depreciation and Amortization	152	165	171
Ongoing Pension Expense	(3)	(6)	(10)
Stock Compensation Expense	31	37	42
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$1,000</b>	<b>\$1,013</b>	<b>\$1,033</b>

<sup>(1)</sup> Estimated expenses for 2016 will be affected by, among other things, the status and progress of the OFAC matter. There can be no assurance that the Company will not be subject to fines or other remedial measures as a result of OFAC's investigation.



# GAAP TO NON-GAAP RECONCILIATION

Q4 2015 QTD

in millions (except per share amounts)

	Q4 QTD 2015 GAAP	Restructuring plan	Acquisition- related amortization of intangibles	Acquisition- related costs	Reserve related to subcontract in MEA	Loss on pending sale of IPS business	Pension (expense) benefit	Q4 QTD 2015 non-GAAP
Product revenue	\$716	\$—	\$—	\$—	\$—	\$—	\$—	\$716
Service revenue	964	—	—	—	—	—	—	964
<b>Total revenue</b>	<b>1,680</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,680</b>
Cost of products	533	(2)	(10)	—	—	—	(4)	517
Cost of services	671	(7)	(6)	—	—	—	(11)	647
Gross margin	476	9	16	—	—	—	15	516
<b>Gross margin rate</b>	<b>28.3%</b>	<b>0.5%</b>	<b>1.0%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>0.9%</b>	<b>30.7%</b>
Selling, general and administrative expenses	254	—	(15)	(4)	(20)	—	(10)	205
Research and development expenses	55	—	—	—	—	—	(8)	47
Restructuring-related charges	29	(29)	—	—	—	—	—	—
Total expenses	338	(29)	(15)	(4)	(20)	—	(18)	252
<b>Total expense as a % of revenue</b>	<b>20.1%</b>	<b>(1.7)%</b>	<b>(1)%</b>	<b>(0.2)%</b>	<b>(1.2)%</b>	<b>—%</b>	<b>(1.1)%</b>	<b>15.0%</b>
<b>Income (loss) from operations</b>	<b>138</b>	<b>38</b>	<b>31</b>	<b>4</b>	<b>20</b>	<b>—</b>	<b>33</b>	<b>264</b>
<b>Income (loss) from operations as a % of revenue</b>	<b>8.2%</b>	<b>2.3%</b>	<b>1.9%</b>	<b>0.2%</b>	<b>1.2%</b>	<b>—%</b>	<b>1.9%</b>	<b>15.7%</b>
Interest and Other (expense) income, net	(85)	—	—	—	—	34	—	(51)
Income (loss) from continuing operations before income taxes	53	38	31	4	20	34	33	213
Income tax expense (benefit)	5	14	10	1	7	5	14	56
<b>Effective tax rate</b>	<b>9%</b>							<b>26%</b>
Income (loss) from continuing operations	48	24	21	3	13	29	19	157
Net income (loss) attributable to noncontrolling interests	—	—	—	—	—	—	—	—
<b>Income (loss) from continuing operations (attributable to NCR)</b>	<b>\$48</b>	<b>\$24</b>	<b>\$21</b>	<b>\$3</b>	<b>\$13</b>	<b>\$29</b>	<b>\$19</b>	<b>\$157</b>
Diluted earnings per share	\$0.27	\$0.14	\$0.12	\$0.02	\$0.07	\$0.17	\$0.11	\$0.90

Refer to slide 26 for additional details on the GAAP and non-GAAP reconciliation for Diluted EPS for Q4 2015.



# GAAP TO NON-GAAP RECONCILIATION

Q4 2015 QTD

	Q4 QTD 2015 GAAP	Q4 QTD 2015 non-GAAP
in millions (except per share amounts)		
<b>Income (loss) from continuing operations attributable to NCR common stockholders:</b>		
Income (loss) from continuing operations (attributable to NCR)	\$48	\$157
Dividends on convertible preferred shares	(4)	—
Income (loss) from continuing operations attributable to NCR common stockholders	\$44	\$157
<b>Weighted average outstanding shares:</b>		
Weighted average diluted shares outstanding	164.6	164.6
Weighted as-if converted preferred shares	—	10.1
Total shares used in diluted earnings per share	164.6	174.7
<b>Diluted earnings per share <sup>(1)</sup></b>	<b>\$0.27</b>	<b>\$0.90</b>

<sup>(1)</sup> GAAP and non-GAAP diluted EPS are determined using the most dilutive measure, either including the impact of the dividends on NCR's Series A Convertible Preferred Shares in the calculation of net income or loss available to common stockholders or including the impact of the conversion of such preferred stock into common stock in the calculation of the weighted average diluted shares outstanding. Therefore, GAAP diluted EPS and non-GAAP diluted EPS may be calculated using different methods, and may not mathematically reconcile.

# GAAP TO NON-GAAP RECONCILIATION

FY 2015

	FY 2015 GAAP	Restructuring plan	Acquisition- related amortization of intangibles	Acquisition- related costs	Reserve related to a subcontract in MEA	Loss on pending sale of IPS business	OFAC and FCPA Investigations	Pension (expense) benefit	FY 2015 non- GAAP
in millions (except per share amounts)									
Product revenue	\$2,711	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$2,711
Service revenue	3,662	—	—	—	—	—	—	—	3,662
<b>Total revenue</b>	<b>6,373</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,373</b>
Cost of products	2,072	(5)	(38)	—	—	—	—	(13)	2,016
Cost of services	2,832	(7)	(25)	—	—	—	—	(308)	2,492
Gross margin	1,469	12	63	—	—	—	—	321	1,865
<b>Gross margin rate</b>	<b>23.1%</b>	<b>0.2%</b>	<b>1.0%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>5.0%</b>	<b>29.3%</b>
Selling, general and administrative expenses	1,042	—	(62)	(11)	(20)	—	(1)	(125)	823
Research and development expenses	230	—	—	—	—	—	—	(18)	212
Restructuring-related charges	62	(62)	—	—	—	—	—	—	—
Total expenses	1,334	(62)	(62)	(11)	(20)	—	(1)	(143)	1,035
Total expense as a % of revenue	20.9%	(1.0)%	(1.0)%	(0.2)%	(0.3)%	—%	—%	(2.2)%	16.2%
<b>Income (loss) from operations</b>	<b>135</b>	<b>74</b>	<b>125</b>	<b>11</b>	<b>20</b>	<b>—</b>	<b>1</b>	<b>464</b>	<b>830</b>
Income (loss) from operations as a % of revenue	2.1%	1.2%	2.0%	0.2%	0.3%	—%	—%	7.3%	13.0%
Interest and Other (expense) income, net	(230)	—	—	—	—	34	—	—	(196)
Income (loss) from continuing operations before income taxes	(95)	74	125	11	20	34	1	464	634
Income tax expense (benefit)	55	24	40	3	7	5	1	16	151
Effective tax rate	(58)%								24%
Income (loss) from continuing operations	(150)	50	85	8	13	29	—	448	483
Net income (loss) attributable to noncontrolling interests	4	—	—	—	—	—	—	—	4
<b>Income (loss) from continuing operations (attributable to NCR)</b>	<b>(\$154)</b>	<b>\$50</b>	<b>\$85</b>	<b>\$8</b>	<b>\$13</b>	<b>\$29</b>	<b>\$—</b>	<b>\$448</b>	<b>\$479</b>
Diluted earnings per share	(\$0.94)	\$0.29	\$0.49	\$0.05	\$0.08	\$0.17	\$—	\$2.60	\$2.78

Refer to slide 28 for additional details on the GAAP and non-GAAP reconciliation for Diluted EPS for FY 2015.



# GAAP TO NON-GAAP RECONCILIATION

## FY 2015

	FY 2015 GAAP	FY 2015 non-GAAP
in millions (except per share amounts)		
<b>Income (loss) from continuing operations attributable to NCR common stockholders:</b>		
Income (loss) from continuing operations (attributable to NCR)	(\$154)	\$479
Dividends on convertible preferred shares	(4)	—
Income (loss) from continuing operations attributable to NCR common stockholders	(\$158)	\$479
<b>Weighted average outstanding shares:</b>		
Weighted average basic shares outstanding	167.6	—
Weighted average diluted shares outstanding	—	170.2
Weighted as-if converted preferred shares	—	2.0
Total shares used in diluted earnings per share	167.6	172.2
<b>Diluted earnings per share <sup>(1)</sup></b>	<b>(\$0.94)</b>	<b>\$2.78</b>

<sup>(1)</sup> GAAP and non-GAAP diluted EPS are determined using the most dilutive measure, either including the impact of the dividends on NCR's Series A Convertible Preferred Stock in the calculation of net income or loss available to common stockholders or including the impact of the conversion of such preferred stock into common stock in the calculation of the weighted average diluted shares outstanding. Therefore, GAAP diluted EPS and non-GAAP diluted EPS may be calculated using different methods, and may not mathematically reconcile.

# GAAP TO NON-GAAP RECONCILIATION

## Q4 2014 QTD

in millions (except per share amounts)

	Q4 QTD 2014 GAAP	Restructuring plan	Acquisition- related amortization of intangibles	Acquisition- related costs	Acquisition- related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	Q4 QTD 2014 non-GAAP
Product revenue	\$815	—	—	—	—	—	—	\$815
Service revenue	953	—	—	—	—	—	—	953
<b>Total revenue</b>	<b>1,768</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,768</b>
Cost of products	599	—	(10)	—	—	—	(3)	586
Cost of services	737	(1)	(6)	—	—	—	(82)	648
Gross margin	432	1	16	—	—	—	85	534
<b>Gross margin rate</b>	<b>24.4%</b>	<b>0.1%</b>	<b>0.9%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>4.8%</b>	<b>30.2%</b>
Selling, general and administrative expenses	288	—	(14)	(2)	—	(1)	(47)	224
Research and development expenses	77	—	—	—	—	—	(18)	59
Restructuring-related charges	32	(32)	—	—	—	—	—	—
Total expenses	397	(32)	(14)	(2)	—	(1)	(65)	283
<b>Total expense as a % of revenue</b>	<b>22.5%</b>	<b>(1.8)%</b>	<b>(0.8)%</b>	<b>(0.1)%</b>	<b>—%</b>	<b>(0.1)%</b>	<b>(3.7)%</b>	<b>16.0%</b>
<b>Income (loss) from operations</b>	<b>35</b>	<b>33</b>	<b>30</b>	<b>2</b>	<b>—</b>	<b>1</b>	<b>150</b>	<b>251</b>
<i>Income (loss) from operations as a % of revenue</i>	<i>2.0%</i>	<i>1.9%</i>	<i>1.7%</i>	<i>0.1%</i>	<i>—%</i>	<i>0.1%</i>	<i>8.4%</i>	<i>14.2%</i>
Interest and Other (expense) income, net	(57)	—	—	—	—	—	—	(57)
Income (loss) from continuing operations before income taxes	(22)	33	30	2	—	1	150	194
Income tax expense (benefit)	(62)	14	10	1	—	—	76	39
<b>Effective tax rate</b>	<b>282%</b>							<b>20%</b>
Income (loss) from continuing operations	40	19	20	1	—	1	74	155
Net income (loss) attributable to noncontrolling interests	2	2	—	—	—	—	—	4
Income (loss) from continuing operations (attributable to NCR)	\$38	\$17	\$20	\$1	\$—	\$1	\$74	\$151
<b>Diluted earnings per share</b>	<b>\$0.22</b>	<b>\$0.10</b>	<b>\$0.11</b>	<b>\$0.01</b>	<b>\$—</b>	<b>\$0.01</b>	<b>\$0.43</b>	<b>\$0.88</b>
Diluted shares outstanding	171.3							171.3



# GAAP TO NON-GAAP RECONCILIATION

FY 2014

	FY 2014 GAAP	Restructuring plan	Acquisition- related amortization of intangibles	Acquisition- related costs	Acquisition- related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	FY 2014 non-GAAP
in millions (except per share amounts)								
Product revenue	\$2,892	—	—	—	—	—	—	\$2,892
Service revenue	3,699	—	—	—	—	—	—	3,699
<b>Total revenue</b>	<b>6,591</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,591</b>
Cost of products	2,153	(9)	(39)	—	(4)	—	(3)	2,098
Cost of services	2,706	(47)	(24)	—	(2)	—	(82)	2,551
Gross margin	1,732	56	63	—	6	—	85	1,942
<b>Gross margin rate</b>	<b>26.3%</b>	<b>0.8%</b>	<b>1.0%</b>	<b>—%</b>	<b>0.1%</b>	<b>—%</b>	<b>1.3%</b>	<b>29.5%</b>
Selling, general and administrative expenses	1,012	—	(56)	(27)	—	(3)	(48)	878
Research and development expenses	263	—	—	—	—	—	(19)	244
Restructuring-related charges	104	(104)	—	—	—	—	—	—
Total expenses	1,379	(104)	(56)	(27)	—	(3)	(67)	1,122
<b>Total expense as a % of revenue</b>	<b>20.9%</b>	<b>(1.6)%</b>	<b>(0.8)%</b>	<b>(0.4)%</b>	<b>—%</b>	<b>—%</b>	<b>(1.1)%</b>	<b>17.0%</b>
<b>Income (loss) from operations</b>	<b>353</b>	<b>160</b>	<b>119</b>	<b>27</b>	<b>6</b>	<b>3</b>	<b>152</b>	<b>820</b>
<i>Income (loss) from operations as a % of revenue</i>	<i>5.4%</i>	<i>2.4%</i>	<i>1.8%</i>	<i>0.4%</i>	<i>0.1%</i>	<i>—%</i>	<i>2.3%</i>	<i>12.4%</i>
Interest and Other (expense) income, net	(216)	3	—	—	—	—	—	(213)
Income (loss) from continuing operations before income taxes	137	163	119	27	6	3	152	607
Income tax expense (benefit)	(48)	45	39	7	2	1	86	132
<i>Effective tax rate</i>	<i>(35)%</i>							<i>22%</i>
Income (loss) from continuing operations	185	118	80	20	4	2	66	475
Net income (loss) attributable to noncontrolling interests	4	2	—	—	—	—	—	6
Income (loss) from continuing operations (attributable to NCR)	\$181	\$116	\$80	\$20	\$4	\$2	\$66	\$469
<b>Diluted earnings per share</b>	<b>\$1.06</b>	<b>\$0.68</b>	<b>\$0.47</b>	<b>\$0.12</b>	<b>\$0.02</b>	<b>\$0.01</b>	<b>\$0.38</b>	<b>\$2.74</b>
Diluted shares outstanding	171.2							171.2





# GAAP TO NON-GAAP RECONCILIATION

## Diluted Earnings per Share (GAAP) to Diluted Earnings per Share (non-GAAP)

	FY 2016e	Q1 2016e
Diluted EPS (GAAP) <sup>(1)</sup>	\$2.07 - \$2.17	\$0.10 - \$0.15
Restructuring Plan	0.10	0.03
Acquisition-Related Amortization of Intangibles	0.50	0.15
Acquisition-Related Costs	0.05	0.02
<b>Non-GAAP Diluted EPS</b>	<b>\$2.72 - \$2.82</b>	<b>\$0.30 - \$0.35</b>

<sup>(1)</sup> Except for the adjustments noted herein as well as the pending divestiture of the IPS business, this guidance does not include the effects of any future acquisitions/divestitures, restructuring activities, pension mark-to-market adjustments, taxes or other events, which are difficult to predict and which may or may not be significant.

# GAAP TO NON-GAAP RECONCILIATION

## Revenue Growth % (GAAP) to Revenue Growth % on a Constant Currency Basis (non-GAAP)

	Q4 2015 QTD			Q4 2015 YTD		
	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Financial Services	(11)%	(6)%	(5)%	(7)%	(8)%	1%
Retail Solutions	—%	(4)%	4%	—%	(5)%	5%
Hospitality	10%	(2)%	12%	4%	(3)%	7%
Emerging Industries	—%	(6)%	6%	1%	(8)%	9%
<b>Total Revenue</b>	<b>(5)%</b>	<b>(5)%</b>	<b>—%</b>	<b>(3)%</b>	<b>(6)%</b>	<b>3%</b>

# GAAP TO NON-GAAP RECONCILIATION

## Revenue Growth % (GAAP) to Revenue Growth % on a Constant Currency Basis (non-GAAP)

	Q4 2015 QTD			Q4 2015 YTD		
	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)	Revenue Growth % (GAAP)	Favorable (unfavorable) FX impact	Constant Currency Revenue Growth % (non-GAAP)
Cloud	4%	(1)%	5%	9%	(1)%	10%
Software License/ Software Maintenance	(7)%	(4)%	(3)%	(2)%	(5)%	3%
Professional Services	(6)%	(4)%	(2)%	(5)%	(6)%	1%
Total Software Related	(4)%	(3)%	(1)%	—%	(4)%	4%
Hardware	(12)%	(6)%	(6)%	(6)%	(8)%	2%
Other Services	2%	(6)%	8%	(2)%	(7)%	5%
<b>Total Revenue</b>	<b>(5)%</b>	<b>(5)%</b>	<b>—%</b>	<b>(3)%</b>	<b>(6)%</b>	<b>3%</b>

# GAAP TO NON-GAAP RECONCILIATION

## Operating Income Growth % (GAAP) to Operating Income Growth % on a Constant Currency Basis (non-GAAP)

	Q4 2015 QTD			Q4 2015 YTD		
	Operating Income Growth % Reported	Favorable (unfavorable) FX impact	Constant Currency Operating Income Growth % (non-GAAP)	Operating Income Growth % Reported	Favorable (unfavorable) FX impact	Constant Currency Operating Income Growth % (non-GAAP)
Financial Services	(3)%	(11)%	8%	(5)%	(10)%	5%
Retail Solutions	17%	(9)%	26%	1%	(9)%	10%
Hospitality	38%	—%	38%	26%	—%	26%
Emerging Industries	(13)%	(7)%	(6)%	32%	(20)%	52%
<b>Total Operating Income</b>	<b>5%</b>	<b>(9)%</b>	<b>14%</b>	<b>1%</b>	<b>(9)%</b>	<b>10%</b>

# GAAP TO NON-GAAP RECONCILIATION

Operating Income Growth bps (GAAP) to  
Operating Income Growth bps on a Constant Currency Basis (non-GAAP)

	Q4 2015 QTD		
	Operating Income bps Growth Reported	Favorable (unfavorable) FX impact	Constant Currency Operating Income bps Growth (non- GAAP)
Financial Services	+160 bps	-60 bps	+220 bps
Retail Solutions	+150 bps	-40 bps	+190 bps
Hospitality	+430 bps	— bps	+430 bps
Emerging Industries	-200 bps	-20 bps	-180 bps
<b>Total Operating Income</b>	<b>+150 bps</b>	<b>-40 bps</b>	<b>+190 bps</b>



