



## NCR Announces Intention to Separate into Two Independent Companies

January 8, 2007 at 7:31 AM EST

Transaction will create two market-leading companies, NCR and Teradata, each sharply focused on different businesses

DAYTON, Ohio--(BUSINESS WIRE)--Jan. 8, 2007--NCR Corporation (NYSE: NCR) today announced its intention to separate into two independent publicly traded companies through the spin off of 100 percent of the company's Teradata Data Warehousing business to holders of shares of NCR common stock.

The transaction, expected to be tax-free to NCR and its shareholders, will enable the two publicly traded companies, both leaders in their respective markets, to better focus on their distinct customer base, business strategy and operational needs.

Teradata, which had revenues of \$1.5 billion and operating income (excluding pension expense) of \$309 million (1) in 2005, is the leader in the enterprise data warehousing market. Teradata's award-winning solutions enable organizations worldwide to gain a single, integrated enterprise view of their business to enhance decision-making, customer relationships and profitability.

After the spin off, NCR will continue to provide market-leading self-service technologies, which include automated teller machines (ATMs), retail self-checkout systems, automated bill payment systems, and airline, hotel and hospital self-check-in/out kiosks. In addition, NCR will focus on its other businesses, which include retail point-of-sale technologies and customer-support services as well as business consumables and check-processing and imaging solutions. Combined, these businesses had revenues of \$4.5 billion and operating income (excluding pension expense) of \$251 million(1) in 2005.

Bill Nuti, president and chief executive officer (CEO) of NCR, said, "This separation is a logical strategic step for NCR. We believe it will benefit our customers, business partners, employees and shareholders. Teradata and the new NCR operate in different markets each with solid prospects for the future, but they have markedly different business models. Both new companies should benefit from sharper management focus on their unique business opportunities. Each new entity should be able to more effectively pursue their specific growth and research and development agendas, while designing employee incentive plans that are more directly aligned with their own performance and growth objectives. In addition, NCR investors should benefit from increased transparency and clarity, which will allow them to more appropriately value the merits, performance and future prospects of both companies."

NCR believes there are opportunities to expand earnings and cash flow following the Teradata separation by continuing to leverage its leadership position in the emerging self-service market, further enhancing operational excellence, and securing additional manufacturing cost reductions and supply-chain efficiencies. In addition, NCR expects to benefit from increased investment in its sales organization, which should further strengthen the company's competitive position, market share and brand as it pursues self-service opportunities in new industry and geographic segments.

Following the separation, Bill Nuti will serve as president and CEO of NCR, and Mike Koehler, currently senior vice president of the Teradata Division, will serve as president and CEO of Teradata. Additional information on management and Board composition will be communicated in the future.

Consummation of the proposed spin off is subject to certain conditions, including final approval by NCR's Board of Directors, receipt of a ruling from the Internal Revenue Service with respect to the spin off, the absence of any material changes or developments and the filing and effectiveness of registration statements with the Securities and Exchange Commission. Approval by NCR shareholders is not required.

The stock distribution ratio will be determined at a future date. The spin off is expected to be completed in six to nine months, subject to registration of the new security with the Securities and Exchange Commission and certain other customary conditions.

NCR has engaged JPMorgan as its financial advisor.

NCR will conduct a conference call today at 9:00 a.m. (ET) to discuss the proposed spin off of its Teradata Data Warehousing business. To participate in the conference call, dial (888) 677-5720 and enter passcode 3289068. Access to the conference call, as well as a replay of the call, is also available on NCR's Web site at <http://investor.ncr.com/>. Additionally, a replay of the conference call can be accessed approximately one hour after the conference call concludes by dialing (800) 568-3942 or (203) 369-3812.

The company is scheduled to provide its 2006 fourth-quarter and full-year results, as well as its guidance for 2007, on Jan. 25, 2007.

About NCR Corporation

NCR Corporation (NYSE: NCR) is a leading global technology company helping businesses build stronger relationships with their customers. NCR's Teradata(R) data warehouses, ATMs, retail systems, self-service solutions and IT services provide Relationship Technology(TM) that maximizes the value of customer interactions and helps organizations create a stronger competitive position. Based in Dayton, Ohio, NCR ([www.ncr.com](http://www.ncr.com)) employs approximately 29,300 people worldwide.

NCR and Teradata are trademarks or registered trademarks of NCR Corporation in the United States and other countries.

(1) NCR's management looks at the company's results excluding certain items 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. These non-GAAP measures should not be considered as substitutes for or superior to results determined in accordance with GAAP. The operating results discussed in this press release exclude the impact of pension expense. When evaluating the year-over-year performance of and making decisions regarding its operating results, NCR excludes the effect of pension expense/income. The following schedule reconciles total "Income from operations excluding pension expense/income" for the company's operating segments to "Total income from operations" for the company.

NCR Corporation			
Revenues and Operating Income (Loss) - by Business Segment			
(unaudited)			
(shown in millions)			
	2005	2004	% Change
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Revenue by segment			
Teradata			
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Data Warehousing solution	\$1,167	\$1,069	9%
Data Warehousing support services	313	292	7%
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Total Teradata Data Warehousing	\$1,480	\$1,361	9%
New-NCR			
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Financial Self Service	\$1,390	\$1,370	1%
Retail Store Automation	853	864	(1%)
Customer Services			
Customer Service Maintenance:			
Financial Self Service	607	576	5%
Retail Store Automation	464	462	-
Payment & Imaging and Other	128	127	1%
Third-Party Products and Exited Businesses	279	342	(18%)
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Total Customer Services Maintenance	1,478	1,507	(2%)
Services related to Third-Party Products	55	80	(31%)
Professional and installation-related services	292	326	(10%)
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Total Customer Services	1,825	1,913	(5%)
Systemedia	504	512	(2%)
Payment & Imaging and Other	165	173	(5%)
Elimination of installation-related services revenue included in both the Customer Services segment and other "New-NCR" business segments	(189)	(209)	(10%)
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Total "New-NCR"	\$4,548	\$4,623	(2%)
Total Revenue	\$6,028	\$5,984	1%
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Operating income (loss) by segment			
Teradata			
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Data Warehousing	\$309	\$223	

New-NCR		
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Financial Self Service	\$212	\$222
Retail Store Automation	31	26
Customer Services	50	(57)
Systemedia	-	8
Payment & Imaging and Other	16	10
Elimination of installation-related services operating income included in both the Customer Services segment and other "New- NCR" business segments	(58)	(64)
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Subtotal - "New-NCR" operating income	\$251	\$145
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Total - Segment operating income	560	368
Pension expense	(150)	(135)
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Total income from operations	\$410	\$233
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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: costs and uncertainties relating to the proposed separation of Teradata and NCR's other businesses, including those relating to the ability of each to operate as an independent entity; the uncertain economic climate and its impact on the markets in general or on the ability of NCR to meet its commitments to customers, the ability of NCR's suppliers to meet their commitments to NCR or the timing of purchases by NCR's customers; the timely development, production or acquisition and market acceptance of new and existing products and services; shifts in market demands; continued competitive factors and pricing pressures; short product cycles and rapidly changing technologies; turnover of workforce and the ability to attract and retain skilled employees; tax rates; ability to execute the company's business plan; general economic and business conditions; and other factors detailed from time to time in the company'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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SOURCE: NCR Corporation