

**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): May 17, 2010

**NCR CORPORATION**

(Exact name of registrant as specified in its charter)

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))

**Item 7.01 Regulation FD Disclosure.**

On May 18, 2010, NCR Corporation (the "Company" or "NCR") will present at the J.P. Morgan 38<sup>th</sup> Annual Global Technology, Media and Telecom Conference, and on May 20, 2010 at the Robert W. Baird 2010 Growth Stock Conference. During these presentations, the Company will discuss its business and strategy, and expects to affirm its earlier guidance relating to revenue growth, non-pension operating income ("NPOI"), GAAP diluted earnings per share, non-GAAP diluted earnings per share and free cash flow for 2010. A copy of the materials to be used in conjunction with the presentation is furnished as Exhibit 99.1 hereto.

On May 17, 2010, the Company issued a press release announcing its participation at these conferences. A copy of the press release is furnished as Exhibit 99.2 hereto.

*The information contained in this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly stated by specific reference in such filing.*

*This report and the attached exhibits may contain forward-looking statements, including statements as to anticipated or expected results, beliefs, opinions and future financial performance, within the meaning of Section 21E of the Securities and Exchange Act of 1934. Forward-looking statements include projections of revenue, profit growth and other financial items, future economic performance and statements concerning analysts' earnings estimates, among other things. These forward-looking statements are based on current expectations and assumptions and involve risks and uncertainties that could cause NCR's actual results to differ materially.*

*These risks and uncertainties include those relating to: the uncertain economic climate, in particular the current global economic conditions, which could impact the ability of NCR's customers to make capital expenditures thereby affecting their ability to purchase NCR's products, and continued consolidation in the financial services sector, which could impact NCR's business by reducing its customer base; the timely development, production or acquisition and market acceptance of new and existing products and services (such as self-service technologies), including NCR's ability to accelerate market acceptance of new products and services; shifts in market demands, continued competitive factors and pricing pressures and their impact on NCR's ability to improve gross margins and profitability, especially in its more mature offerings; the effect of currency translation; short product cycles, rapidly changing technologies and maintaining a competitive leadership position with respect to NCR's solution offerings; tax rates; ability to execute NCR's business and reengineering plans, including potential impact from NCR's transition from a business unit to functional organizational model; turnover of workforce and the ability to attract and retain skilled employees, especially in light of continued cost-control measures being taken by the Company and the relocation of NCR's corporate headquarters; availability and successful exploitation of new acquisition and alliance opportunities; changes in Generally Accepted Accounting Principles (GAAP) and the resulting impact, if any, on the Company's accounting policies; continued efforts to establish and maintain best-in-class internal information technology and control systems; and other factors detailed from time to time in the Company's U.S. Securities and Exchange Commission reports and the Company's annual reports to stockholders. 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.*

**Item 9.01 Financial Statements and Exhibits.**

***(d) Exhibits:***

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

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation of the Company, dated May 2010
99.2	Press Release of the Company, dated May 17, 2010

**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 thereunto duly authorized.

**NCR CORPORATION**

Date: May 17, 2010

By: /s/ Robert Fishman

Robert Fishman

Senior Vice President and Chief Financial Officer

**Index to Exhibits**

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Are you ready for the future of customer interactions?

YES

## NCR Investor Presentation

May, 2010



# Note to Investors

- Certain non-GAAP financial information regarding NCR's operating results may be discussed during this presentation. Reconciliation of the differences between GAAP and non-GAAP measures are included elsewhere in this presentation and are available on the Investor page of NCR's website at [www.ncr.com](http://www.ncr.com).
- NCR reports its results in accordance with Generally Accepted Accounting Principles in the United States, or GAAP. However, the Company believes that certain non-GAAP measures found in this presentation are useful for investors. NCR's management evaluates the Company's results excluding certain items, such as pension expense, to assess the financial performance of the Company and believes this information is useful for investors because it provides a more complete understanding of NCR's underlying operational performance, as well as consistency and comparability with past reports of financial results. In addition, management uses earnings per share excluding these items to manage and determine effectiveness of its business managers and as a basis for incentive compensation. These non-GAAP measures should not be considered as substitutes for or superior to results determined in accordance with GAAP. A full description of these non-GAAP measures, including free cash flow, are included in NCR's SEC reports.
- Remarks and responses associated with this presentation include forward-looking statements that are based on current expectations and assumptions. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to vary materially. These risk factors are detailed from time to time in NCR's SEC reports, including, but not limited to, Forms 10Q, 10K, 8K and NCR's annual report to shareholders. NCR 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. These charts and the associated remarks are integrally related and are intended to be presented and understood together.

# Vision and Mission

## Our Vision

Leading how the world connects, interacts, and transacts with business.



## Our Mission

“Provide our customers with the next generation of productivity gains and customer experience innovation through our deep knowledge of the changing global consumer and technology.”





# The NCR Story

## > NCR is a global leader in providing products and services that support customer transactions

- Number 1 or 2 globally in key solutions
- At forefront of self-service revolution
- Top Services provider across end-markets

## > Consumer demand for self-service technologies creates a global opportunity that NCR is positioned to capture

- Consumers are driving demand for self-service across all industries
- Self-service technologies grow revenues, lower costs and increase productivity
- Entertainment market – a \$1 billion+ opportunity over the next 5 years

## > NCR is executing on a multi-year program for improving execution and efficiency

- More than \$600 million in cost takeout from 2003 to 2011
- New manufacturing facilities in Brazil and Columbus, Georgia

## > NCR plans to optimize its capital structure and create value for shareholders

- \$577 million in stock repurchases in 2007 and 2008
- Pension strategy underway

# Q1 2010 vs. Q1 2009 Financial Highlights

- Revenue up 2% to \$1.03B
- Gross margin up 120 bps, inclusive of negative 70 bps effect from Entertainment
- NPOI<sup>(1)</sup> up 54% to \$43M
- Non-GAAP EPS ex pension expense <sup>(1)</sup> \$0.15; up 150% from \$0.06 in Q1 2009
- Improved backlog driven by 18% increase in orders; Double digit order growth balanced; Financial & Retail

<sup>(1)</sup> See reconciliation of GAAP to non-GAAP measures in the appendix to this presentation and/or the Investor page of NCR's website



# Overview of NCR's Business

## Core Business

## Entertainment

## Pension

### Overview:

#### NCR core vs. key competitors

- Core produces **more** revenue
- Core produces **more** profit
- Core enterprise value is **less** than competitors

#### Primary competitors

- Trade at higher EBITDA and EPS multiples based on 2010 analyst consensus

### Financials

- Expect 2010 revenue of \$125-\$150 million and approx. \$30 million loss from operations
- Goal to be breakeven (EBITDA) by Q4 2010; goal \$25M-\$35M positive EBITDA in 2011
- \$1B+ revenue opportunity

### Largest competitor

- Consensus \$1B+ revenue in 2010
- EBITDA margin high-teens+ for DVD rental-only business

### Brand

- License to use Blockbuster brand in the kiosk channel

### GAAP impacts

- \$1 billion underfunded status as of 2009 year end
- \$215 million expected expense in 2010
- Majority of pension expense is amortization of prior losses (non-cash)

### Cash impacts

- Pre-tax net cash liability of ~\$1 billion (~\$750 million after-tax) as of 2009 year end
- Expect cash contributions of ~\$110 million in 2010

### Strategy:

#### Grow revenue

- Low-mid single digit market growth in core
- Select strategic acquisitions to grow faster than the secular market
- New markets and new geographies; adjacencies

#### Continue to manage costs and increase productivity

- Cost savings of \$200-\$250 million from 2008 through 2011 (50% re-invested)

#### Grow revenue

- Build out kiosk network - up to 10k units by year-end 2010
- Continued domestic and international build-out in 2011

#### Create new category; higher growth and margins than core

- Only multi-channel, multi-segment offer in industry

#### Eliminate current underfunded liability

- Rebalance asset portfolio to fixed income by end of 2012
- Interest rate increases and asset price improvement would reduce the underfunded position

#### Eliminate future volatility of plan expense and funded status

- Match assets and liabilities



# Financial Industry Growth Opportunities

## ➤ Ongoing roll-out of advanced ATM technologies at large banks

- Intelligent deposit & remittance are top apps
- Customers building competitive advantage
- NCR the global leader in multi-vendor software for self-service<sup>1</sup>

## ➤ Other sectors of banking industry expected to narrow the technology gap over the next 12-36 months

## ➤ Strong adoption rate of our Self-Serv line of ATM's – most successful launch in company history

## ➤ Continued business strength in emerging markets

- Extending ATM leadership in China
- Continued progress in India – secured largest ATM order in country's history

ING



STATE BANK OF INDIA

HDFC BANK

JPMorganChase



SBERBANK

BNP PARIBAS

Bank of America



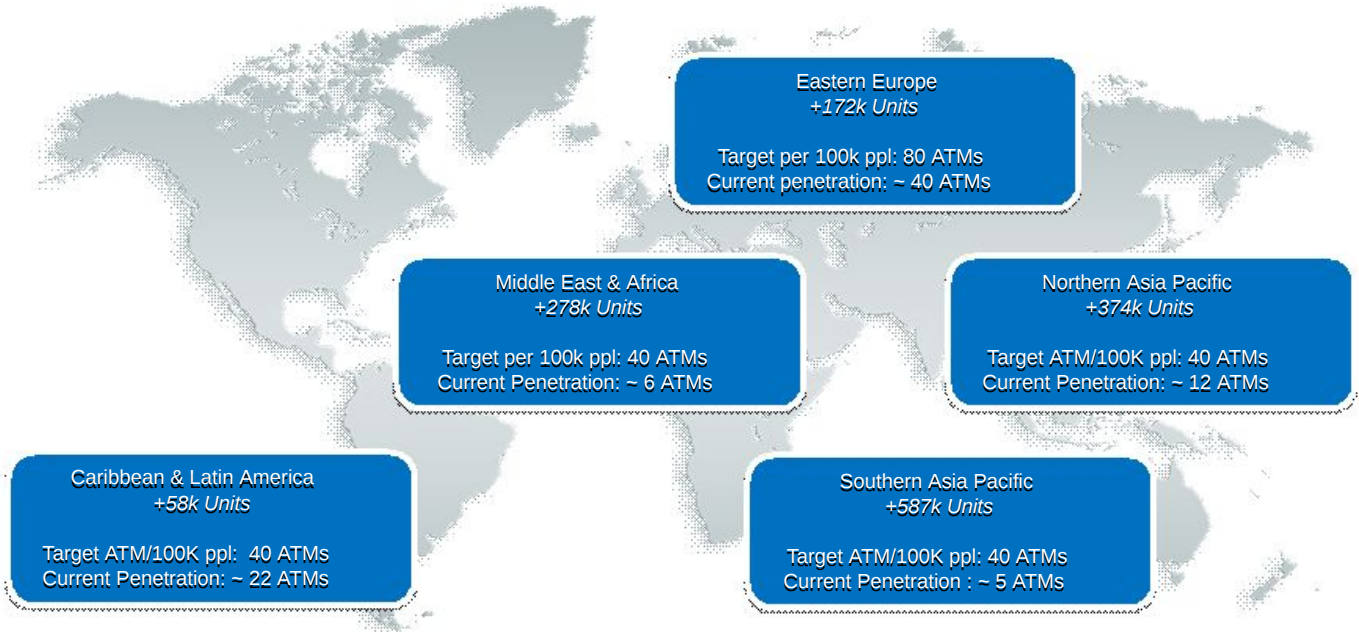
\*1 Source: RBR

NCR Confidential

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# Emerging Regions will Continue to Grow

Fewer than 30 ATM markets globally have reached a “developed state” threshold . . .  
Still potential for another 1.4 million ATMs in emerging countries



\*Based on target ATM penetration threshold of at least 40 ATMs per hundred thousand population in all regions except Eastern Europe (80 ATMs per hundred thousand population)  
Source: Worldbank Database, Retail Banking Research, NCR Internal Analysis



## ➤ Manaus, Brazil

- Strengthen our position and capabilities in the world's 3rd largest ATM market
- Capitalize on self-service ATM demand in Brazil and surrounding regions
- Well positioned for Intelligent Deposit
- In-country R&D and manufacturing serves as key competitive advantage



## ➤ Columbus, Georgia

- North American ATM manufacturing brought in-house to reduce costs and improve lead times
- Engineering, services and operations co-located
- Ability to improve products through integration of manufacturing, design and services



**Both facilities shipped product during Q1 2010**

# Self-Service Has Become a Retail Imperative

## ➤ NCR SelfServ Checkout

- Market-leading solution installed in 22 countries
- > 65k units installed at > 150 global retailers; penetration rate in grocery channel of ~ 20% with potential to achieve 90% + over the next ten years
- Strongest value proposition; density of placements improving from initial 4-unit installation
- Launched Release 5.0 latest generation
  - Compact design for convenience, drug, and space constrained retailers
  - Note and Coin Recycling
  - 2ST
  - Usability enhancements
  - NCR APTRA Vision for systems management
- Self-checkout now accounts for 20% of Tesco's transactions in U.K., and 100% in US Fresh & Easy subsidiary
- "The retailer (ASDA) is saving money with the shift to self-scan checkouts - with staff deployed elsewhere -..." \*

\*Source: The Guardian



# Retail Industry Growth Opportunities

## ➤ Offering leading edge solutions

- NCR Advanced Marketing Solution in-store offer delivery platform in use at multiple Tier 1 U.S. Grocers (Marsh Supermarkets), Drug and C-stores
- Broadest range of POS applications covering Food, GMS and Hospitality
- Software solution more relevant; higher value-add

## ➤ Strong value proposition

- Expertise in retail self-service channels. #1 in self-checkout in key customers such as Tesco, Sainsbury and SuperValu
- Self-service offers economic advantages and ability to differentiate and improve customer service

## ➤ Expand advance product suite

- NCR Netkey acquisition – deliver a growing range of multi-industry digital signage and self-service applications

**MARSH**  
SUPERMARKET & PHARMACY

**fresh & easy**  
Neighborhood Market

**LOWE'S**  
Improving Home Improvement

**SuperValu**  
Real Food. Real People.

**TESCO**

**Sainsbury's**



**coles**  
Save everyday

**THE HOME DEPOT**



# Entertainment: NCR's 3<sup>rd</sup> Vertical

➤ Entertainment is a \$1B growth opportunity currently available to NCR - "Third Vertical" that will validate multi-industry self-service strategy

- Number 1 or 2 globally in key solutions
- At forefront of self-service revolution
- Top services provider across end markets

➤ Acquisition of TNR and DVD Play and partnership with Blockbuster gives NCR an installed base and customer relationships from which to ramp under ISO model.

➤ Working with movie studios – expect announcement over next several months.

➤ Consumption habits continue to change - NCR is well positioned

- Packaged media will continue to grow modestly, driven by consumer preference and migration to Blu-Ray
- DVD kiosk business is a proven model with near-term opportunity for competitive entry – share of video rental market could triple by end of 2010
- NCR kiosks deployed are digital download ready
- Consumer shift to Kiosks driven by value and convenience; Kiosks potential to be 50% of ~ \$8B DVD rental market within 3 years

## ➤ NCR Application Capabilities

- DVD Rental
- Packaged Media Sell-Through
- Capacity and Title Depth
- Digital Download and Portability
- Games
- Buy, Sell, Trade
- In-store and Outdoor Kiosk
- Home



# Execution Roadmap

- Expect to deploy up to 10,000 kiosks by year-end 2010 – capitalize on rapid transition of DVD rental share

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- Customer wins underscore market demand
  - Growing customer base - deployments across high traffic areas (supermarkets, convenience food shops)

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- \$85 million investment in 2010 (\$75M capex)
  - Expect revenue of \$125M-\$150M in 2010; goal to be EBITDA break-even in Q4 2010

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- Expect to generate positive EBITDA in the range of \$25M-\$35M in FY 2011 - Goal to be EBIT breakeven by Q4 2011 (based on 10K units installed)



# Emerging Industry Profiles



## Travel & Lodging

- Airline Check-in
- Car Rental
- Hotel/Resort Registration
- Restaurant Order and Pay
- Gaming

- No. 1 in Airline Check-in
- 4 of the Top 10 QSR Operators
- Most widely deployed CUSS platform



## Healthcare & Public Sector

- Patient Registration
- Revenue Cycle Management
- Lab Results
- Patient Portal
- Rx Management

- No. 1 in Healthcare Self-Service Patient Registration
- Largest Global Postal Deployment



## Telecom & Technology

- Multi-billion dollar market
- Network design & implementation
- Wireless implementation
- Telco Bill Pay

- Preferred international services implementation provider for networking and telco solutions to global corporations

# NCR the Largest Services Provider in Our Industry

## ➤ NCR the largest provider across our end markets

- Powers over 2 million consumer points of service worldwide
- Designed to grow/scale capability/leverage into new industries
- Strategically aligned with Engineering and Operations

## ➤ NCR is also the largest managed service provider in our industry

## ➤ Poised to continue as a growth driver for the company

- Opportunity for margin expansion through productivity and innovation
- Global market leader-in managed services offers





# Financial Summary

- Expecting improved performance in 2010 and progress towards long term goals

## ➤ 2010 Guidance

- Revenue growth of 2-5%; NPOI <sup>(1)</sup> in range of \$310-\$330 million (includes estimated \$30M loss from Entertainment business)
- GAAP diluted EPS of \$0.39-\$0.49; non-GAAP diluted EPS excluding pension expense <sup>(1)</sup> of \$1.35 - \$1.45 (includes approx. \$0.15 negative impact from Entertainment investment)
- Breakeven free cash flow (includes \$85M investment in Entertainment)

- Executing our multi-year operating plan calling for NPOI margin improvement driven by profitable revenue growth, cost structure and working capital improvements

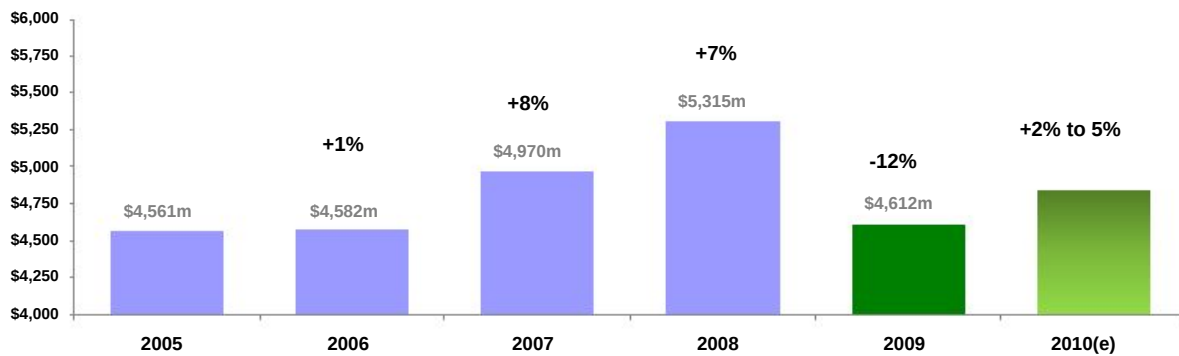
- Self-service demand will be a secular driver of our revenue growth in core solutions and in new verticals like Entertainment

- NCR's balance sheet and cash flow generation capability support an environment of growth, investment and enhanced returns to shareholders

<sup>(1)</sup> See reconciliation of GAAP to non-GAAP measures in the Appendix to this presentation and/or the Investor page of NCR's website.

# Revenue Performance

## Revenue from Continuing Operations



## Reducing our Cost Structure

### > Key Initiatives

- Value engineering
- Product lifecycle management
- Efx = Servicability, manufacturability and quality
- Continuous improvement organization installed
- Streamlined organization
- Accelerating labor costs & expense reduction

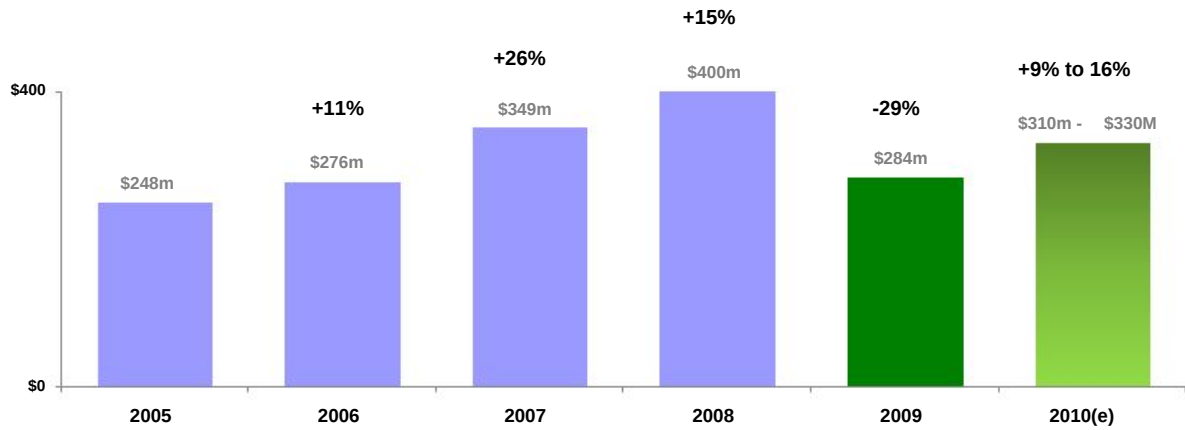


\$200 million to \$250 million savings for the period 2008-2011 (50% reinvested)



# NPOI: Poised to Return to Growth

## NPOI: Non Pension Operating Income <sup>(1)</sup>



<sup>(1)</sup> See reconciliation of GAAP to non-GAAP measures in the Appendix to this presentation and/or on the Investor page of NCR's website

# Strong Balance Sheet

(\$ in Millions)

12.31.09

»» Cash balance	\$451
-----	
Debt balance	\$ 15
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Net cash position	\$436

## > Near Term Objectives

- Liquidity
- Financial Flexibility
- Working Capital Improvements

## > Long Term Objectives

- Free Cash Flow generation



# Actions to Address Pension

## ➤ Pension Management Strategy

- Global underfunded status of \$1,048M at 12/31/09; improved to approximately \$990M underfunded status at 3/31/10 (see appendix #29) (A)
- Historically NCR has seen significant volatility (see appendix #33 and 34). Pension strategy is to reduce volatility and riskiness of plan assets over a three year period
- Shift asset allocation of US Pension Plans to 100% fixed income by the end of 2012
  - Target 60% by end of 2010, 80% by end of 2011, and 100% by end of 2012. Mostly high grade corporate bonds with an overall duration that approximates the duration of the liability
  - No cash contribution for U.S. qualified plan is expected to be required until 2012 (see appendix #29)
  - Pension legislation could provide significant relief (see appendix #32)
  - US underfunded position at \$822M at 12/31/09. Significant upside if interest rates rise or asset returns improve (see sensitivity appendix on #35)
- For International Pension Plans, work with local pension trustee boards to make similar changes in asset allocation
  - International underfunded position of \$226M at 12/31/09 (\$470M of underfunded plans offset by \$244M overfunded plans (see appendix #29)
  - Funding of international plans expected to decline significantly after 2013, reaching an annual amount of \$10-\$20M (excluding the funding of future service cost) by 2015 as some underfunded plans reach fully funded status (see appendix #29)
  - Due to pension plan closures, service cost expected to gradually decline from ~\$15M in 2010 to ~\$10M per year (see appendix #34)

(A) Estimated based on data available at March 31,2010; for accounting purposes the pension plans are not marked-to-market on a quarterly basis

# 3-Year Vision for NCR

## Core Business

- Leading Financial Solutions provider
- Leading Retail Solutions provider
- Leader in Hospitality, Travel, Gaming and Healthcare Solutions
- Multi-Channel leadership
- Leader in Managed Services; 50% recurring revenue stream
- Sustainable, industry leading cost structure
- Continued significant cash flow production

## Entertainment

- #1 or #2 market share leader in DVD Kiosk Market (US & Intl)
- Physical DVD rental & sell-through; digital download leadership "Automated Retail"
- Market leader in multi-channel distribution of digital entertainment media
- High growth; Significant EBITDA; Positive cash flow
- Brand leadership

## Pension

- Under-funded pension position significantly reduced
- Volatility and risk of current pension asset allocation eliminated

# NCR Value Equation

## Core Business

- Strong NPOI, EBITDA and Operational EPS

### Core Markets (excluding Entertainment business)

- NPOI of \$340-\$360M in 2010
  - EBITDA pre Pension of \$465-\$485M in 2010
  - Operational EPS of \$1.50 to \$1.60 in 2010
- **PE and EBITDA multiples should increase** to historical averages due to reduced pension volatility and leadership position in core markets

## Entertainment

- Bulk of investing complete by 2010 y/e – \$85M investment, \$30M NPOI loss and approx. negative \$0.15 EPS in 2010

### + \$25-\$35M of EBITDA in 2011

- Potential EBITDA multiple of 10X or \$250 - \$350M valuation benefit

## Pension + Other B/S Items

- **Less** after tax underfunded position of ~\$750M at 12/31/09
- **Less** after tax present value of future service cost (not included in liability above) of ~\$90M
- **Less** after tax present value of post retirement obligation of ~\$80M at 12/31/09
- **Plus** net cash on balance sheet of ~\$436M at 12/31/09

# Why Invest in NCR?

## ➤ Positioned for success

- Growth strategy
- Expanding market leadership
- Global share and balance
- Marquee customers
- Strong balance sheet
- Compelling value propositions
- World-class employees
- Track record is one of execution
  - Growth initiatives
  - Cost structure initiatives







# Reconciliation of GAAP to non-GAAP Measures

## Income (Loss) from Operations (GAAP) to Non-Pension Operating Income (non-GAAP)

	Q1 2010	Q1 2009	Guidance FY 2010	Actual FY 2009
<b>Income (Loss) from Operations (GAAP)</b>	\$ (18)	\$ (10)	\$90 - \$110	\$ 97
Impairment of Assets Related to Equity Investment	-	-	-	22
Global Headquarters Relocation	5	-	5	6
Pension Expense	56	38	215	159
<b>Non-Pension Operating Income (non-GAAP)</b>	\$ 43	\$ 28	\$310 - \$330	\$ 284

## Diluted Earnings (Loss) Per Share (GAAP) to Diluted Earnings Per Share (non-GAAP)

	Q1 2010	Q1 2009	Guidance FY 2010	Actual FY 2009
<b>Diluted Earnings (Loss) Per Share (GAAP)</b>	\$ (0.12)	\$ (0.09)	\$0.39 - \$0.49	\$ (0.21)
Fox River Environmental Matter, Net	-	0.03	-	(0.57)
Impairment of Equity Investment and Related Assets	-	(0.03)	-	(0.18)
Global Headquarters Relocation	(0.02)	-	(0.02)	(0.03)
Litigation Charge	-	-	-	(0.03)
Pension Expense	(0.25)	(0.15)	(0.94)	(0.67)
<b>Diluted Earnings Per Share (non-GAAP)</b>	\$ 0.15	\$ 0.06	\$1.35 - \$1.45	\$ 1.27

## Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP)

	Guidance FY 2010	Actual FY 2009
<b>Cash Provided by Operating Activities (GAAP)</b>	\$ 215	\$ 223
Net Capital Expenditures	(215)	(173)
<b>Free Cash Flow (non-GAAP)</b>	\$ -	\$ 50





# Addressing NCR's Valuation Gap

- NCR trades at a material discount to the market and its peers, largely due to the current pension situation
- Pension assets invested in equities are not only volatile, but correlated with NCR's operating businesses
- A significant portion of NCR's capital is allocated to its "pension-management" business
  - This allocation has limited NCR's ability to invest in our core operating businesses and to provide immediate shareholder returns
  - Under-utilization of NCR balance sheet
- **To fix the valuation gap, NCR plans to:**
  - **Reduce risk and volatility by re-allocating our domestic pension portfolio to fixed-income securities by year-end 2012**
  - **Direct freed-up risk-taking capacity to the highest value-added investment alternatives: organic investments, strategic acquisitions**
  - **Fund the pension plan according to regulatory requirements (i.e., do not pre-fund)**

# NCR Pension Update – Q1 2010

( \$ Millions)

	<u>Pension Metrics &amp; Funded Status</u>					
	Asset Return		Discount rate		Funded Status	
	<u>3/31/10 YTD<sup>(A)</sup></u>	<u>12/31/09</u>	<u>3/31/10<sup>(A)</sup></u>	<u>12/31/09</u>	<u>3/31/10<sup>(A)</sup></u>	
US Plans	3.5%	5.75%	5.88%	(822)	(740)	
International Plans	<u>2%</u>	<u>4.9%</u>	<u>4.8%</u>	<u>(226)*</u>	<u>(250)</u>	
Global	2.9%	5.4%	5.45%	(1,048)	(990)	

- The estimated improvement in the global funded status was approximately \$58m in Q1
- \*The (\$226m) net funded status of international plans is comprised underfunded plans of (\$470m), and overfunded plans of \$244m
- The overfunded plans are a result of local funding methodologies that use more conservative actuarial assumptions than GAAP

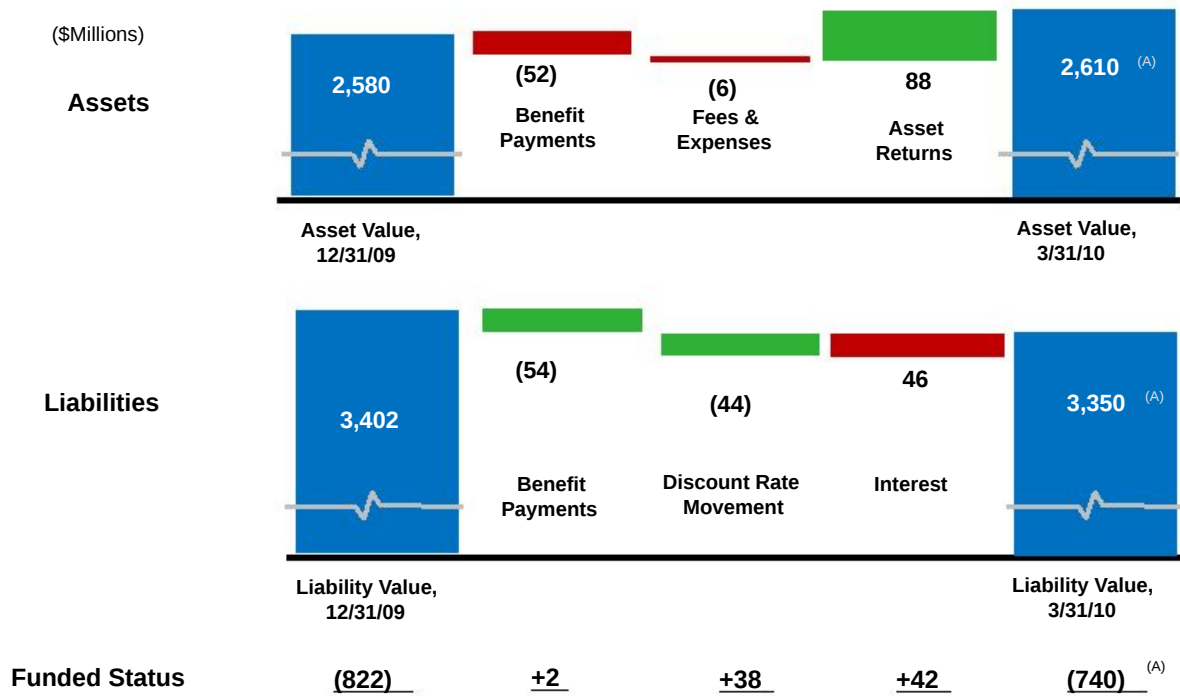
( \$ Millions)

	<u>Cash Funding for Pension Plans</u>					
	<u>2008</u>	<u>2009</u>	<u>2010E</u>	<u>2011E</u>	<u>2012E</u>	<u>2013E</u>
US Qualified Plan**	0	0	0	0	125	175
US Non-qualified Plan	9	9	10	10	10	10
International Plans***	<u>74</u>	<u>74</u>	<u>100</u>	<u>115</u>	<u>115</u>	<u>115</u>
Total	83	83	110	125	250	300

- \*\* The funding requirement for the US qualified plan assumes no funding relief legislation
- \*\*\* The funding of international plans is expected to decline significantly after 2013 reaching an annual amount of \$10-\$20 million (excluding the funding of future service cost) by 2015 as some of the underfunded plans reach fully funded status
- Due to pension plan closures, service cost is expected to decline to a level of about \$10m per year (see slide #34)
- All future funding estimates are approximations based on expected asset returns, discount rates, and local requirements

(A) Estimated based on data available at March 31, 2010; for accounting purposes the pension plans are not marked-to-market on a quarterly basis

# US Plans Only – Funded Status Bridge



- Funded Status of US Plans improved  $-\$82m$  in Q1 to  $(740m)$  <sup>(A)</sup>
- Improvement was due to good asset returns and a 13bp increase in discount rate

(A) Estimated based on data available at March 31, 2010; for accounting purposes the pension plans are not marked-to-market on a quarterly basis

## ➤ Shift pension asset allocation to 100% fixed income by end of 2012

- **Risk of equity exposure in pension plan must be reduced**
  - Size of NCR pension plan (and therefore the associated risk) is disproportionate to the size of NCR
  - Riskiness and volatility of pension plan increases stock price volatility and places a discount on the stock price
  - The US pension plan is closed and the duration of the liability is becoming shorter
- **Shifting over 3 years allows for some additional recovery from the recent market downturn**
  - Potential additional upside in the equity markets and/or benefit from increase in the discount rate

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## ➤ Pre-fund of US pension plan analyzed

- **Given NCR's tax position, there is not a compelling financial benefit for NCR to fund early**
  - NCR has minimal near-term U.S. tax liability, so cannot take advantage of accelerating tax deductions by funding earlier than required
  - Similarly, would not be able to take advantage of tax deductions for interest expense (if funded with debt)
- **Inefficient capital allocation**
  - The underfunded pension liability is analogous to unsecured debt of NCR. NCR has no other outstanding debt. We believe we have better investment uses for our cash balances and operating cash flow than choosing to pre-pay debt at the present time
- **Cash flow deployed into business opportunities**
  - No cash funding is projected to be required for the U.S. qualified pension plan in 2010 or 2011
  - A pre-fund now does not materially change required funding in 2012 and 2013

# Pension Legislation Could Provide Relief

## NCR Leading Industry Coalition to Secure Passage of Pension Relief

## Possible Impact of Pension Funding Relief Legislation on NCR

- Two relief options; 2+7 and 15-year vs. current law
- Two options potentially subject to “cash flow rules” (e.g., limits on employee compensation, dividends, and stock redemption)
- Balanced legislation passed in Senate – provides relief; currently bill in House Ways and Means Committee; anticipated closure by Q3 2010

## Possible Impact of Pension Funding Relief Legislation on NCR

Key Provisions	Impact on NCR	Conditions	Status
<b>2+7 vs. Current Law</b>	Provides marginal relief. NCR not likely to use.	<u>Senate</u> : 2 yrs of cash flow rules <u>House</u> : 3 yrs TBD	<u>Senate</u> : passed <u>House</u> : TBD
<b>15-Year vs. Current Law</b>	Likely provides meaningful relief for NCR.	<u>Senate</u> : 5 yrs of cash flow rules <u>House</u> : 3-5 yrs of cash flow rules and “active plan” requirement	<u>Senate</u> : passed <u>House</u> : active plan issue
<b>Investment Expenses not Included in Normal Cost</b>	Helpful to NCR.	<u>N/A</u>	<u>Senate</u> : not addressed <u>House</u> : TBD

# NCR Historical Pension Overview

(\$ Millions)

## Pension Assets

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
U.S. Plans	\$3,026	\$2,686	\$2,208	\$2,797	\$3,016	\$3,098	\$3,385	\$3,423	\$2,208	\$2,582
International Plans	1,514	1,089	1,138	1,397	1,658	1,748	2,085	2,114	1,467	1,737
<b>Total Plans</b>	<b>\$4,540</b>	<b>\$3,775</b>	<b>\$3,346</b>	<b>\$4,194</b>	<b>\$4,674</b>	<b>\$4,846</b>	<b>\$5,470</b>	<b>\$5,537</b>	<b>\$3,675</b>	<b>\$4,319</b>

## Pension Liability

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
U.S. Plans	\$2,408	\$2,494	\$2,700	\$2,960	\$3,194	\$3,372	\$3,290	\$3,199	\$3,227	\$3,404
International Plans	1,185	1,127	1,380	1,635	1,939	1,932	2,046	2,020	1,645	1,963
<b>Total Plans</b>	<b>\$3,593</b>	<b>\$3,621</b>	<b>\$4,080</b>	<b>\$4,595</b>	<b>\$5,133</b>	<b>\$5,304</b>	<b>\$5,336</b>	<b>\$5,219</b>	<b>\$4,872</b>	<b>\$5,367</b>

## Funded Status

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
U.S. Plans	\$618	\$192	(\$492)	(\$163)	(\$178)	(\$274)	\$95	\$224	(\$1,019)	(\$822)
International Plans	329	(38)	(242)	(238)	(281)	(184)	39	94	(178)	(226)
<b>Total Plans</b>	<b>\$947</b>	<b>\$154</b>	<b>(\$734)</b>	<b>(\$401)</b>	<b>(\$459)</b>	<b>(\$458)</b>	<b>\$134</b>	<b>\$318</b>	<b>(\$1,197)</b>	<b>(\$1,048)</b>

# Historical Funded Status, Funding and Expense

(\$ Millions)

## Funded Status

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
U.S. Plans	126%	108%	82%	94%	94%	92%	103%	107%	68%	76%
International Plans	128%	97%	82%	85%	86%	90%	102%	105%	89%	88%
<b>Total Plans</b>	<b>126%</b>	<b>104%</b>	<b>82%</b>	<b>91%</b>	<b>91%</b>	<b>91%</b>	<b>103%</b>	<b>106%</b>	<b>75%</b>	<b>80%</b>

## Pension Funding

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
All Plans	62	59	55	70	111	110	112	92	83	83

## Pension Expense / (Income)

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
All Plans	(124)	(124)	(74)	105	135	150	145	44	25	159

## Service Cost

Plan	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
All Plans	78	77	76	88	89	87	89	38	27	17

- NCR has experienced significant volatility in the funded status of its pension plans over the years
- NCR's focus moving forward will be to manage and reduce the risk of funded status volatility
- Due to pension plan closures, the annual service cost is expected to continue to decline to approximately \$10m
- There are approximately 20 international plans, with approximately half still open at this time.

# Sensitivity Analysis - US Plans ONLY

(\$ Millions)

## Historical Asset Returns and discount Rates for US Plan

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	10 yr avg	20 yr avg
Asset Returns	-2%	-6%	-12%	36%	15%	10%	16%	7%	-31%	28%	4%	10%
Discount Rate	7.5%	7.3%	6.8%	6.3%	5.8%	5.5%	5.8%	6.3%	6.3%	5.8%	6.3%	7.0%

## Projected Funded Status \$ Contributions – Sensitivity Analysis

Scenario	Annual Equity Returns through 2012	Discount Rate remains at 5.75%		Discount Rate increases to 6.5% <sup>(A)</sup>	
		Required Contribution in 2012 <sup>(B)</sup>	Projected Funded Status 12/31/2012 <sup>(C)</sup>	Required Contribution in 2012 <sup>(B)</sup>	Projected Funded Status 12/31/2012 <sup>(C)</sup>
3 yr. shift to 100% fixed income	5%	\$145	(\$880)	\$130	(\$770)
3 yr. shift to 100% fixed income	10%	\$125	(\$775)	\$115	(\$670)
3 yr. shift to 100% fixed income	15%	\$115	(\$670)	\$100	(\$565)

Funded Status as of 12/31/2009 = (\$822)

- (A) Assumes 6% at end 2010, 6.25% at end of 2011, and 6.5% at end of 2012
- (B) Contribution required for US Qualified plan in 2012 (no required contribution expected in 2010 or 2011), also assumes no pension reform legislation
- (C) Includes the impact of contributions on funded status





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NEWS RELEASE

May 17, 2010

**NCR to Participate in Upcoming Investor Conferences**

**DULUTH, Georgia** – NCR Corporation (NYSE: NCR) today announced its participation in two upcoming investor conferences.

Bill Nuti, chairman and chief executive officer, and Bob Fishman, chief financial officer, will present at the J.P. Morgan 38<sup>th</sup> Annual Global Technology, Media & Telecom Conference on Tuesday, May 18, 2010 at 1:50 EDT in Boston, Massachusetts. Mr. Fishman will also be presenting at the Robert W. Baird 2010 Growth Stock Conference on Thursday, May 20, 2010 at 9:55 EDT in Chicago, Illinois.

The presentation materials to be used at the conferences, including updated information to the pension strategy discussed on NCR's most recent earnings conference call, are currently available on the Company's web site at [www.ncr.com](http://www.ncr.com) and were filed on Form 8-K with the SEC on May 12, 2010.

**About NCR Corporation**

NCR Corporation (NYSE: NCR) is a global technology company leading how the world connects, interacts and transacts with business. NCR's assisted- and self-service solutions and comprehensive support services address the needs of retail, financial, travel, healthcare, hospitality, entertainment, gaming and public sector organizations in more than 100 countries. NCR ([www.ncr.com](http://www.ncr.com)) is headquartered in Duluth, Georgia.

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**Note to investors** – This news release contains forward-looking statements, including statements as to anticipated or expected results, beliefs, opinions and future financial performance, within the meaning of Section 21E of the Securities and Exchange Act of 1934. Forward-looking statements include projections of revenue, profit growth and other financial items, future economic performance and statements concerning analysts' earnings estimates, among other things. These forward-looking statements are based on current expectations and assumptions and involve risks and uncertainties that could cause NCR's actual results to differ materially.

In addition to the factors discussed in this release, other risks and uncertainties include those relating to: the uncertain economic climate, in particular the current global economic conditions, which could impact the ability of our customers to make capital expenditures thereby affecting their ability to purchase our products, and continued consolidation in the financial services sector, which could impact our business by reducing our customer base; the timely development, production or acquisition and market acceptance of new and

existing products and services (such as self-service technologies), including our ability to accelerate market acceptance of new products and services; shifts in market demands, continued competitive factors and pricing pressures and their impact on our ability to improve gross margins and profitability, especially in our more mature offerings; the effect of currency translation; short product cycles, rapidly changing technologies and maintaining a competitive leadership position with respect to our solution offerings; tax rates; ability to execute our business and reengineering plans, including potential impact from our transition from a business unit to functional organizational model; turnover of workforce and the ability to attract and retain skilled employees, especially in light of continued cost-control measures being taken by the company and the relocation of our corporate headquarters; availability and successful exploitation of new acquisition and alliance opportunities; changes in Generally Accepted Accounting Principles (GAAP) and the resulting impact, if any, on the company's accounting policies; continued efforts to establish and maintain best-in-class internal information technology and control systems; and other factors detailed from time to time in the company's U.S. Securities and Exchange Commission reports and the company's annual reports to stockholders. 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.

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