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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  [X]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement

[ ] CONFIDENTIAL, FOR USE OF THE  
COMMISSION ONLY (AS PERMITTED BY  
RULE 14A-6(E)(2))

[X] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

NCR Corporation

-----  
(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed  
pursuant to Exchange Act Rule 0-11 (set forth the amount on which  
the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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[ ] Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange  
Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee

was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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Notes:

Reg. (S) 240.14a-101.

SEC 1913 (3-99)

[NCR LOGO]

NOTICE OF 2000 ANNUAL MEETING  
AND PROXY STATEMENT

March 10, 2000

Dear NCR Stockholder:

I am pleased to invite you to attend NCR's 2000 Annual Meeting of Stockholders on Thursday, April 27, 2000. The meeting will begin promptly at 9:30 a.m. local time in the Auditorium of NCR's World Headquarters Building located at 1700 S. Patterson Boulevard in Dayton, Ohio.

This booklet includes the formal notice of the meeting and the proxy statement. The proxy statement tells you more about the agenda and procedures for the meeting. It also describes how the Board operates and gives information about our director candidates. A form of proxy for voting at the meeting and our 1999 annual report to stockholders are included with this booklet.

I look forward to sharing more information with you about NCR at the annual meeting. If you plan to attend, please complete and return to NCR the meeting reservation request form printed on the back of this booklet.

Your vote is important. Whether or not you plan to attend the annual meeting, I urge you to vote your proxy as soon as possible so that your stock may be represented at the meeting.

Sincerely,

/s/ Lars Nyberg  
Lars Nyberg  
Chairman of the Board and  
Chief Executive Officer

## YOUR VOTE IS IMPORTANT

Stockholders of record (also referred to as "registered stockholders") can vote one of three ways:

- (a) Via the Internet: Visit the web site listed on your proxy card to vote via the Internet.
- (b) By Telephone: Call the toll-free number listed on your proxy card to vote by phone.
- (c) By Mail: Mark, sign, date, and mail your proxy card to our transfer agent, American Stock Transfer and Trust Company ("AST"), in the enclosed postage-paid envelope.

If your shares are held in "street" name in the custody of a bank, broker or other holder of record (referred to as a "nominee"), that means your shares are registered in the name of the nominee. As a result, you will receive voting instructions from your nominee. Some nominees, such as banks and brokers, may offer telephone and/or Internet voting.

## ELIMINATE DUPLICATE MAILINGS

The Securities and Exchange Commission's rules currently require us to provide an annual report to all stockholders who receive this proxy statement. If you are a registered stockholder and have more than one account in your name or have the same address as other registered stockholders, you may authorize NCR to discontinue mailings of multiple annual reports. If you do this, not only will you stop duplicate mailings, but you will also save the Company money. To discontinue mailings of multiple annual reports, please mark the designated box on the appropriate proxy card(s), or follow the prompts if you are a registered stockholder voting via the Internet.

If you own your shares in street name, you may also eliminate multiple mailings of annual reports by contacting your nominee.

## ELECTRONIC ACCESS TO PROXY MATERIALS

Most stockholders may view future proxy statements and annual reports over the Internet rather than receiving paper copies in the mail. Please see page 2 of the proxy statement and your proxy and voting instruction card or contact your nominee for further information.

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF NCR CORPORATION  
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Time:

9:30 a.m. Dayton time

Date:

Thursday, April 27, 2000

Place:

Auditorium at NCR's World Headquarters Building  
1700 S. Patterson Boulevard  
Dayton, Ohio 45479

Purpose:

- . Elect Class A directors to hold office for three-year terms and elect a Class B director to hold office for a one-year term;
- . Approve the appointment of PricewaterhouseCoopers LLP as independent accountants for 2000; and
- . Transact such other business as may properly come before the meeting and any adjournment or postponement of the meeting.

Other Important Information:

- . Registered stockholders of NCR common stock at the close of business on February 14, 2000, may vote at the meeting.
- . Your shares cannot be voted unless they are represented by proxy or you make other arrangements to have them represented at the meeting. Please vote your shares.

By order of the Board of Directors,

/s/ Laura K. Nyquist  
Laura K. Nyquist  
Corporate Secretary

March 10, 2000

NCR Corporation  
1700 S. Patterson Blvd.  
Dayton, Ohio 45479

PROXY STATEMENT

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GENERAL INFORMATION

We are delivering these proxy materials to solicit proxies on behalf of the Board of Directors of NCR Corporation (which we refer to as "NCR," the "Company," "we," or "us"), for the 2000 Annual Meeting of Stockholders, including any adjournment or postponement. The meeting will be held at 9:30 a.m. Dayton time, on April 27, 2000, in Dayton, Ohio.

We are mailing this proxy statement, together with a form of proxy and voting instruction card ("proxy card") and the Company's annual report for the year ended December 31, 1999, starting March 10, 2000, to stockholders entitled to vote at the meeting.

Stockholders Entitled to Vote at the Meeting

If you are a registered stockholder at the close of business on the record date, February 14, 2000, you are entitled to receive this notice and to vote at the meeting. There were 93,807,058 shares of common stock outstanding on the record date. You will have one vote on each matter properly brought before the meeting for each share of NCR common stock you own.

How to Eliminate Duplicate Mailings

If you have stock in multiple accounts or have the same address as other registered stockholders, you may receive more than one annual report. If you like, you may reduce the number of reports that you receive and save the Company the cost of producing and mailing these extra reports. You may authorize us to discontinue mailing extra reports by marking the appropriate box on the proxy card for selected accounts, making sure that at least one account continues to receive an annual report. Eliminating these duplicate mailings will not affect receipt of future proxy statements and proxy cards. To resume the mailing of an annual report to an account, please call the NCR stockholder services number: 1-800-NCR-2303 (1-800-627-2303).

If you own NCR common stock beneficially through a nominee (such as a bank or broker) and receive more than one NCR annual report, please consider giving permission to your nominee to eliminate duplicate mailings.

## Electronic Access to Proxy Materials and Annual Report

This proxy statement and NCR's 1999 annual report are available on an Internet site at [http://www.ncr.com/about\\_ncr/ir](http://www.ncr.com/about_ncr/ir). Most stockholders can elect to view future proxy statements and annual reports over the Internet instead of receiving paper copies in the mail.

If you are a registered stockholder, you can choose this option and save the Company the cost of producing and mailing these documents by following the instructions provided on your proxy card or following the prompt if you choose to vote over the Internet. If you hold your NCR stock in nominee name (such as through a bank or broker), check the information provided by your nominee for instructions on how to elect to view future proxy statements and annual reports over the Internet.

If you are a registered stockholder and have chosen to view future proxy statements and annual reports over the Internet, you will receive an e-mail with instructions containing the Internet address of those materials approximately six weeks before the annual meeting.

Stockholders who hold their NCR stock through a nominee (such as a bank or broker) and who elect electronic access will also receive an e-mail containing the Internet address to use to access NCR's proxy statement and annual report.

### How to Vote Your Shares

Your vote is important. Your shares can be voted at the annual meeting only if you are present in person or represented by proxy. Even if you plan to attend the meeting, we urge you to vote in advance. If you own your shares in record name, you may cast your vote one of three ways:

- . Vote by Internet: You can choose to vote your shares at any time over the Internet site listed on your proxy card. This site will give you the opportunity to make your selections and confirm that your instructions have been followed. We have designed our Internet voting procedures to authenticate your identity by use of a unique control number found on the enclosed proxy card. If you vote via the Internet, you do not need to return your proxy card.
- . Vote by Telephone: You can also vote by phone at any time by calling the toll-free number (for residents of the U.S. and Canada) listed on your proxy card. To vote, enter the control number listed on your proxy card

and follow the simple recorded instructions. If you vote by phone, you do not need to return your proxy card.

- . Vote by Mail: If you choose to vote by mail, simply mark your proxy card, and then date, sign, and return it to AST in the postage-paid envelope provided.

Stockholders who hold their shares beneficially in street name through a nominee (such as a bank or broker) may be able to vote by telephone or the Internet as well as by mail. You should follow the instructions you receive from your nominee to vote these shares.

#### How to Revoke Your Proxy

You may revoke your proxy at any time before it is voted at the meeting by:

- . properly executing and delivering a later-dated proxy (including a telephone or Internet vote);
- . voting by ballot at the meeting; or
- . sending a written notice of revocation to the inspectors of election in care of the Corporate Secretary of the Company at the address listed above.

#### Voting at the Annual Meeting

The method by which you vote will in no way limit your right to vote at the meeting if you later decide to vote in person at the meeting. If you hold your shares in street name, you must obtain a proxy executed in your favor from your nominee (such as a bank or broker) to be able to vote at the meeting.

Your shares will be voted at the meeting as directed by the instructions on your proxy card, voting instructions or electronic proxy if: (1) you are entitled to vote, (2) your proxy was properly executed, (3) we received your proxy prior to the annual meeting; and (4) you did not revoke your proxy prior to the meeting.

#### The Board's Recommendations

If you send a properly executed proxy without specific voting instructions, your shares represented by that proxy will be voted as recommended by the Board of Directors:

- . FOR the election of the nominated slate of directors (see pages 8 to 10); and
- . FOR the approval of the appointment of PricewaterhouseCoopers LLP as the Company's independent accountants for 2000 (see page 15).

#### Voting Shares Held in Employee Savings Plans

If you are a participant in the NCR Savings Plan, your proxy includes any NCR com-

mon stock allocated to your plan account. The trustee of this plan will vote the number of shares allocated to your account according to your instructions. If you do not return your proxy representing your allocated shares in the NCR Savings Plan, the trustee will vote those shares in accordance with the terms of the plan.

As you probably know, NCR was previously a wholly-owned subsidiary of AT&T Corp. ("AT&T") from 1991 until the end of 1996. On December 31, 1996, AT&T distributed all of its shares of NCR common stock to AT&T's stockholders, and NCR became a publicly-traded company. We refer to this transaction as the "spinoff." In 1996 and 1997, AT&T also spun off Lucent Technologies Inc. and sold AT&T Capital Corporation (now known as Newcourt Credit Group Inc.). As a result, you may hold shares of NCR common stock through other savings plans. If so, you may receive separate voting instructions and materials from those plans' administrators and your shares will be voted in accordance with the terms of each of those plans. Please sign and return those instructions promptly to be sure those shares are represented at the annual meeting.

#### Votes Required to Approve Each Item

The presence at the meeting (in person or by proxy) of the holders of at least a majority of the shares outstanding on the record date, February 14, 2000, is necessary to have a quorum allowing us to conduct business at the meeting.

The following votes are required to approve each item of business at the meeting:

- . Election of Directors: A majority of the votes cast at the meeting (in person or by proxy) is required to approve the election of the directors (Item 1).
- . Other Items: A majority of the votes cast at the meeting (in person or by proxy) is required to approve the other items of business (Item 2 and any other business).

Broker "no-votes" and abstentions have no effect on the outcome of the vote for the election of directors or any other items. Broker "no-votes" occur when a nominee (such as a bank or broker) returns a proxy, but does not have the authority to vote on a particular proposal because it has not received voting instructions from the beneficial owner.

## Annual Meeting Admission

You may attend the meeting if you are a registered stockholder, a proxy for a registered stockholder, or a beneficial owner of NCR common stock with evidence of ownership. If you plan to attend the meeting in person, please complete and return to NCR's Corporate Secretary the meeting reservation request form printed on the back of this booklet. If you are not a registered stockholder, please include evidence of your ownership of NCR stock with the form (such as an account statement showing you own NCR stock as of the record date). If you do not have a reservation for the meeting, you may still attend if we can verify your stock ownership at the meeting.

We will include the results of the meeting in NCR's next quarterly report filed with the Securities and Exchange Commission ("SEC"). You may also find information on how to obtain a full transcript of the meeting in that quarterly report or by writing to NCR's Corporate Secretary at NCR Corporation, 1700 South Patterson Blvd., Dayton, Ohio 45479.

STOCK OWNERSHIP

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Ownership by Officers and Directors

This table shows the NCR common stock beneficially owned by each executive officer named in the Summary Compensation Table found on page 20 and each non-employee director as of December 31, 1999. As of that date, Mr. Nyberg beneficially owned 1.09% of NCR common stock, and the directors and executive officers as a group beneficially owned 1.99%. No other individual director or executive officer beneficially owned 1% or more of NCR stock.

Name	Total Shares Beneficially Owned(1)	Shares Covered By Exercisable Options(2)	Shares Covered by Restricted Stock Units(3)
Lars Nyberg, Director and Officer.....	1,012,195	890,381	4,059
David Bearman, Officer.....	84,734	59,792	0
David Bohnett, Director.....	1,820	0	0
William Eisenman, Officer.....	175,987	172,845	681
Tony Fano, Officer.....	177,978	168,384	681
David Holmes, Director (4).....	11,268	9,473	0
Mark Hurd, Officer.....	77,042	74,741	420
Linda Fayne Levinson, Director (4).....	11,463	9,473	0
James Long, Director (4).....	9,928	5,000	0
Ronald Mitsch, Director (4).....	11,268	9,473	0
C.K. Prahalad, Director.....	12,760	9,473	0
James Robbins, Director (4)(5).....	12,568	9,473	0
William Stavropoulos, Director (4).....	12,268	9,473	0
Directors and Executive Officers as a Group (18 persons).....	1,854,591	1,652,730	7,082

- 
- (1) Some of NCR's executive officers and directors own fractional shares of NCR stock. For purposes of this table, all fractional shares have been rounded to the nearest whole number.
  - (2) Of the total number of shares of NCR stock beneficially owned by the Company's executive officers and directors, this column shows those shares the officers and directors have the right to acquire through stock option exercises within 60 days after December 31, 1999.
  - (3) Of the total number of shares of NCR stock beneficially owned by the Company's executive officers and directors, this column shows those shares which may be acquired within 60 days of December 31, 1999, pursuant to vested restricted stock units awarded under NCR's employee incentive compensation plans.
  - (4) Upon election to the board, each director received an initial grant of NCR common stock with a value of \$60,000 at the time of grant and was given the opportunity to defer immediate receipt of the grant. Certain directors elected to defer receipt of this grant. This table includes units based on NCR common stock equivalents for such directors as follows: (1) for Messrs. Holmes, Mitsch, and Robbins and Ms. Levinson, 1,795 units, and (2) 1,928 units for Mr. Long. These units are held in deferred stock accounts as set forth below under the caption "Compensation of Directors." These deferred stock accounts are paid in stock. In addition, some directors have also elected to receive some or all of their annual retainer as deferred NCR common stock equivalents. As a result of this

election, these directors each received the following number of stock units in deferred stock accounts: Mr. Holmes (2,394 units); Mr. Long (917 units); Dr. Mitsch (1,810 units); Mr. Robbins (2,394 units); and Mr. Stavropoulos (2,394 units). These deferred stock accounts are paid in either cash or stock, as elected by the director. The table does not include the deferred retainer amounts held in these deferred stock accounts.

(5) Includes 300 shares held by Mr. Robbins' children for which he disclaims any beneficial interest.

Other Beneficial Owners of NCR Stock

As of February 17, 2000, the following persons beneficially owned more than 5% of the Company's outstanding stock. The percentage of stock owned by such holders is based on the total outstanding shares of stock as of December 31, 1999.

Name and Address of Beneficial Owner	Total Number of Shares	Percent of Class
Dodge & Cox..... One Sansome Street, 35th Floor San Francisco, California 94104	6,879,056(1)	7.4%
Investors Group Financial Services..... 447 Portage Avenue Winnipeg, Manitoba R3C 3B6	5,296,450(2)	5.7%
David L. Cohen and Harold J. Levy..... c/o Iridian Asset Management LLC 276 Post Road West Westport, Connecticut 06880-4704	5,001,800(3)	5.3%

(1) Based on the Schedule 13G, dated February 14, 2000, filed by Dodge & Cox with the SEC. According to this filing, Dodge & Cox, as an investment adviser, has sole power to dispose or direct the disposition ("dispositive power") of all of these shares, has sole power to vote or direct the vote ("voting power") over 6,277,025 shares, and has shared voting power over 60,400 shares.

(2) Based on information provided by Investors Group Financial Services ("IG") to NCR on February 17, 2000, IG has sole voting and dispositive power over all of these shares.

(3) Based on the Schedule 13G, dated February 7, 2000, filed with the SEC by David L. Cohen, Harold J. Levy, Iridian Asset Management LLC ("Iridian"), and other members of the Iridian group of companies and funds that are owned or controlled by Messrs. Cohen and Levy. According to this filing, Iridian has shared voting and shared dispositive power over 4,646,400 shares of NCR common stock. In addition, Messrs. Cohen and Levy are employees of Arnhold & S. Bleichroeder Advisers, Inc., the investment adviser to First Eagle Fund of America, an open-end non-diversified mutual fund. Messrs. Cohen and Levy have voting and dispositive power over the 355,400 shares of NCR common stock held by First Eagle.

ELECTION OF THREE CLASS A DIRECTORS  
AND ONE CLASS B DIRECTOR  
(Item 1 on Proxy Card)

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The Board of Directors is currently divided into three classes of directors. Directors hold office for staggered terms of three years (or less if they are filling a vacancy) and until their successors are elected and qualified. One of the three classes is elected each year to succeed the directors whose terms are expiring. Class A directors will be elected at the annual meeting to serve for a term expiring at the annual meeting in the year 2003. The terms for the directors in Class B will expire in 2001. The Class C directors' terms will expire in 2002.

Proxies solicited by the board will be voted for the election of the nominees, unless you withhold your vote on your proxy. The board has no reason to believe that these nominees will be unable to serve. However, if any one of them should become unavailable, the board may reduce the size of the board or designate a substitute nominee. If the board designates a substitute, shares represented by proxies will be voted for the substitute nominee.

The board recommends that you vote FOR each of the following nominees for election as a director.

Class A--Nominees for Terms Expiring in 2003

NCR's Board of Directors has proposed the following nominees for election as Class A directors at the annual meeting. Each of the nominees has consented to serve a three-year term.

Lars Nyberg, 48, has been Chairman, Chief Executive Officer, and President of NCR since June 1, 1995. Before joining NCR, from 1993 to 1995, Mr. Nyberg was Chairman and Chief Executive Officer of the Communications Division for Philips Electronics NV, an electronics and electrical products company. He also served as a member of the Philips Group Management Committee during that time. In 1992, Mr. Nyberg was appointed Managing Director, Philips Consumer Electronics Division. From 1990 to 1992, he was Chairman and Chief Executive Officer of Philips Computer Division. Mr. Nyberg is a director of Sandvik AB based in Sweden. He became a director of NCR in 1995.

David R. Holmes, 59, has been Chairman since 1990 and Chief Executive Officer since 1989 of The Reynolds and Reynolds Company. Mr. Holmes also served as its President from 1989 to May 1999. He joined Reynolds and Reynolds, a pro-

vider of information management systems and services to the automotive and general business markets, in 1984 as Senior Vice President of its Computer Systems Division. Mr. Holmes is a director of The Dayton Power & Light Company. He became a director of NCR on January 1, 1997.

James O. Robbins, 57, has served as President and Chief Executive Officer of Cox Communications, Inc., a broadband communications company, since 1994. Prior to that time, he was President of the Cable Division of Cox Enterprises, Inc., from 1985 to 1994. Before joining Cox in 1983, he was Senior Vice President of Operations, Western Region, for Viacom Communications, Inc. Mr. Robbins is a director of Cox Communications, Inc., and serves on the Advisory Board of Forstmann & Little. He became a director of NCR on January 1, 1997.

#### Class B--Nominee for Term Expiring in 2001

In August 1999, the Board of Directors increased the number of directors on the board from eight to nine members. This action created a vacant board position. The board then elected David Bohnett as a Class B director to fill this vacancy until the 2000 annual meeting. The board has nominated Mr. Bohnett for election as a Class B director at the annual meeting, and he has consented to serve a one-year term expiring in 2001.

David Bohnett, 43, served as Chairman and Secretary of GeoCities, Inc., which he founded, from 1994 until May 1999, when GeoCities merged with Yahoo!. From 1994 to 1998, Mr. Bohnett also served as GeoCities' Chief Executive Officer and President. From 1994 to 1997, Mr. Bohnett also served as GeoCities' Chief Financial Officer. Prior to founding GeoCities, from 1990 to 1994, Mr. Bohnett served as Director of Product Marketing at Goal Systems International Inc., which merged with Legent Corp., a software company. Mr. Bohnett is a director of NetZero, Inc., Stamps.com Inc. and other privately-held ventures. He became a director of NCR on August 10, 1999.

#### Directors Whose Terms of Office Continue

The individuals listed below are currently serving as directors.

#### Class B--Terms Expiring in 2001

Linda Fayne Levinson, 58, has been a principal with Global Retail Partners, a private equity investment fund investing in start-up and early-stage retail and electronic commerce companies, since 1997. From 1994 to 1999, she was also President of Fayne Levinson Associates, an independent consulting firm she founded that advised both major corporations and start-up entrepreneurial

ventures in the areas of strategy, market, and corporate development. In 1993, Ms. Levinson was an executive with Creative Artists Agency Inc. From 1989 to 1992, she was a partner in the merchant banking operations of Alfred Checchi Associates, Inc. She is also a director of Administaff, Inc., Jacobs Engineering Group Inc., Exactis.com, Inc., GoTo.com, Inc., and CyberSource Corporation. Ms. Levinson became a director of NCR on January 1, 1997.

James R. Long, 57, served as Executive Vice President for Northern Telecom Ltd. ("Nortel") and President of its Enterprise Networks business from 1991 until December 31, 1999. Mr. Long had worldwide responsibility for development, manufacturing, sales and marketing of Nortel's portfolio of voice communication products and related solutions designed for enterprise customers. Prior to 1991, he was President of Nortel World Trade, Group Executive Asia, and Corporate Vice President of Quality. Before joining Nortel, Mr. Long spent 25 years with IBM Corporation in a variety of sales, marketing, and management capacities. He became a director of NCR on October 16, 1998.

Class C--Terms Expiring in 2002

Ronald A. Mitsch, 65, was the Vice Chairman and Executive Vice President of Minnesota Mining and Manufacturing Company ("3M"), a global, diversified manufacturing company, from 1995 until November 1998. Dr. Mitsch was also 3M's Executive Vice President, Industrial and Consumer Markets and Corporate Services, from 1991 until November 1998. Dr. Mitsch was a director of 3M until May 1999. He currently serves as a director of Lubrizol Corporation, Material Sciences Corporation and WTC Industries, Inc., and serves on the Technology Advisory Board of B.F. Goodrich, Performance Materials. He became a director of NCR on January 1, 1997.

C.K. Prahalad, 58, is the Harvey Freuhauf Professor of Business Administration at The University of Michigan. Professor Prahalad is a nationally recognized specialist in corporate strategy and the role of top management in large, diversified, multi-national corporations. Since completing his D.B.A. at Harvard University, he has been a visiting research fellow at Harvard, a professor at the Indian Institute of Management and a visiting professor at the European Institute of Business Administration. He is also a director of OIS Optical Imaging Systems, Inc. and became a director of NCR on January 1, 1997.

William S. Stavropoulos, 60, has been President and Chief Executive Officer of The Dow Chemical Co., a chemical

and plastics producer, since 1995. Mr. Stavropoulos became President of Dow Chemical in 1993, and was its Chief Operating Officer from 1993 to 1995. He was a Senior Vice President at Dow Chemical from 1991 to 1993 and President of Dow U.S.A. from 1990 to 1993. Mr. Stavropoulos is also a director of Dow Corning Corporation, BellSouth Corporation and Chemical Financial Corporation. He became a director of NCR on January 1, 1997.

#### The Board of Directors

The Board of Directors oversees the overall performance of the Company on your behalf. Members of the board stay informed of the Company's business through discussions with the Chairman and other members of management and staff, by reviewing materials provided to them, and by participating in board and committee meetings. The board met 6 times last year and held 16 committee meetings. On average, the directors attended 94% of the total board and committee meetings held in 1999. Mr. Robbins attended 73% of the aggregate of total board meetings and committee meetings for the committee on which he served in 1999.

#### Committees of the Board

NCR's Board of Directors has four committees: the Audit and Finance Committee, the Compensation Committee, the Committee on Directors, and the Executive Committee.

#### Audit and Finance Committee

This committee meets with management to review the adequacy of the Company's financial, accounting, and reporting control processes as well as the scope and results of audits performed by NCR's independent accountants and internal auditors. In addition, the Audit and Finance Committee serves as the principal agent of the board in assuring the independence of the Company's independent accountants. The committee also:

- . reviews treasury matters such as NCR's financial condition and capital structure, pension and profit sharing plans, and NCR's risk management practices;
- . reviews NCR's capital appropriation plans and other significant investing activities; and
- . recommends the appointment of the Company's independent accountants to the board.

#### Compensation Committee

This committee reviews and approves NCR's compensation philosophy and programs covering executive officers and key management employees as well

as the competitiveness of NCR's total executive officer compensation practices. The committee also:

- . reviews the performance levels of NCR's executive officers;
- . determines base salaries and equity and incentive awards for NCR's executive officers;
- . makes recommendations to the board concerning the directors' compensation;
- . reviews NCR's executive compensation plans;
- . reviews management's proposals to make significant organizational changes or significant changes to existing executive officer compensation plans; and
- . oversees NCR's plans for management succession.

#### Committee on Directors

This committee establishes procedures for the selection, retention, and performance evaluation of directors; reviews board governance procedures; and reviews the Company's ethics and compliance program. The committee also reviews the composition of NCR's Board of Directors and the qualifications of persons identified as prospective directors, recommends the candidates to be nominated for election as directors, and, in the event of a vacancy on the board, recommends any successors. The Committee on Directors recommended this year's director nominations at its February 2000 meeting.

#### Executive Committee

This committee has the authority to exercise all powers of the full Board of Directors, except that it does not have the power, among other things, to declare dividends, issue stock, amend the Bylaws when the Board is not in session, recommend to the stockholders any action that requires stockholder approval, or approve any merger or share exchange which requires stockholder approval. This committee meets between regular board meetings if urgent action is required.

BOARD COMMITTEE MEMBERSHIP

Name	Executive Compensation		Audit and Committee	
	Committee	Committee	Finance Committee	on Directors
Lars Nyberg.....	X*			X
David Bohnett.....				
David Holmes.....		X		
Linda Fayne Levinson.....		X		X*
James Long.....			X	
Ronald Mitsch.....	X	X*		X
C.K. Prahalad.....	X		X	
James Robbins.....			X	
William Stavropoulos.....	X		X*	
Number of meetings in 1999.....	1	8	5	2

\*Chair

Compensation of Directors

Mr. Nyberg does not receive any extra pay for serving as a director on NCR's board. Each of NCR's non-employee directors receives an annual retainer of \$30,000. The annual retainer for outside directors is payable for the year beginning on the date of NCR's annual meeting and ending on the day before the next such meeting. The retainer is payable quarterly in equal installments as long as the director is still serving on NCR's board. If a director resigns or is terminated, he or she will forfeit any future installments of the annual retainer.

The directors may elect to receive all or a portion of their annual retainer in NCR stock instead of cash. In addition, the directors may choose to defer receipt of this stock (a) until he or she resigns or is no longer a director, (b) until five or ten years after it is payable, or (c) in one to five equal annual installments, beginning either the year after the retainer is earned, or the year following the date of termination as a director.

The Company maintains stock unit accounts based on NCR stock for deferred stock payments. Dividend payments on NCR stock equivalents, if any, will be reinvested in additional deferred stock units. Deferred stock payments may be paid in cash or in stock. A director who leaves the board prior to the date of payment of deferred stock units may elect, prior to termination, to convert

the deferred stock units to a deferred cash account.

Upon joining the board, each of the non-employee directors receives an initial grant of NCR common stock with a value equal to \$60,000. These directors have the option of receiving this stock immediately or deferring receipt in the same manner available for deferring their annual retainer; however, these deferred stock accounts are paid only in stock. If deferred, a stock unit account is maintained for each participating director.

In addition, NCR also pays a portion of director compensation in stock options. Each non-employee director receives stock option grants effective on the date of the annual meeting. The options have an exercise price of the fair market value of the stock on the grant date and are fully vested on the grant date. In 1999, the non-employee directors received options for 5,000 shares of NCR common stock.

#### Section 16(a) Beneficial Ownership Reporting Compliance

All executive officers and directors of the Company timely filed the reports required under Section 16(a) of the Securities Exchange Act of 1934, as amended, during 1999, except that one Form 4 reporting a single transaction was filed late for each of Messrs. Davis, Cronin, Eisenman, Enneking, Hoak, Hurd, Loof and Nyberg.

DIRECTORS' PROPOSAL TO APPROVE THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP  
AS THE COMPANY'S INDEPENDENT ACCOUNTANTS FOR 2000  
(Item 2 on Proxy Card)

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Upon the recommendation of the Audit and Finance Committee, which is composed entirely of independent directors, the board appointed PricewaterhouseCoopers LLP as NCR's independent accountants for 2000. The board engaged PricewaterhouseCoopers to audit NCR's consolidated financial statements and to perform certain other non-audit services.

PricewaterhouseCoopers has been the Company's independent accounting firm for many years and is a leader in providing audit services to the high technology industry. Given PricewaterhouseCoopers' experience, global presence, and quality audit work in serving the Company, the board believes they are qualified to serve as NCR's independent accountants. The board is asking you to approve this appointment.

PricewaterhouseCoopers representatives will be at the annual meeting to answer questions and they may also make a statement.

The board recommends that you vote FOR this proposal. If the stockholders do not approve this proposal, the Audit and Finance Committee and the Board of Directors may, but are not required to, reconsider the appointment. Proxies solicited by the Board of Directors will be voted FOR this proposal, unless you specify otherwise in your proxy.

The following performance graph and report of the board's Compensation Committee shall not be deemed filed or incorporated by reference into any other Company filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this information by reference into such filing.

PERFORMANCE GRAPH

The following graph compares the relative investment performance of NCR stock, the Standard & Poor's 500 Stock Index, and the Standard & Poor's Technology Sector Index. This graph covers the period of time from the spinoff of NCR from AT&T on December 31, 1996, through December 31, 1999.

[PERFORMANCE GRAPH]

	12/31/96	6/30/97	12/31/97	6/30/98	12/31/98	6/30/99	12/31/99
NCR.....	\$100.00	\$ 88.10	\$ 82.71	\$ 96.65	\$124.16	\$145.17	\$112.64
S&P 500.....	\$100.00	\$120.61	\$133.37	\$156.99	\$171.48	\$192.71	\$207.56
S&P Technology Sector...	\$100.00	\$122.75	\$126.04	\$164.86	\$217.99	\$271.91	\$381.91

- (1) In each case, assumes a \$100 investment on December 31, 1996, and reinvestment of all dividends, if any.
- (2) Upon the spinoff of NCR from AT&T on December 31, 1996, NCR's stock was trading on the New York Stock Exchange on a when-issued basis. On January 2, 1997, NCR stock began open public trading on the New York Stock Exchange.

The Compensation Committee of the Board of Directors, which consists entirely of independent outside directors (the "Committee"), reviews and approves the Company's total compensation philosophy and programs covering executive officers and key management employees. The Committee reviews the performance levels of executive officers and determines the annual base salaries and both cash and equity incentive awards to be paid.

#### Guiding Principles

The Company's compensation and benefit programs are designed to attract and retain the best people in the industry. These programs are also intended to recognize corporate, business unit, individual, and team performance through the use of incentives, including equity-based incentives, that reward for the creation of stockholder value and the achievement of key financial, strategic, individual, and team objectives.

#### Compensation Philosophy

The Committee relates total compensation levels for the Company's executive officers to the total compensation paid to similarly situated executives of a peer group of companies (the "Peer Group") with which the Company competes for customers and executive talent. To form a basis of comparison, NCR selects the Peer Group under an outside consulting firm's counsel. The Peer Group consists of corporations with similar performance characteristics, including industry and technology emphasis. Some of these companies are also included in the S&P Technology Sector Index found under the caption "Performance Graph" above.

Total compensation is targeted to approximate the median of the Peer Group. However, because of the performance-oriented nature of the incentive programs, total compensation may exceed market norms when the Company's targeted performance goals are exceeded. Likewise, total compensation may lag the market when performance goals are not achieved.

The Committee will also review the Company's longer term performance as compared to the average performance of the Peer Group, and take such relative performance into account in determining future compensation levels where appropriate.

The key components of the compensation program for executive officers are base salary, annual incentive compensation, and long-term incentives.

## Base Salary

Salaries for executive officers are determined by the Committee annually, based on review of each executive's level of responsibility, experience, expertise, and sustained corporate, business unit, and individual performance.

## Annual Incentive Compensation

Executive officers participate in the NCR Management Incentive Plan for Executive Officers and are eligible to receive annual cash incentive awards if certain specified objectives are met. Awards for 1999 were based on financial measures of net income, operating income, operating income after capital charge and revenue growth, as well as discretionary objectives that varied by work groups. These measures were weighted depending upon the executive officer's area of responsibility. On balance, achievement of compensation objectives was below target for 1999, although two business units were above target.

## Long-Term Incentives

Long-term incentives for 1999 consisted of stock option grants under the NCR Management Stock Plan. The Committee believes that this type of incentive compensation aligns management's interests with the interests of stockholders.

Each executive officer is eligible to receive an annual grant of stock options with an exercise price equal to the fair market value of the stock on the grant date. These awards are granted as a part of the executive's total compensation and reviewed accordingly with our Peer Group market results.

## Compensation of Chairman and Chief Executive Officer

Mr. Nyberg participates in the same executive compensation plans that cover the other executive officers, determined according to the same compensation philosophy and principles. For 1999, Mr. Nyberg's annual incentive award under the NCR Management Incentive Plan was based on NCR's performance against the following measures: net income, operating income after capital charge and revenue growth, with a discretionary component, tied to achievement of personal objectives. Mr. Nyberg's 1999 award under this plan was based on the Company missing its objectives under the compensation plan for these financial measures. Mr. Nyberg's stock option award was established based on a review of competitive market data.

AT&T made an agreement with Mr. Nyberg prior to NCR's spinoff, defining selected parts of his compensation. Pursuant to commitments under this agreement, Mr. Nyberg re-

ceived the following in 1999: a completion bonus and a re-enlistment bonus.

Mr. Nyberg also received a special retention stock option grant that will vest only if he remains employed by the Company until July 15, 2002.

#### Policy on Qualifying Compensation for Deductibility

The Company's policy with respect to the deductibility limit of Section 162(m) of the Internal Revenue Code generally is to preserve the federal income tax deductibility of compensation paid when it is appropriate and is in the best interests of the Company and its stockholders. However, the Company reserves the right to authorize the payment of nondeductible compensation if it deems that is appropriate.

Dated: February 3, 2000

The Compensation Committee:  
Ronald A. Mitsch, Chair  
David R. Holmes  
Linda Fayne Levinson

EXECUTIVE COMPENSATION

The following tables present certain compensation information for our Chairman and Chief Executive Officer and for the Company's most highly compensated executive officers who held these positions during the year ended December 31, 1999. Each of these five individuals is sometimes referred to as a "Named Executive."

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation				
		Salary \$	Bonus \$	Other Annual Compensation \$(2)	Awards(1)		Payouts		All Other Compensation \$(5)
					Restricted Stock Awards \$(3)	Securities Underlying Options/ SARs #(4)	LTIP Payouts \$		
Lars Nyberg Chairman of the Board, Chief Executive Officer, and President	1999	994,154	477,700	62,998	0	350,000(4a)	--	5,982,453	
	1998	991,888	665,704	78,836	0	154,515(4b)	--	523,532	
	1997	873,862	129,500	98,581	129,500(3a) 5,000,000(3b)	254,296(4c)	--	536,252	
David Bearman Senior Vice President and Chief Financial Officer (6)	1999	413,538	144,206	2,940	0	52,500(4a)	--	6,250	
	1998	129,231	55,667	29,900	2,000,000(3c)	126,876(4d)	--	300,000	
	1997	--	--	--	--	--	--	--	
William Eisenman Senior Vice President Worldwide Customer Services	1999	381,155	137,334	5,100	0	82,500(4a)	--	87,635	
	1998	364,237	105,287	5,518	0	50,000(4b)	--	6,000	
	1997	301,351	10,850	4,997	21,700(3a)	59,904(4c)	--	8,508	
Tony Fano Senior Vice President Retail Solutions Group	1999	367,224	272,930	4,500	0	45,000(4a)	--	4,676	
	1998	332,416	208,802	4,888	0	26,667(4b)	--	4,651	
	1997	308,659	10,850	12,369	21,700(3a)	53,026(4c)	--	6,044	
Mark Hurd Senior Vice President Teradata Solutions Group (7)	1999	348,846	252,597	5,159	0	90,000(4a)	--	6,250	
	1998	262,893	63,332	4,565	35,895(3d)	16,500(4b)	--	6,052	
	1997	236,883	6,671	5,945	13,399(3a)	26,259(4c)	--	32,665	

(Footnotes follow on next page.)

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- (1) The amounts shown in the column "Restricted Stock Awards" represent the dollar value of such awards on the date originally granted. The amounts shown for stock options represent the number of shares of NCR common stock underlying such options.
  - (2) The amounts shown include (a) dividend equivalents paid with respect to long-term restricted stock units and performance shares relating to awards under AT&T plans prior to the end of the three-year performance period, (b) tax payment reimbursements, and (c) the value of certain personal benefits and perquisites, including a relocation reimbursement of \$29,900 to Mr. Bearman in 1998. In accordance with SEC rules, perquisites and personal benefits have been omitted when such compensation is the lesser of \$50,000 or 10% of the Named Executive's salary and bonus for that year.
  - (3) In December 1997, the Compensation Committee discontinued the NCR Long Term Incentive Program (the "LTIP"), a program offered under the NCR Management Stock Plan. Therefore, no restricted stock unit awards were made under this plan for performance in 1999 or 1998. The amounts shown in 1998 and 1997 represent the dollar value of restricted stock awards on the date of grant. These awards were granted under the NCR Management Stock Plan. On December 31, 1999, the aggregate value of the unvested restricted stock awards granted to each of the Named Executives (including any NCR replacement awards for AT&T restricted stock awards that were converted at spinoff) was as follows: Mr. Nyberg, 7,980 shares (\$302,243); Mr. Bearman, 58,111 shares (\$2,200,954); Mr. Eisenman, 681 shares (\$25,793); Mr. Fano, 681 shares (\$25,793); and Mr. Hurd, 4,668 shares (\$176,801). These amounts are based on a stock price of \$37.875 per share as of the close of business on December 31, 1999. The restricted stock awards are described in further detail in notes 3(a) through 3(d) below.
    - (a) In February 1998, NCR's Compensation Committee granted performance-based awards of NCR restricted stock units under the LTIP. These awards were based on performance objectives in 1997 and are payable in the first quarter of 2000 after a three-year cycle ending in 1999. Participating Named Executives each received the following number of restricted stock units under this award: Mr. Nyberg--4,059, Mr. Eisenman--681, Mr. Fano--681, Mr. Hurd--420. Awards are distributed as common stock, or as cash equal to the value of the underlying shares, or partly in common stock and partly in cash as directed by the Named Executive. Dividend equivalents, if any, on these awards are paid in cash.
    - (b) In January 1997, NCR granted Mr. Nyberg a special award of 149,533 restricted shares of NCR stock under a letter agreement with AT&T, dated June 7, 1996. This award became fully vested in October 1999.
    - (c) In September 1998, NCR granted Mr. Bearman a special award of 77,482 restricted shares of NCR stock under the terms of an offer letter, dated August 5, 1998, from NCR to Mr. Bearman, described more fully below under the caption "Employment Agreements and Change in Control Arrangments." This award will vest in four equal annual installments ending September 1, 2002, provided Mr. Bearman is still employed by NCR on such dates; except that the award will vest immediately if Mr. Bearman's employment with the Company is terminated involuntarily other than for cause. Dividends, if any, on such shares are reinvested in additional shares of restricted stock.
    - (d) In February 1998, Mr. Hurd received 1,125 restricted shares of NCR common stock under one of NCR's supplemental retirement plans (referred to below as the "Officer Plan II" under the caption "Pension Plans"). Dividends, if any, on any shares granted under the Officer Plan II are reinvested in additional shares of

- restricted stock. This award vests at age 55 provided Mr. Hurd is still employed by NCR as of that date, and become freely transferable at age 62.
- (4) Amounts shown represent the aggregate number of shares of NCR common stock underlying the options on the date(s) originally granted.
- (a) On January 4, 1999, NCR's Compensation Committee granted the Named Executives management stock options under the NCR Management Stock Plan. Also under this plan, on July 15, 1999, the Compensation Committee granted Mr. Nyberg and Mr. Hurd options for 200,000 and 50,000 shares, respectively; and on August 19, 1999, granted Mr. Eisenman options for 30,000 shares.
- (b) On February 18, 1998, NCR's Compensation Committee granted the Named Executives management stock options under the NCR Management Stock Plan. In addition, on December 17, 1998, this committee also granted Mr. Nyberg options for 75,000 shares of NCR stock under the NCR Management Stock Plan.
- (c) On January 2, 1997, the Compensation Committee granted the Named Executives options under three different programs. First, these executives received special turnaround spinoff grants under the NCR Management Stock Plan. Second, the Named Executives received management stock option grants under the NCR Management Stock Plan. Third, each Named Executive received options under the NCR WorldShares Plan as part of a company-wide grant to employees in connection with the achievement of certain performance goals in 1996. The aggregate number of shares of NCR common stock underlying the turnaround, management, and WorldShares options is listed in the table for 1997.
- (d) On September 1, 1998, the Compensation Committee granted Mr. Bearman options for 126,876 shares of NCR common stock under the terms of the August 5, 1998 offer letter he received from NCR.
- (5) The Company provides the Named Executives with certain group life, health, medical, and other non-cash benefits generally available to all salaried employees and not included in this column in accordance with the SEC's rules. The amounts shown in this column include the following:
- . Payments to Mr. Nyberg under certain letter agreements between Mr. Nyberg and NCR and Mr. Nyberg and AT&T. For a summary of the letter agreements with Mr. Nyberg, see the caption "Employment Agreements and Change in Control Arrangements" below. In 1999, under a June 7, 1996 letter agreement with AT&T, Mr. Nyberg received \$3,875,000 for a lump-sum completion bonus and \$2,000,000 for a special re-enlistment bonus.
  - . Insurance premium payments to Mr. Nyberg for a split-dollar life insurance policy. In 1999, this payment was \$101,419.
  - . Payment to Mr. Eisenman of an \$81,635 special bonus that must be re-paid to the Company if he voluntarily terminates his employment with NCR prior to July 31, 2000.
  - . Matching contributions by the Company to the NCR Savings Plan for participating Named Executives. In 1999, NCR's matching contributions were \$6,034, \$6,250, \$6,000, \$4,676 and \$6,250 for Messrs. Nyberg, Bearman, Eisenman, Fano, and Hurd respectively.
- (6) Mr. Bearman joined NCR as its Senior Vice President and Chief Financial Officer on September 1, 1998.
- (7) Mr. Hurd was promoted to Senior Vice President, National Accounts Solutions Group, on November 12, 1998, a position which he held until being assigned to his current position on October 25, 1999.

Option Grants In 1999

Individual Grants

Name	Number of Shares Underlying Options Granted (#)	Percent of Total Options Granted to Employees	Exercise Price (\$/Share)	Expiration Date	Grant Date Present Value (\$ (4)
Lars Nyberg.....	150,000(1) 200,000(2)	3.78% 5.04%	41.5000 51.6250	1/04/09 7/15/09	\$2,662,616 \$4,534,258
David Bearman.....	52,500(1)	1.32%	41.5000	1/04/09	\$ 917,916
William Eisenman.....	52,500(1) 30,000(3)	1.32% .75%	41.5000 43.9375	1/04/09 8/19/09	\$ 917,916 \$ 583,222
Tony Fano.....	45,000(1)	1.13%	41.5000	1/04/09	\$ 786,785
Mark Hurd.....	40,000(1) 50,000(2)	1.0% 1.26%	41.5000 51.6250	1/04/09 7/15/09	\$ 699,364 \$1,133,564

- (1) These are management options for NCR common stock under the NCR Management Stock Plan. They become exercisable in 33 1/3% increments over three years, provided the officer is still employed by NCR, with certain exceptions in the case of death, disability, or retirement.
- (2) These are special options for NCR common stock under the NCR Management Stock Plan that become exercisable after three years, provided the officer is still employed by NCR, with certain exceptions in the case of death, disability, or retirement.
- (3) These are special options for NCR common stock under the NCR Management Stock Plan that become exercisable on February 1, 2001, provided that Mr. Eisenman is still employed by NCR at that time, with certain exceptions in the case of his death or disability.
- (4) In accordance with SEC rules, we chose the Black-Scholes option pricing model to estimate the present value of the options on the grant date. NCR's use of this model should not be construed as an endorsement of its accuracy at valuing options. All stock option valuation models, including the Black-Scholes model, require certain assumptions to be made. The following assumptions were made for purposes of calculating the present values of the options listed in footnote 1 above: volatility at 40%, dividend yield at 0%, an expected term of 5 years, and interest rate of 4.56%. These assumptions also apply to the options granted to Messrs. Nyberg, Eisenman and Hurd listed in footnotes 2 and 3 above; however, the interest rate assumption for such grants was 5.61% for the grants to Messrs. Nyberg and Hurd and 5.81% for the grant to Mr. Eisenman. The real value of the options in this table depends upon the actual performance of the NCR stock underlying the options during the applicable period.

Aggregated Option Exercises in 1999 and Year-End Values

Name(1)	Shares Acquired on Exercise (#)	Value Realized (\$)	Unexercised Options at Year End (#) ----- Exercisable/ Unexercisable (2)	Value of In-the-Money Options at Year End (\$) ----- Exercisable/ Unexercisable (3)
Lars Nyberg.....	--	--	787,799 663,208	\$1,277,216 \$ 548,647
David Bearman.....	--	--	42,292 137,084	\$ 510,147 \$1,020,295
William Eisenman.....	--	--	126,856 135,223	\$ 569,978 \$ 265,318
Tony Fano.....	--	--	134,393 78,728	\$ 767,436 \$ 157,208
Mark Hurd.....	--	--	50,676 109,125	\$ 225,566 \$ 90,537

(1) None of the individuals in this table has stock appreciation rights.

(2) This column includes both options granted before and after the spinoff from AT&T. Options granted before the spinoff were granted with respect to AT&T common stock. To the extent these options were outstanding on December 31, 1996, they were replaced on January 2, 1997, with options for shares of NCR stock based on a conversion formula to preserve the economic value of the options at the time of the spinoff.

(3) The value of in-the-money options is calculated as the difference between the closing market price of NCR common stock underlying the NCR stock options as of December 31, 1999 (\$37.875) and the exercise price of the option.

Pension Plans

The Company maintains a number of pension plans as part of the compensation and benefits it provides to its employees and executive officers. The plans covering NCR's Named Executives are summarized below.

If Messrs. Nyberg, Bearman, Eisenman, Fano, and Hurd continue in their current positions and retire at age 62, the estimated annual pensions payable to them from NCR's pension plans would be \$981,030, \$208,769, \$369,600, \$409,566, and \$468,840, respectively. These amounts are straight-life annuity amounts although other optional forms of payment, some with reduced pensions, are available.

Certain of NCR's nonqualified executive pension plan benefits are supported by a benefits trust, the assets of which are subject to the claims of NCR's creditors. In addition, except for the Officer Plan II (as defined below), benefits under NCR's pension plans are not subject to reductions for Social Security benefits or other offset amounts.

The NCR Pension Plan:

The Company has a non-contributory pension plan called the NCR Pension Plan which covers all employees based in the U.S., including Messrs. Nyberg, Bearman, Eisenman, Fano, and Hurd. The NCR Pension Plan pays a monthly pension benefit and a PensionPlus benefit. These benefits vest after five years of service or reaching age 65. The monthly pension benefit begins at age 62, or may be started between age 55 and 62 in a reduced amount. The PensionPlus benefit may be taken as a lump sum after termination of employment, or may be used to increase the monthly pension benefit.

The monthly pension benefit is computed by multiplying the following three items: (1) the participant's years of service with the Company, (2) a factor between 1.4% and 1.7%, depending on the participant's total years of service, and (3) the participant's modified average pay. Modified average pay is the average annual base pay and bonus received during a participant's career, with an adjustment to update pay for earlier years when earnings typically were less.

The PensionPlus benefit is computed as an account balance, although the account is for bookkeeping purposes only. The plan credits a participant's account with 1 1/2% of base pay and bonus, as well as interest credits on the account balance.

The NCR Nonqualified Excess Plan:

Federal laws limit the amount of pay that may be considered under the NCR Pension Plan. The Company makes up the difference for senior managers with the NCR Nonqualified Excess Plan. The excess plan pays the additional pension benefits that would be paid under the NCR Pension Plan if the federal pay limits were not in effect. Messrs. Nyberg, Bearman, Eisenman, Fano, and Hurd are covered by the excess plan.

NCR Mid-Career Hire Supplemental Pension Plan:

NCR also maintains the NCR Mid-Career Hire Supplemental Pension Plan. This plan covers employees, including Mr. Bearman, who are hired by NCR for the first time at age 35 or over at specified management levels, and who terminate with

at least five years of service at specified levels. The benefit is 1% of annual pay for each year worked for NCR, up to a maximum equal to the number of years between age 30 and the age on the date of hire with NCR.

#### Supplemental Retirement Plans:

The Company also has two supplemental retirement plans for senior managers. The NCR Senior Executive Retirement, Death & Disability Plan (the "Officer Plan I") covers officers appointed before November 30, 1988, including Messrs. Eisenman and Fano. The Retirement Plan for Officers of NCR (the "Officer Plan II") covers senior managers appointed to specified executive levels after November 30, 1988, including Messrs. Nyberg, Bearman, and Hurd.

The Officer Plan I pays monthly benefits of 4% of the final average monthly pay per year of a participant's service with the Company (up to a maximum of 15 years). Final average monthly pay is the participant's highest consecutive 36 months of pay in the last six years of employment, including salary, annual bonus, and 50% of certain long-term incentive awards. The pension begins at age 62, or may be started between age 55 and 62 in a reduced amount. The benefit is offset by the participant's Social Security primary insurance amount and any retirement or disability benefits paid under other NCR plans. The plan also pays disability and death benefits.

Before January 1, 1997, the Officer Plan I contained a change-in-control provision that was triggered when NCR's stockholders approved the merger of NCR with a wholly-owned subsidiary of AT&T in 1991. Messrs. Eisenman and Fano are entitled to benefits under the Officer Plan I that are enhanced by this change-in-control provision. The enhancement includes an additional five years of service, a guaranteed minimum pay for computing the pension, and the ability to begin receiving the pension at any time after age 50, with a more favorable reduction for early retirement.

The Officer Plan II pays monthly benefits of 2.5% of career average monthly pay for service after becoming a plan participant. The pension begins at age 62, or may be started between age 55 and 62 in a reduced amount. The benefit is offset by the participant's retirement or disability benefits paid under other NCR plans except for the NCR Mid-Career Hire Supplemental Pension Plan. No benefit is payable if a participant terminates employment during the first year covered by the plan. No benefit is payable if a participant termi-

nates employment before age 55, other than by death, with less than 10 years of NCR service. However, a participant will be entitled to plan benefits if employment is terminated after a change in control, as described in the NCR change in control severance plans (see the description of those plans under "Employment Agreements and Change in Control Arrangements"). The Officer Plan II also pays death benefits. Prior to 1997, participants in the Officer Plan II received annual awards of NCR restricted stock with a face value equal to 15% of base salary. The restricted stock vests at age 55, if the participant is employed with NCR until then, and becomes freely transferable at age 62.

#### Employment Agreements and Change in Control Arrangements

##### Agreements with Messrs. Nyberg and Bearman:

When NCR spunoff from AT&T at the end of 1996, the Company assumed liability under three letter agreements already in effect between Mr. Nyberg and AT&T. The terms of two of the letter agreements were fulfilled prior to 1999. Under the third agreement, executed in 1996, Mr. Nyberg received a bonus of \$3,875,000 on June 1, 1999, because he continued his employment until that date. Mr. Nyberg also received a bonus of \$2,000,000 on June 1, 1999, because he and the Company agreed to an employment contract for at least an additional two-year period. Both of these bonuses were paid from a rabbi trust that was required by the 1996 letter agreement. And finally, as provided by the 1996 letter agreement, a grant of options and an award of restricted stock (each valued at \$5,000,000 on the date of grant) vested on September 1, 1999, because Mr. Nyberg continued his employment until that date.

The Board of Directors entered into a new employment agreement with Mr. Nyberg effective June 1, 1999. This letter agreement provides for Mr. Nyberg's employment with the Company for a three-year period, through May 31, 2002. The 1999 agreement renews automatically each year for an additional one-year term unless the Board or Mr. Nyberg gives at least 90 days prior notice. The 1999 agreement sets Mr. Nyberg's base salary and bonus opportunity under the NCR Management Incentive Plan, and extends his change in control agreement through May 31, 2002 (see discussion of this agreement below).

Under the 1999 agreement, Mr. Nyberg will receive severance benefits if his employment with the Company is terminated as a result of involuntary termination without cause, or voluntary termination for good

reason, and he signs a release of all employment-related claims against the Company. In that event, the severance benefits would include (a) severance pay equal to the base pay that would be payable through May 31, 2002, or for two years after the date of termination, if greater, (b) payment of two times the target bonus under the NCR Management Incentive Plan, or the actual cash payment for the preceding calendar year if greater, plus a pro-rated amount for the portion of the bonus earned in the year of termination prior to the termination date, (c) continued medical insurance coverage for Mr. Nyberg and his eligible dependents until May 31, 2002, or two years after the date of termination, if longer, (d) life insurance and accidental death and dismemberment coverage for Mr. Nyberg at two times base pay, until May 31, 2002, or two years after the date of termination, if longer, and (e) continued financial counseling through the calendar year following the year in which termination occurs.

The severance benefits under the 1999 agreement will not be paid if Mr. Nyberg is entitled to severance benefits under his change in control agreement. The severance benefits also will not be paid if Mr. Nyberg, during employment with the Company or within the 18 month period after termination of employment, either (a) works for a competitor of NCR, (b) encourages exempt employees of the Company to leave their employment, (c) solicits business with the Company's customers, or (d) discloses Company proprietary information.

Mr. Bearman received an offer letter when he joined the Company in 1998. The offer letter, dated August 5, 1998, specified his starting base salary and bonus opportunity under the NCR Management Incentive Plan, and his eligibility for annual option grants, employee benefit plans and retirement plans as routinely provided to officers at his level. Pursuant to the letter, Mr. Bearman also received a \$300,000 sign-on bonus and initial awards of stock options and restricted stock, that in part compensated him for lost opportunity for equity incentives with his former employer. His initial stock option grant had a face value of \$3,275,000 on the date of grant, and vests over three years. His restricted stock award had a face value of \$2,000,000 on the date granted, and vests over four years, except that the award will vest immediately if Mr. Bearman's employment with the Company is terminated involuntarily other than for cause.

Change in Control Arrangements:

NCR has a Change in Control Severance Plan for Execu-

tive Officers. This plan, which terminates December 31, 2002, provides that executives officers may receive severance benefits if their employment with NCR is terminated as a result of involuntary termination without cause, or voluntary termination for good reason during the three years following certain events (such as an acquisition, merger or liquidation of the Company). These events are called "triggering events." An executive officer may also receive these benefits upon voluntary termination for any reason during the thirteenth month following the month in which the triggering event occurs. The severance benefits include (a) severance pay equal to base pay for three years, (b) payment of the target bonus under the NCR Management Incentive Plan for those three years, (c) reimbursement for any excise tax liability for the severance benefits under Internal Revenue Code Section 4999, (d) continued medical insurance coverage for the officer and eligible dependents and continued life insurance coverage for the officer, (e) outplacement services, and (f) financial counseling. In addition, the officer will be fully vested in any NCR stock options or other stock awards, and any accrued benefit under the Officer Plan II. The officer will no longer receive the severance pay if he or she becomes employed by NCR or an unrelated company. If the officer dies while receiving severance benefits, the benefits will continue to be paid to the officer's estate.

NCR also has a change in control agreement with Mr. Nyberg that contains the same terms as the change in control plan for the executive officers. However, the severance payments for Mr. Nyberg also include payment of target long-term incentive bonuses for the severance pay period. Mr. Nyberg's change in control agreement terminates December 31, 2002.

## OTHER MATTERS

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The Board of Directors does not know of any matters that will be brought before the annual meeting other than those listed in the notice of meeting. If any other matters are properly introduced at the meeting for consideration, including consideration of a motion to adjourn the meeting to another time or place, the individuals named on the enclosed form of proxy will have discretion to vote in accordance with their best judgment.

## ADDITIONAL INFORMATION

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### Cost of Proxy Solicitation

We will pay the expenses of soliciting proxies in connection with the annual meeting. Proxies may be solicited on our behalf through the mail, in person, by telephone, electronic transmission, or facsimile transmission. We have hired Georgeson Shareholder Communications, Inc., to assist in the solicitation of proxies, at an estimated cost of \$17,000, plus reimbursement of reasonable out-of-pocket expenses.

In accordance with the SEC and the New York Stock Exchange rules, NCR will also reimburse brokerage houses and other custodians, nominees, and fiduciaries for their expenses of sending proxies and proxy materials to the beneficial owners of NCR common stock.

### Procedures for Stockholder Proposals and Nominations

Under NCR's Bylaws, nominations for director may be made only by (1) the Board of Directors or a committee of the board, or (2) a stockholder entitled to vote who has delivered notice to the Company within 90 to 120 days before the first anniversary of last year's annual meeting.

Our Bylaws also provide that business may not be brought before an annual meeting unless it is (1) specified in the notice of meeting (which includes stockholder proposals that the Company is required to include in its proxy statement under SEC Rule 14a-8), (2) brought before the meeting by or at the direction of the board, or (3) brought by a stockholder entitled to vote who has delivered notice to the Company (containing certain information specified in the Bylaws) within 90 to 120 days before the first anniversary of last year's annual meeting. In addition, you must comply with SEC Rule 14a-8 to have your proposal included in the Company's proxy statement.

A copy of the full text of the Company's Bylaws may be

obtained upon written request to the Corporate Secretary at the address provided above.

#### Stockholder Proposals for 2001 Annual Meeting

Stockholders interested in presenting a proposal for consideration at NCR's annual meeting of stockholders in 2001 must follow the procedures found in SEC Rule 14a-8 and the Company's Bylaws. To be eligible for inclusion in the Company's 2001 proxy materials, all qualified proposals must be received by NCR's Corporate Secretary no later than November 9, 2000.

The above notice and proxy statement are sent by order of the Board of Directors.

Laura K. Nyquist

Corporate Secretary

Dated: March 10, 2000

Detach Here

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2000 ANNUAL STOCKHOLDERS' MEETING  
RESERVATION REQUEST FORM

If you plan to attend the 2000 Annual Stockholders' Meeting of NCR Corporation, please complete the following information and return to Laura K. Nyquist, Corporate Secretary, NCR Corporation, 1700 South Patterson Blvd., Dayton, Ohio 45479.

Your name and address: -----  
-----  
-----

Number of shares of NCR  
common stock you hold: -----

If the shares listed above are not registered in your name, identify the name of the registered stockholder below and include evidence that you beneficially own the shares.

Registered stockholder: -----  
(name of your bank, broker,  
or other nominee)

THIS IS NOT A PROXY CARD

ANNUAL MEETING OF STOCKHOLDERS of

NCR CORPORATION

Co.# \_\_\_\_\_

April 27, 2000

Acct.# \_\_\_\_\_

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PROXY VOTING INSTRUCTIONS  
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Your telephone or Internet vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, and returned your proxy card. NCR encourages you to use either of these cost-effective and convenient ways of voting.

TO VOTE BY TELEPHONE (TOUCH-TONE PHONE ONLY)

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Please call toll-free 1-800-PROXIES (1-800-776-9437) at any time and follow the instructions. Have your control number and the proxy card available when you call.

TO VOTE BY INTERNET AT ANY TIME

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Please access the web page at www.voteproxy.com and follow the on-screen instructions. Have your control number available when you access the web page.

TO VOTE BY MAIL

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Please date, sign and mail your proxy card in the envelope provided as soon as possible. If you are voting by telephone or the Internet, please do not mail your proxy card.

YOUR CONTROL NUMBER IS \_\_\_\_\_

Please Detach and Mail in the Envelope Provided

A [X] Please mark your votes as in this example. NCR's Board of Directors recommends a vote "FOR" PROPOSALS 1 AND 2.

1. Election of Class A and B Directors	FOR ALL	WITHHOLD	CLASS A NOMINEES:
	nominees listed at right (except as marked to the contrary)	FROM ALL nominees	Lars Nyberg David R. Holmes James O. Robbins
	[_]	[_]	CLASS B NOMINEE: David Bohnett

2. Approval of the appointment of PricewaterhouseCoopers LLP as the Company's independent accountants for 2000.	FOR	AGAINST	ABSTAIN
	[_]	[_]	[_]

INSTRUCTIONS: To withhold authority to vote for any individual nominee, strike out that nominee's name in the list at right.

Voting Limitations on Other Side of Card [\_]

Discontinue Annual Report; Duplicate Account [\_]

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

NOTE: If you attend the meeting and decide to vote by ballot, your ballot will supersede this proxy. If signing for a corporation or partnership or as agent, attorney or fiduciary, indicate the capacity in which are you signing.

ELECTRONIC DISTRIBUTION

If you would like to receive future ncr proxy statements and annual reports electronically, please visit <http://www.investpower.com>. Next, click on "Enroll to receive mailings via e-mail" to enroll. Please refer to the company number and account number on top of the reverse side of this card.

ANNUAL MEETING OF STOCKHOLDERS

NCR's annual meeting of stockholders will be held at 9:30 a.m. on April 27, 2000, at NCR's World Headquarters Auditorium, 1700 S. Patterson Boulevard, Dayton, Ohio 45479. Please see your proxy statement for instructions should you wish to attend the meeting.

NCR CORPORATION  
PROXY/VOTING INSTRUCTION CARD

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS FOR NCR'S ANNUAL MEETING OF STOCKHOLDERS ON APRIL 27, 2000.

The undersigned stockholder of NCR Corporation, a Maryland corporation ("NCR"), hereby appoints Lars Nyberg, David Bearman, and Jon Hoak, and each of them, proxies, with the powers the undersigned would possess if personally present, and with full power of substitution, to vote all shares of common stock of NCR that the undersigned is entitled to vote at NCR's Annual Meeting of Stockholders to be held in Dayton, Ohio, on April 27, 2000, and at any postponement or adjournment thereof, upon any matter that may properly come before the meeting, or any postponement or adjournment thereof, including the matters described in the accompanying proxy statement. This proxy also provides voting instructions to the trustee of the NCR Savings Plan and to the trustees and administrators of the benefit plans of Newcourt Credit Group Inc., or other companies, with respect to shares of NCR common stock the undersigned may hold under such plans for which the undersigned is entitled to vote at said meeting to the extent permitted by such plans and their trustees and administrators.

THE PROXIES OR THE TRUSTEES AND ADMINISTRATORS OF THE PLANS, AS THE CASE MAY BE, WILL VOTE YOUR SHARES IN ACCORDANCE WITH YOUR DIRECTIONS ON THIS CARD. IF YOU DO NOT INDICATE YOUR CHOICES ON THIS CARD, THE PROXIES WILL VOTE YOUR SHARES IN ACCORDANCE WITH THE DIRECTORS' RECOMMENDATIONS. IF YOU ARE AN NCR SAVINGS PLAN OR OTHER BENEFIT PLAN PARTICIPANT ENTITLED TO VOTE AT THE 2000 ANNUAL MEETING OF STOCKHOLDERS AND DO NOT INDICATE YOUR CHOICES ON THIS CARD, THOSE SHARES WILL BE VOTED BY THE TRUSTEES OF SUCH PLANS.

(Continued and to be signed on the reverse side.)

Source: NCR Intranet Site (<http://www.ncrnet.ncr.com>)  
Dates: March 10, 2000 - April 26, 2000

#### Important Information for Employee Stockholders

Employee stockholders are encouraged to use cost-effective methods to vote their proxy for NCR's 2000 Annual Meeting of Stockholders. You will be receiving shortly NCR's proxy statement and proxy card electronically or in the mail. This year, most stockholders will have the opportunity to vote their shares electronically via the Internet or by telephone. These voting methods are considerably less expensive for the Company than traditional voting by mail. In addition, you may be able to help reduce NCR's costs by electing to receive NCR's future proxy statements and annual reports electronically. You can help NCR save the cost of printing and mailing these documents by consenting to electronic delivery instead of receiving paper copies in the mail. For more details, click [HERE](#).

Source: NCR Intranet Site (<http://www.ncrnet.ncr.com/stock-info2.htm>)  
Dates: March 10, 2000 - April 26, 2000

Attention employee stockholders:

If you are a "registered" stockholder (holding NCR stock in your own name) you can vote your proxy by accessing the Internet voting website at <http://www.voteproxy.com>. You will need the control number found on your proxy card to vote over the Internet. Registered stockholders can also consent to electronic delivery online at <http://www.investpower.com>. You can consent by clicking on "Enroll to receive mailings via e-mail" at this Internet site and completing the online consent form.

If you hold your NCR stock through Merrill Lynch under the Employee Stock Purchase Plan you can access <http://www.proxyvote.com> to vote electronically. You will need to use the control number provided with your proxy materials to vote electronically. You can also consent to electronic delivery of future proxy statements and annual reports for your stock by completing the enrollment form at the end of this Internet voting site.

Finally, if you hold your NCR shares in street name through a nominee (such as in a bank or brokerage account), you may receive similar instructions on how to vote electronically with your proxy statement. You should also check the instructions provided by your nominee on how to receive future proxy statements and annual reports electronically.

No matter how you hold your NCR stock, we strongly recommend that, if possible, you take advantage of these cost-saving opportunities by voting electronically and registering yourself for electronic delivery of future proxy statements and annual reports.

Source: NCR News Digest (employee newsletter)  
Date: March 10, 2000

\*\*\*ATTENTION EMPLOYEE STOCKHOLDERS:

Once again, employee stockholders are encouraged to use cost-effective methods to vote their proxy for NCR's 2000 Annual Meeting of Stockholders. You will be receiving shortly NCR's proxy statement and proxy card electronically or in the mail. This year, most stockholders will have the opportunity to vote their shares electronically via the Internet or by telephone. These voting methods are considerably less expensive for the Company than traditional voting by mail. In addition, you may be able to help reduce NCR's costs by electing to receive NCR's future proxy statements and annual reports electronically. You can help the Company save the cost of printing and mailing these documents by consenting to electronic delivery instead of receiving paper copies in the mail. If you hold your NCR stock in record name, please visit <http://www.investpower.com> and click on "Enroll to receive mailings via e-mail" to take advantage of this cost-saving opportunity.

An "NCR News Alert on the Annual Meeting" will be e-mailed to employees after the meeting to be held on April 27 at World Headquarters in Dayton. Because there will be very limited seating and parking at the meeting, Dayton-based employees are encouraged to read the Alert rather than attend the meeting.

Source: E-mail to stockholders consenting to electronic delivery  
Date: March 10, 2000

The annual meeting of shareholders of NCR Corporation will be held on April 27, 2000 for shareholders of record as of February 14, 2000. You may vote XXX shares of NCR common stock as of the record date. Your control number to vote via the Internet at [www.voteproxy.com](http://www.voteproxy.com) or via telephone at 1-800-proxies (1-800-776-9437) is [11 digit number]. You may view the company's annual report at [www.ncr.com/about\\_ncr/ir/annual\\_report99/](http://www.ncr.com/about_ncr/ir/annual_report99/) and proxy statement at [www.ncr.com/about\\_ncr/ir/proxy\\_statement99.asp](http://www.ncr.com/about_ncr/ir/proxy_statement99.asp). You may also request printed copies of these materials by calling NCR Investor Relations at (937) 445-5905.

Note: There are no charges to you for these services, however, there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies. Such costs, if any, are your responsibility.

Source: Internet Proxy Voting site for registered stockholders  
(<http://www.voteproxy.com>)

American Stock Transfer & Trust Company's Internet Voting System allows you to vote your proxy SECURELY at your convenience.

Please enter your 11 digit control number: [            ]    [CLICK TO SUBMIT]

NCR Corporation

Meeting to be held on 04/27/2000 for shareholders of record as of 2/14/2000.

Proxy Voting Instructions:

Your Internet vote is subject to the same terms and conditions as indicated on your proxy card and authorizes the named proxies to vote according to your instructions at the annual meeting.

Please select one of the following options:

Vote all proposals in accordance with the Board of Directors' recommendations

Vote each proposal individually

[SUBMIT]

Please vote on each proposal by clicking on the box that indicates your vote for the proposal. When you have finished, click on the submit button. You may also vote for or withhold from all directors at one time by clicking the For All or Withhold From All button respectively.

For All             Withhold From All

Election of Directors

Ballot

Lars Nyberg (Class A nominee)             For             Withhold

David R. Holmes (Class A nominee)             For             Withhold

James O. Robbins (Class A nominee)             For             Withhold

David Bohnett (Class B nominee)             For             Withhold

Proposal

Ballot

2. Approval of the appointment of             For             Against  
PricewaterhouseCoopers LLP as the

Abstain

Company's independent accountants for 2000.

[\_\_] I will be attending the annual meeting

[VOTE NOW] [RESET]

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You voted for:

[Names of Directors]

[2. Approval of the appointment of PricewaterhouseCoopers LLP as the Company's independent accountants for 2000.]

Please click cancel to revise your vote.

[OK] [Cancel]

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Thank you for voting with American Stock Transfer & Trust Company's Internet Voting System.

We have recorded your vote for the meeting.

To receive confirmation please enter your email address below.

[enter email address]

To enroll in the NCR Corporation paperless annual report and proxy consent program, please [click here](#). You will need the account number and company number listed on your proxy card.