

NCR INVESTOR DAY



New York City

November 7, 2018

NOTES TO INVESTORS

FORWARD-LOOKING STATEMENTS. Comments made during this presentation and in these materials contain forward-looking statements. Statements that describe or relate to NCR's plans, goals, intentions, strategies, or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. The forward-looking statements in these materials include statements about NCR's full year 2018 financial guidance and the expected type and magnitude of the non-operational adjustments included in any forward-looking non-GAAP measures; NCR's expected areas of focus to drive growth and create long-term shareholder value; NCR's leadership team and organization; NCR's addressable markets; NCR's spend optimization program, including a focus on Selling, General and Administrative Expenses (SG&A) and operating expense, and its expected benefits in 2019; NCR's strategic growth platforms; NCR's Mission One (M1) Services initiative and its expected benefits on NCR's services revenue and gross margin profile; expectations regarding NCR's revenue mix shifting to software and services; NCR's expectations regarding hardware revenue, and ATM orders, ATM production rates and ATM revenue, including attached software and services revenue; NCR's merger and acquisition strategy, and completed and targeted mergers and acquisitions and their expected benefits; expectations for accelerating recurring revenue and predictability; NCR's expected free cash flow generation and capital allocation strategy; and NCR's cloud revenue momentum. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors listed in Item 1a "Risk Factors" of NCR's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on February 26, 2018, and those factors detailed from time to time in NCR's other SEC reports. These materials are dated November 7, 2018, and NCR does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

NON-GAAP MEASURES. While NCR reports its results in accordance with generally accepted accounting principles in the United States (GAAP), comments made during this conference call and in these materials will include or make reference to certain "non-GAAP" measures, including: selected measures, such as non-GAAP diluted earnings per share and free cash flow. These measures are included to provide additional useful information regarding NCR's financial results, and are not a substitute for their comparable GAAP measures. Explanations of these non-GAAP measures, and reconciliations of these non-GAAP measures to their directly comparable GAAP measures, are included in the accompanying "Supplementary Materials" and are available on the Investor Relations page of NCR's website at www.ncr.com. Descriptions of these non-GAAP measures is also included in NCR's SEC reports.

USE OF CERTAIN TERMS. As used in these materials, the term "recurring revenue" means the sum of cloud, hardware maintenance and software maintenance revenue. All statements of available market size and growth presented in these material were prepared by NCR based on its own research, estimates, and analysis.

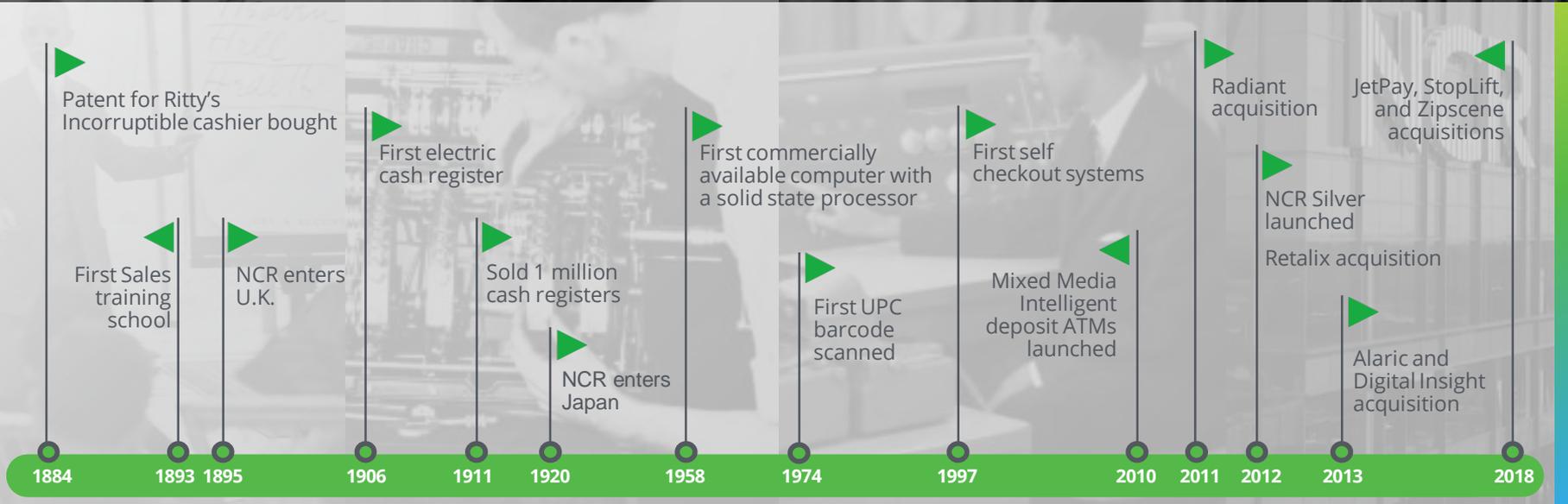
These presentation materials and the associated remarks made during this conference call are integrally related and are intended to be presented and understood together.



AGENDA

- **INTRODUCTION AND WELCOME**
Michael Nelson, VP Investor Relations
- **NCR OVERVIEW AND STRATEGY**
Mike Hayford, President and CEO
- **OPERATIONALIZING THE STRATEGY**
Owen Sullivan, Chief Operating Officer
- **NCR FINANCIAL OVERVIEW**
Andre Fernandez, Chief Financial Officer
- **Q&A**
NCR Leadership Team
- **DEMONSTRATIONS OF STRATEGIC GROWTH PLATFORMS**

134 YEARS OF INNOVATION



ENABLING THE WORLD'S LARGEST BRANDS



STARBUCKS

WELLS FARGO



meijer



macy's



AT&T

Sainsbury's



Bank of America



JPMorgan Chase



LUKOIL



Normbenz

BARCLAYS



TESCO

SHAKE SHACK

QuikTrip

Santander



ABOUT NCR

\$6.4B

Trailing 12
month revenue

\$984M

Trailing 12 month
EBITDA



1,270

PATENTS HELD
BY NCR

20,000+

SERVICE
PROFESSIONALS
in 90 countries
around the world



34,000

PROFESSIONALS



7th

MOST REPUTABLE
BRAND IN
TECHNOLOGY



18M

DIGITAL BANKING
USERS



TOP 100

TECHNOLOGY
INNOVATORS

75,000

SITES USING
Aloha Platform

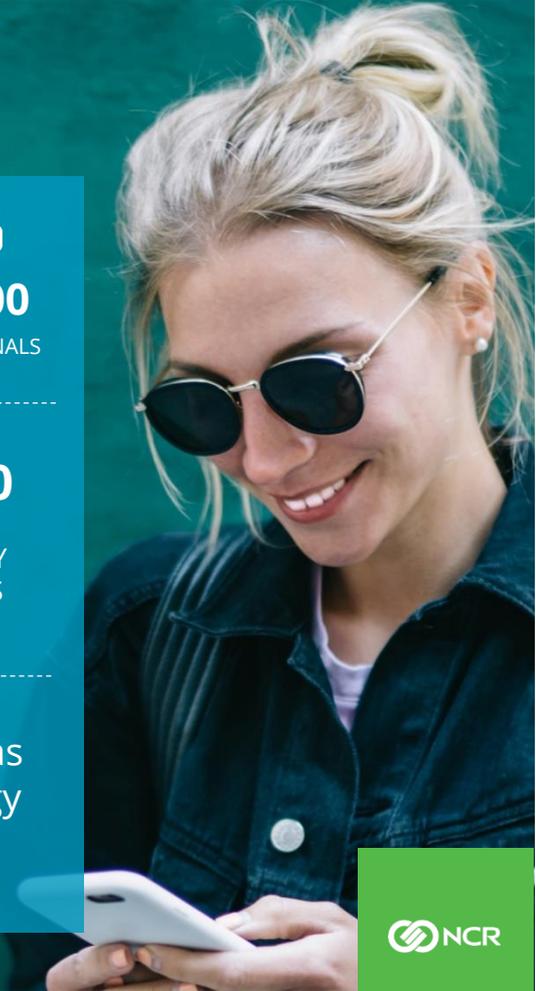


8M

SERVICE
REQUESTS
REMOVED
RESOLVED



134 years as
a technology
innovator



WE LEAD ACROSS THE INDUSTRIES WE SERVE

FINANCIAL



#1

PROVIDER OF MULTI-VENDOR
ATM SOFTWARE

ATM FAMILY (SelfServ)

RETAIL



#1

GLOBAL MARKET SHARE LEADER
IN RETAIL SELF-CHECKOUT
INSTALLED BASE

MARKET LEADER IN
ENTERPRISE POINT OF SALE
SOFTWARE FOR GROCERY,
DRUG AND CONVENIENCE
STORE SEGMENT

HOSPITALITY



#1

IN POINT OF SALE
SOFTWARE RESTAURANTS
GLOBALLY

NCR VISION

To be the leading software and services-led enterprise provider in the vertical industries we serve.

FINANCIAL



RETAIL



HOSPITALITY



STRATEGIC THESIS

NCR Shareholder Value Creation will be driven by:



**Top-Line
Revenue Growth**



**Mix shift
to Software
& Services**



**Spend
Optimization**

CREATING SHAREHOLDER VALUE



TODAY:

Stabilize Growth

BUILD THE TEAM

**SIMPLIFY TO
DRIVE EXECUTION**

**STARTS WITH THE
CUSTOMER**

NEAR-TERM:

Drive 1-3% Growth

SHIFT THE MIX

**STRATEGIC GROWTH
PLATFORMS**

**COMPLEMENTARY
ACQUISITIONS/
PARTNERSHIPS**

FUTURE

Drive 3-5% Growth

**EXECUTE ON
STRATEGIC
GROWTH
PLATFORMS**

BUILD THE TEAM



Mike Hayford
CEO



Andre J. Fernandez,
EVP and Chief
Financial Officer



Debra Bronder
SVP, Chief HR Officer



Jim Bedore
EVP, General Counsel &
Corporate Secretary



Owen Sullivan
EVP, Chief Operating Officer

NCR BANKING GROUP



Frank D'Angelo
EVP and President,
NCR Banking Group

BUSINESS UNITS

NCR COMMERCE GROUP



Paul Langenbahn
EVP and President,
NCR Commerce Group

SHARED SERVICES

GLOBAL SALES



Dan Campbell
EVP, Global Sales

GLOBAL SERVICES



Bob Ciminera
EVP, Global Services

PROFESSIONAL SERVICES



Mithu Bhargava
SVP, Professional Services

CORPORATE MARKETING



Marija Zivanovic-Smith
SVP, Corporate Marketing
& Communications

HARDWARE AND MANUFACTURING



Adrian Button
SVP, Hardware Product
Operations

PRODUCT MANAGEMENT



Dirk Izzo
SVP, Product
Management

SW ENGINEERING & INNOVATION



Tim Vanderham
SVP, Chief Technology Officer

INFORMATION TECHNOLOGY



Bill VanCuren
SVP, Chief Information
Officer

ORGANIZED FOR CUSTOMER SUCCESS



GLOBAL CUSTOMERS



NCR BANKING GROUP

Digital Banking | Branch | ATM



NCR COMMERCE GROUP

Retail | Hospitality | SMB | JetPay

SHARED SERVICES

Sales

Product Management
& Marketing

Hardware Delivery

Services Delivery

Software Delivery /
Professional Services

Leveraged
Infrastructure

PAYMENTS | DATA | DIGITAL CONNECTED SERVICES

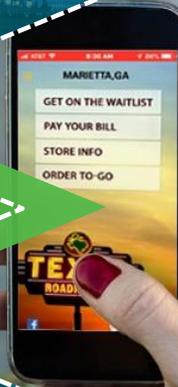
NCR STRATEGY

NCR IS WELL POSITIONED TO HELP OUR CUSTOMERS COMPETE IN THE EVOLVING DIGITAL WORLD

PHYSICAL PRESENCE



DIGITAL WORLD



STRATEGIC GROWTH PLATFORMS



• Digital First
Banking



• Digital First
Restaurant



• Digital First
Retail



• Digital
Connected
Services



• Digital
Convenience
and Fuel



• Digital Small
Business
Essentials

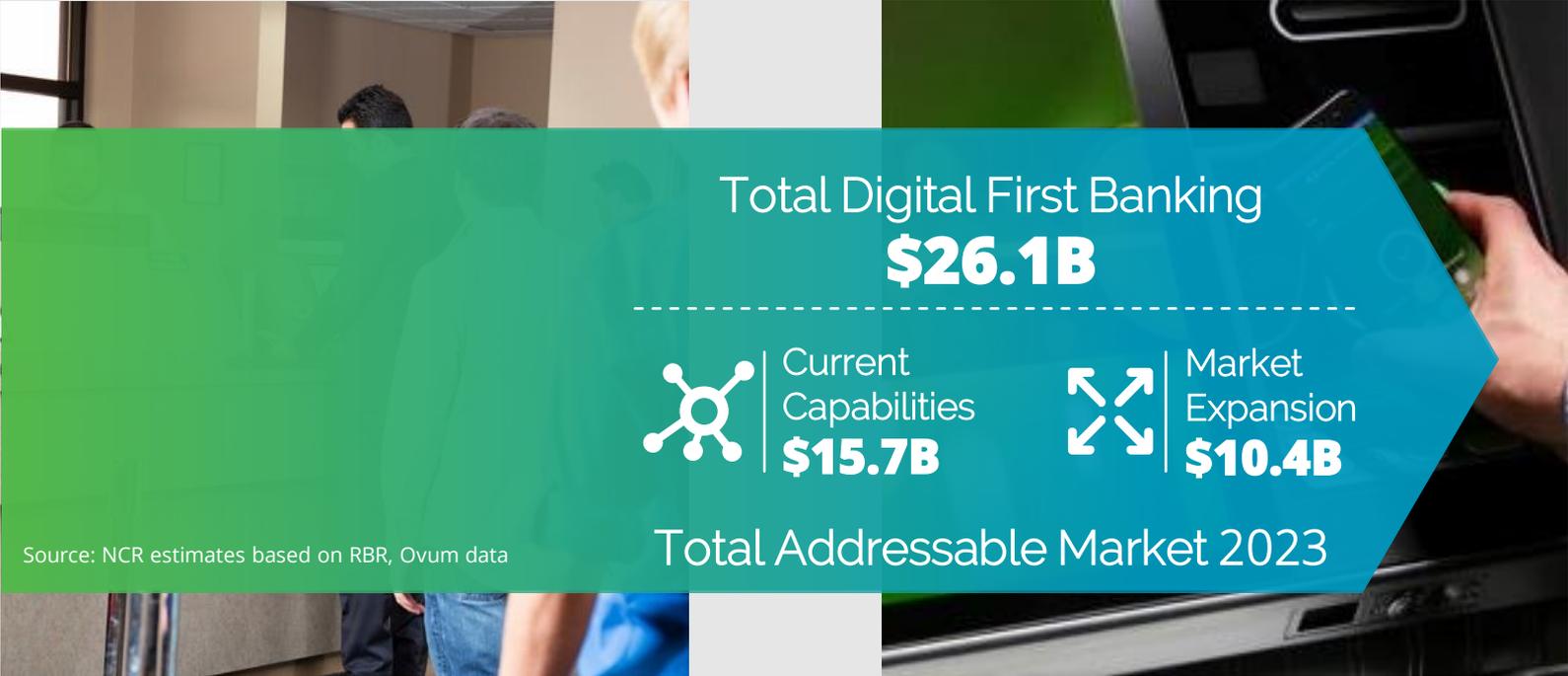
DIGITAL FIRST BANKING

Enabling the transformation of retail banking



DIGITAL FIRST BANKING

Enabling the transformation of retail banking



DIGITAL FIRST BANKING

ATM – Transaction zone for digital



DIGITAL FIRST RESTAURANT

#1 Provider of Enterprise Restaurant Systems in North America



**Enterprise software solutions
that run the Restaurant**

Integrated Payments

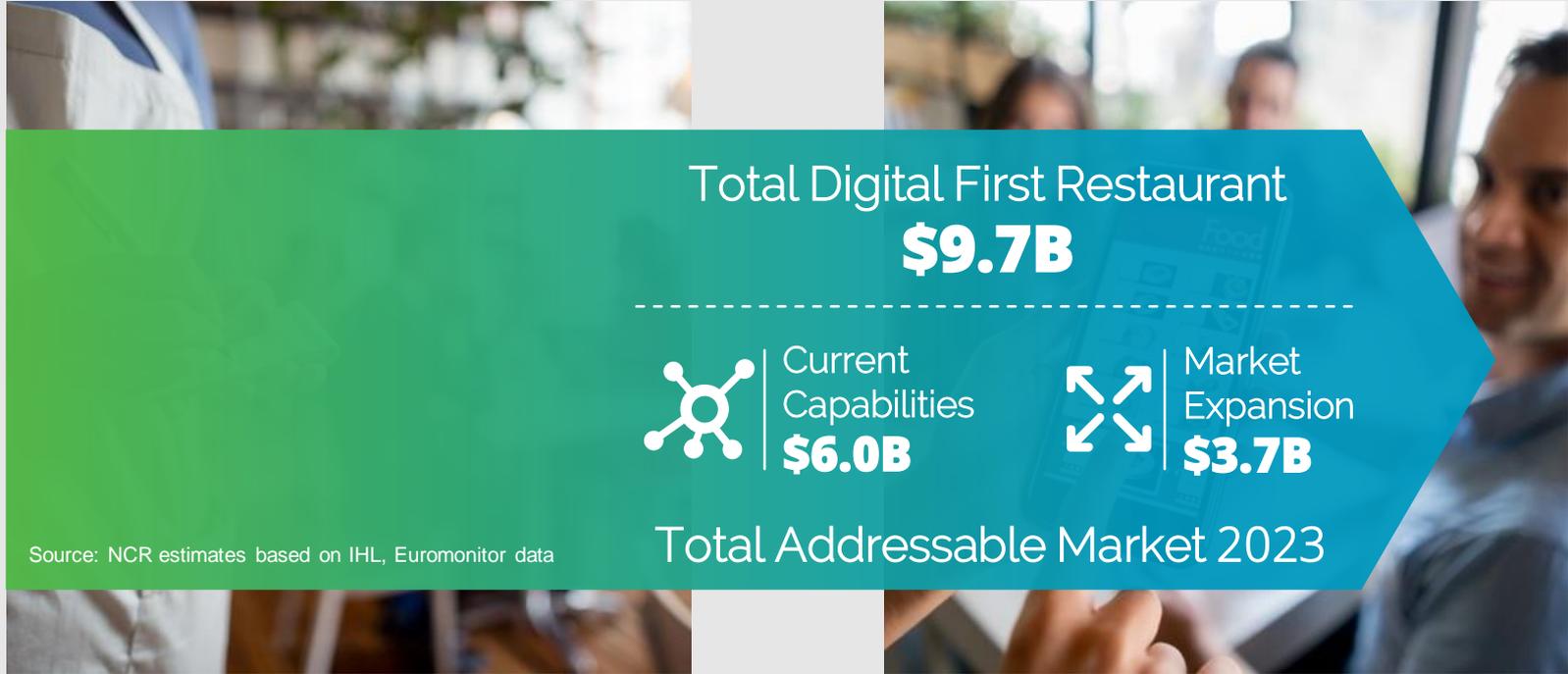
Mobile Ordering and Delivery

Digital Connected Services



DIGITAL FIRST RESTAURANT

#1 Provider of Enterprise Restaurant Systems in North America



Source: NCR estimates based on IHL, Euromonitor data



DIGITAL FIRST RETAIL

#1 global provider of enterprise software for retail stores



**Enterprise software solutions
that run the retail store**

Integrated Payments

Self-Checkout with Fraud Protection

Digital Connected Services



DIGITAL FIRST RETAIL

#1 global provider of enterprise software for retail stores



Total Digital First Retail

\$22.2B



Current Capabilities
\$17.2B



Market Expansion
\$5.0B

Source: NCR estimates based on IHL, Euromonitor data

Total Addressable Market 2023



DIGITAL CONNECTED SERVICES

Wall-to-wall multivendor service support



Managed Services

Break/Fix Services

Multi-Vendor Maintenance

IoT-enabled Services



DIGITAL CONNECTED SERVICES

Wall-to-wall multivendor service support



Total Digital Connected Business
\$27.5B

 Current Capabilities
\$20.7B

 Market Expansion
\$6.8B

Total Addressable Market 2023

Source: NCR estimates based on IDC, IHL, Gartner, HDI data

DIGITAL FIRST CONVENIENCE AND FUEL

#1 Provider in North America of Enterprise Solutions that run the Store, Pump and Kitchen



Enterprise software solutions that run convenience store, pump and food service



Integrated Payments

Consumer Self-ordering and Self-checkout

1:1 marketing at the pump and in the store

DIGITAL FIRST CONVENIENCE AND FUEL

#1 Provider in North America of Enterprise Solutions that run the Store, Pump and Kitchen



Total Digital First Convenience & Fuel
\$3.4B



Current Capabilities
\$1.8B



Market Expansion
\$1.6B

Total Addressable Market 2023

Source: NCR estimates based on IHL, Euromonitor, Gartner data



DIGITAL SMALL BUSINESS ESSENTIALS

Turnkey software that runs the small business



Cloud based Point of Sale

Inventory Management

Human Capital Management

Integrated Payments



DIGITAL SMALL BUSINESS ESSENTIALS

Turnkey software that runs the small business

6



Total Digital Small Business

\$7.0B



Current
Capabilities

\$2.9B



Market
Expansion

\$4.1B

Source: NCR estimates based on Square Public Filings,
World Bank, IHL data

Total Addressable Market 2023

The background of the slide features a blurred office scene with several people in a meeting. A man in the foreground is wearing glasses and a denim shirt, holding a pen. Other people are visible in the background, some looking towards the camera and others looking away.

M&A STRATEGY

M&A STRATEGY OVERVIEW

Targeted M&A to enhance our solution offerings

TARGET PROFILE



- Tuck in acquisitions that utilize the NCR brand & distribution to accelerate growth
 - Companies in existing markets
 - Upsell or cross sell to NCR customers
- Focus on recurring revenue streams in software and services

DEAL FLOW



- 4 to 6 deals per year
- Product-focused, up-sell, cross-sell
- Up to \$500M per year
- Dedicated integration and execution team

DEAL PROFILE



- Enterprise Value ~\$100M on average
- Accretive to earnings in 12 to 24 months
- ROIC 13-15%

JETPAY ACQUISITION

- Integrated payments to enterprise point of sale systems
- Full end-to-end merchant acquiring services
- Accelerates NCR's strategy of increasing recurring revenue and expanding margins

NCR IS IN PAYMENTS

Payments Value Chain



NCR IS IN PAYMENTS

Payments Value Chain



STOPLIFT ACQUISITION

- AI and computer vision anti-fraud solution for consumer self-service
- Accelerate growth in self-checkout and store transformation
- Cloud-based/SaaS revenue stream
- Key enabler of frictionless commerce strategy



ZIPSCENE ACQUISITION

- Aggregates data from restaurant customers
- Enriching data with insights that provide marketing decisions back to restaurant
- Enables NCR to begin monetizing the wealth of data we collect

INVESTMENT HIGHLIGHTS



Strong Brand
Equity



Global
Customer
Base



Simplified
Business
Model



Focus on
Growth &
Mix Shift

AGENDA

- **INTRODUCTION AND WELCOME**
Michael Nelson, VP Investor Relations

- **NCR OVERVIEW AND STRATEGY**
Mike Hayford, President and CEO

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- **OPERATIONALIZING THE STRATEGY**
Owen Sullivan, Chief Operating Officer

- **NCR FINANCIAL OVERVIEW**
Andre Fernandez, Chief Financial Officer

- **Q&A**
NCR Leadership Team

- **DEMONSTRATIONS OF STRATEGIC GROWTH PLATFORMS**

A FRESH PERSPECTIVE

CUSTOMER
FOCUS



DELIVERY &
EXECUTION



ACCOUNTABILITY



New Structure Aligns Decisions to
Customer Needs and **Strategic Growth**

ORGANIZED FOR CUSTOMER SUCCESS



GLOBAL CUSTOMERS



NCR BANKING GROUP

Digital Banking | Branch | ATM



NCR COMMERCE GROUP

Retail | Hospitality | SMB | JetPay

SHARED SERVICES

Sales

Product Management
& Marketing

Hardware Delivery

Services Delivery

Software Delivery /
Professional Services

Leveraged
Infrastructure

PAYMENTS | DATA | DIGITAL CONNECTED SERVICES

CRITICAL IMPERATIVES



**MANUFACTURING
& SUPPLY CHAIN
TRANSFORMATION**



**SERVICES
SUCCESS**

Global Customer Services | Platform for Growth

Mission One Initiatives Driving Growth, Margin Expansion & Customer Satisfaction



Global Growth While Improving Customer Performance Metrics

The Foundation for Sustainable Long Term Success

CRITICAL IMPERATIVES



**MANUFACTURING
& SUPPLY CHAIN
TRANSFORMATION**



**SERVICES
SUCCESS**



**DELIVERING
PRODUCTS &
SOLUTIONS**



**GO TO
MARKET
EXCELLENCE**



**STRATEGIC
PARTNERSHIPS**

RATIONAL DECISIONS TIED TO MARKET OPPORTUNITIES

1



SPEND
OPTIMIZATION

2



INVESTING IN
THE FUTURE

STRATEGIC GROWTH PLATFORMS

CRITICAL IMPERATIVES

**CUSTOMER
FOCUS**



**DELIVERY &
EXECUTION**



ACCOUNTABILITY



**MANUFACTURING
& SUPPLY CHAIN
TRANSFORMATION**



**SERVICES
SUCCESS**



**DELIVERING
PRODUCTS &
SOLUTIONS**



**GO TO
MARKET
EXCELLENCE**



**STRATEGIC
PARTNERSHIPS**

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2018 OUTLOOK



REVENUE

**\$6.3B -
\$6.5B**

NON-GAAP GROSS
MARGIN

**28% -
28.5%**

2018 HIGHLIGHTS

JetPay Acquisition

\$184M

NON-GAAP
DILUTED EPS

**\$2.55 -
\$2.75**

FREE CASH FLOW

**\$250M
- \$300M**

6-7%

Cloud
Revenue
Growth

**100-
150 bps**

Services
Margin
Expansion

5-7%

ATM Order
Growth Est.

~10%

Total
Backlog
Growth Est.

STRATEGIC USES OF CASH

JetPay[®]



STOPLIFT
CHECKOUT VISION SYSTEMS



SHARE REPURCHASE
\$210M as of
11/6/2018

BALANCING THE CORE BUSINESS & INVESTING IN THE FUTURE

1



SPEND
OPTIMIZATION

2

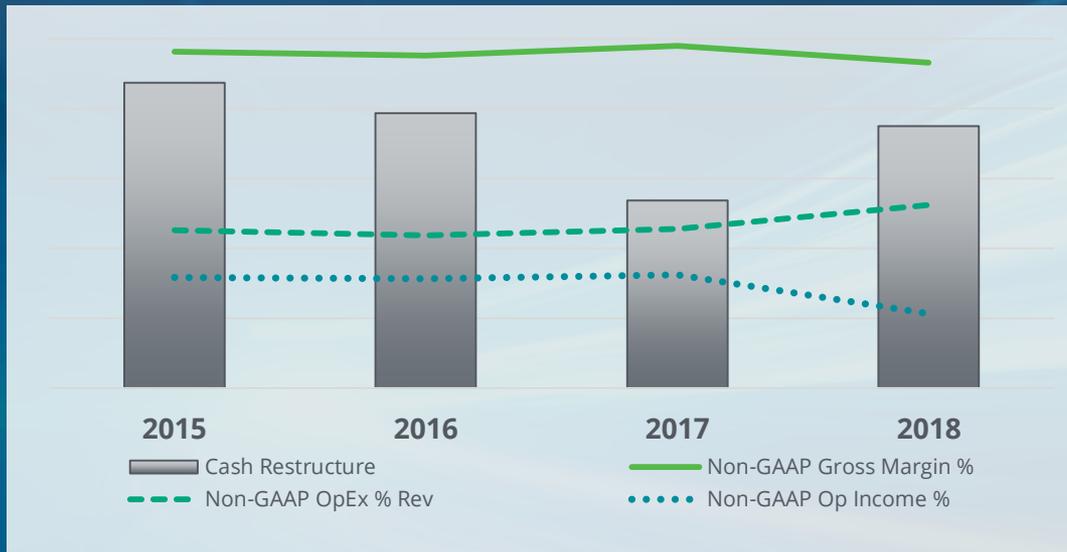


INVESTING IN
THE FUTURE

STRATEGIC GROWTH PLATFORMS

MARGIN EROSION AND COST CREEP HAVE NEGATIVELY IMPACTED PROFITABILITY

Current



Observations

- Gross Margin % down and Opex up
- Over \$200m of cash restructuring: 2015 – 2018
- Capex not driving margin improvement
- No Operating Income Growth

PRODUCTIVITY FOCUS AREAS

1. "Mission One"

- Service performance and productivity initiatives
- Remote diagnostics, dispatch reduction, parts supply chain management
- Driving revenue and GM expansion

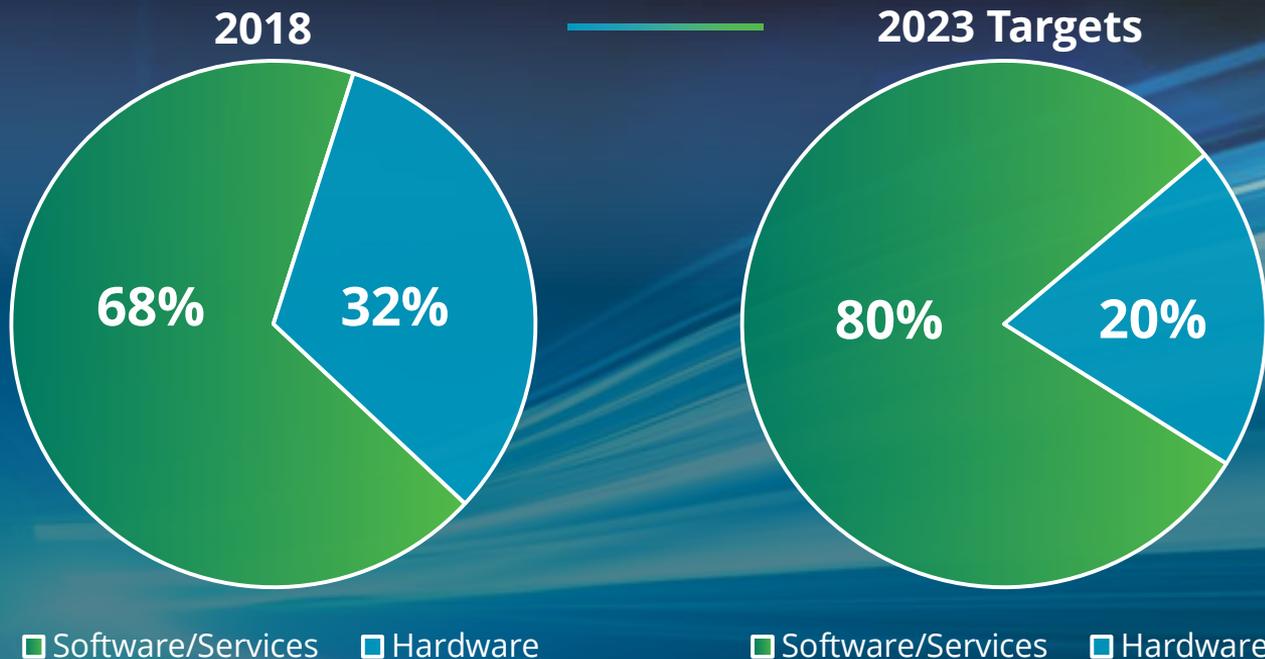
2. Hardware Network

- Plant rationalization and contract manufacturing
- Closing three facilities and outsourcing key functions
- Higher utilization rates and more variable cost structure

3. SG&A / Opex

- Announced on Oct. 30 2018 Earnings Call
- Reduce SG&A and discretionary spend
- Generate at least \$100M of savings in 2019

REVENUE MIX SHIFTING TO SOFTWARE AND SERVICES



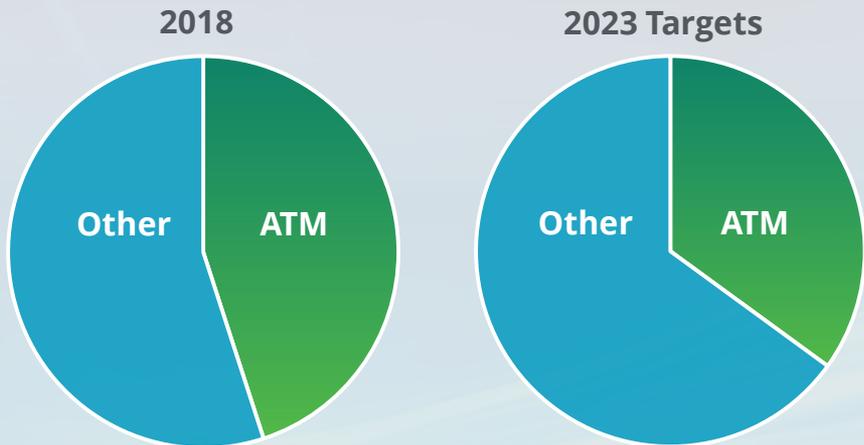
48% Recurring Revenue*

60-70% Recurring Revenue*

*NCR's definition of recurring revenue includes maintenance and cloud revenue.

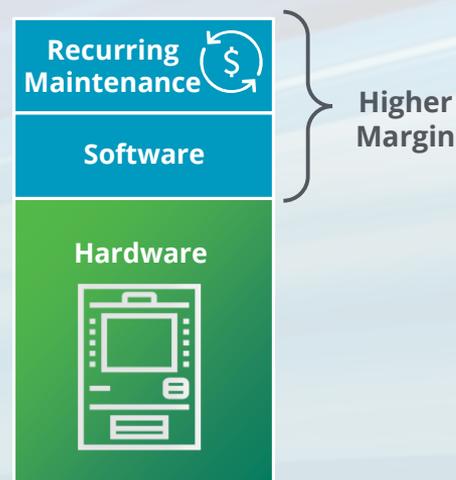
ATM FINANCIALS

Revenue



- ATM business revenues are projected to be roughly flat over next 5 years.
- Other business revenues are projected to grow at a higher rate.

ATM Economics



ATM business is profitable and drives recurring higher margin Software and Services maintenance revenue

FINANCIAL POLICY



**Maintain
strong liquidity**



**Disciplined
approach to
M&A & Capex**



**Balanced
allocation of
capital with
appropriate
leverage**



**Drive free
cash flow**



**Shareholder
return and
reinvestment in
the business**

DEBT & MATURITIES PROFILE

(\$ millions)

■ Pension Contributions

■ 5.000% Notes

■ 4.625% Notes

■ 5.875% Notes

■ 6.375% Notes

■ Term Loan A



Additional outstanding borrowings as of 9/30: AR Securitization \$175, Revolver \$0

*\$1.1B revolver matures in 2021

**As of 9/30/2018

***Earliest potential put option for preferred shares per Investment Agreement.

- Weighted average interest rate on NCR's \$3.1 billion of debt is 5.1%**
- 70% of NCR's debt carries a fixed interest rate and 30% is floating (LIBOR)**

TARGET OPERATING MODEL

Three to five years out



Sustained revenue growth of 3-5% with new mix



Sustained low double digit eps growth



Expanded shareholder value through increased multiple

CONCLUSION

Mike Hayford
CEO

INVESTMENT HIGHLIGHTS



Strong Brand
Equity



Global
Customer
Base



Simplified
Business
Model



Focus on
Growth &
Mix Shift

AGENDA

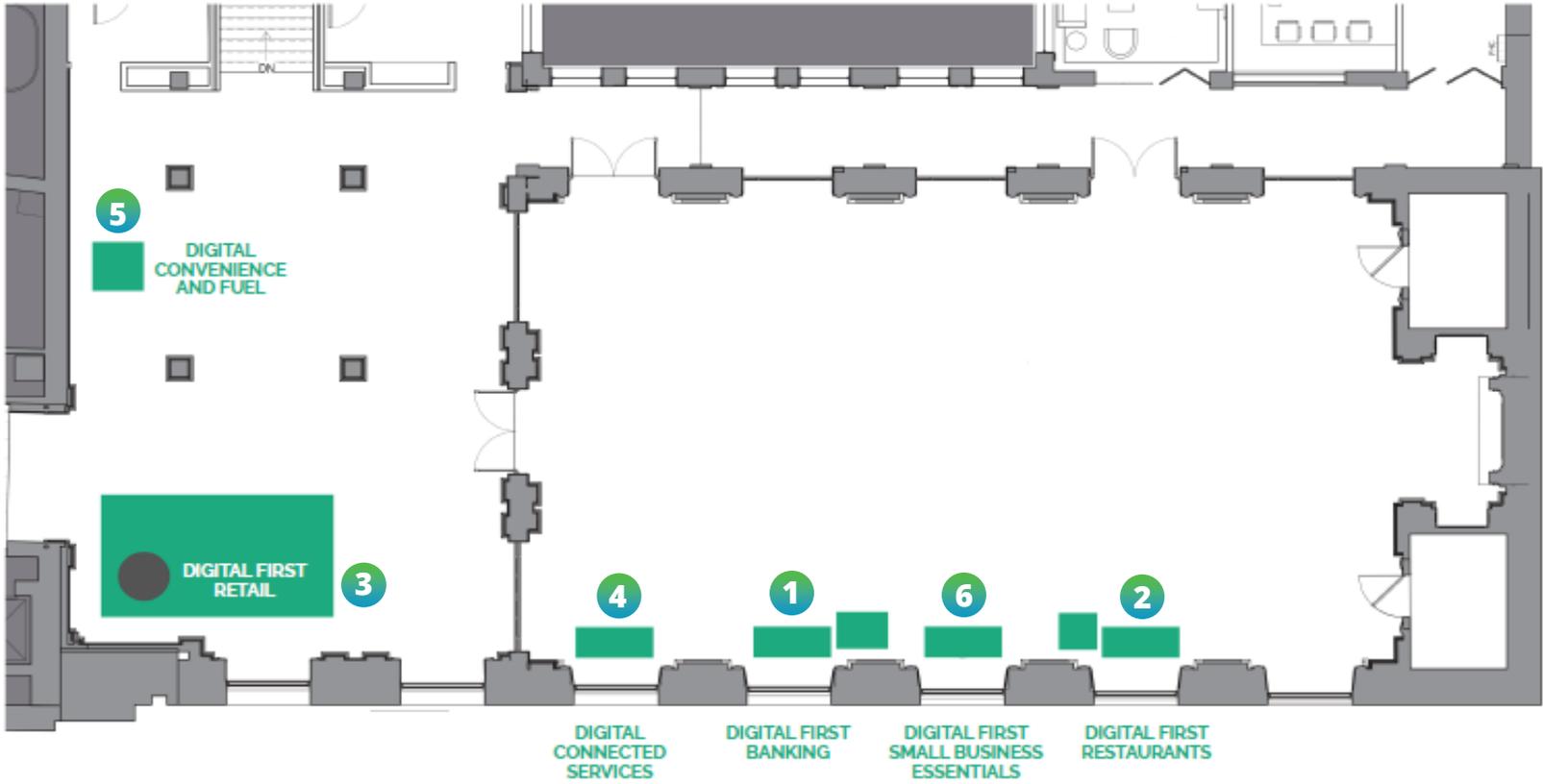
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- **Q&A**
NCR Leadership Team
- **DEMONSTRATIONS OF STRATEGIC GROWTH PLATFORMS**

NCR INVESTOR DAY 2018

New York Stock Exchange – Freedom Hall



NCR INVESTOR DAY

THANK YOU

SUPPLEMENTARY MATERIALS



NON-GAAP MEASURES

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NON-GAAP DILUTED EPS

NCR's Non-GAAP diluted earnings per share is determined by excluding pension mark-to-market adjustments, pension settlements, pension curtailments and pension special termination benefits and other special items, including amortization of acquisition-related intangibles, from NCR's GAAP earnings per share. Due to the non-operational nature of these pension and other special items, NCR's management uses this non-GAAP measure to evaluate year-over-year operating performance. NCR also uses this measure to manage and determine the effectiveness of its business managers and as a basis for incentive compensation. NCR believes this measure is useful for investors because it provides a more complete understanding of NCR's underlying operational performance, as well as consistency and comparability with NCR's past reports of financial results.

FREE CASH FLOW

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



GAAP TO NON-GAAP RECONCILIATION

DILUTED EPS TO NON-GAAP DILUTED EPS

	2018 FY Guidance
Diluted EPS ⁽¹⁾	\$0.10 - \$0.68
Transformation and Restructuring Costs	\$0.75 - \$1.00
Asset Impairment Charges	\$1.16
Impact of US Tax Reform	(\$0.27)
Acquisition-Related Amortization of Intangibles	\$0.42
Acquisition-Related Costs	\$0.05
Non-GAAP Diluted EPS ^{(1) (2)}	\$2.55 - \$2.75

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

(2) Except for the adjustments noted herein, this guidance does not include the effects of any future acquisitions/divestitures, pension mark-to-market adjustments, taxes or other events, which are difficult to predict and which may or may not be significant.

GAAP TO NON-GAAP RECONCILIATION

FREE CASH FLOW

	2018 FY Guidance
Cash Provided by Operating Activities	\$640 - \$670
Total Capital Expenditures	(330) - (350)
Cash Used in Discontinued Operations	40
Free Cash Flow	\$250 - \$300

\$ in millions