Q3 2014 EARNINGS CONFERENCE CALL

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BOB FISHMAN, CFO

October 23, 2014

NOTES TO INVESTORS

FORWARD-LOOKING STATEMENTS. Comments made during this conference call and in these materials contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that describe or relate to NCR's future 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 the anticipated growth of NCR's revenue, software-related revenue (and the components thereof) and operational gross margins; the anticipated effects of the recent rulings in the Fox River appeals, including with respect to cash flow and related reserves; the expected benefits of NCR's recently announced voluntary lump sum offer to retirees under its U.S. pension plan; the future growth and transformation of NCR and its lines of business; NCR's 2014 financial outlook; and the costs and expected benefits and results of NCR's recently announced restructuring plan. Forward-looking statements are based on our current beliefs, expectations and assumptions, which may not prove to be accurate, and involve a number of known and unknown risks and uncertainties, many of which are out of NCR's control. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors listed in Item 1a "Risk Factors" of NCR's Annual Report on Form 10-K and those factors detailed from time to time in NCR's other SEC reports. These materials are dated October 23, 2014, 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 these materials will include the following "non-GAAP" measures: non-pension operating income (NPOI), non-GAAP diluted earnings per share (non-GAAP diluted EPS), free cash flow (FCF), adjusted free cash flow (adjusted FCF), operational gross margin, operational gross margin rate, expenses (non-GAAP), adjusted EBITDA, effective tax rate, non-GAAP net income and constant currency. 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 Non-GAAP Materials" and are available on the Investor Relations page of NCR's website at *www.ncr.com*. Descriptions of many of these non-GAAP measures are also included in NCR's SEC reports.

USE OF CERTAIN TERMS. As used in these materials, the term "software-related revenue" includes software license, software maintenance, software as a service (SaaS) and professional services revenue associated with software delivery, and the term "recurring revenue" means the sum of SaaS, hardware maintenance and software maintenance revenue. Investors are cautioned that in NCR's prior earnings releases and presentation materials, NCR used the term "software revenue," which does not include professional services revenue associated with software delivery. Therefore software revenue in such releases and presentation materials will not be directly comparable to software-related revenue in these materials.

RETAIL SOLUTIONS

Q3 2014 Update

Financial Highlights

Revenue

$489M -1% y/y

Operating Income

$24M -52% y/y

Operating Margin

4.9% -520 bps

Performance Highlights

- Orders down 27% driven by challenges primarily in North America with additional weakness in Europe
- Backlog up 9% but further delays in solution rollouts
- Q3 revenue and operating margin down due to continued weakness in the North America market and lower software license revenue
- Software-related revenue up 1%; SaaS revenue flat

Key Developments

- Challenging retail market impacting results
  - Weak same store sales comparisons and financial results
  - Data security concerns shifting IT priorities, resources & capital spending
  - Ongoing retail consolidation among customer base
- Announced Michael Bayer as new SVP & President
- Maintained strong market position in North America and globally
- Continued demand for Retalix solutions as reflected by Retalix order growth
- Enabling integration of consumer mobile payment applications through point-of-sale and mobile commerce channels

Q3 2014 FINANCIAL HIGHLIGHTS

REVENUE

Q3 2013	Q3 2014
$1.51 billion	$1.65 billion

Up 9% y/y / Up 10% constant currency
Recurring revenue up 18%, 41% of total

OPERATIONAL GROSS MARGIN

Q3 2013	Q3 2014
28.6%	28.9%

Up 30 bps y/y

NPOI

Q3 2013	Q3 2014
$185 million	$204 million

Up 10% y/y; lower than expected
Q3 NPOI margin[(1)] of 12.4%

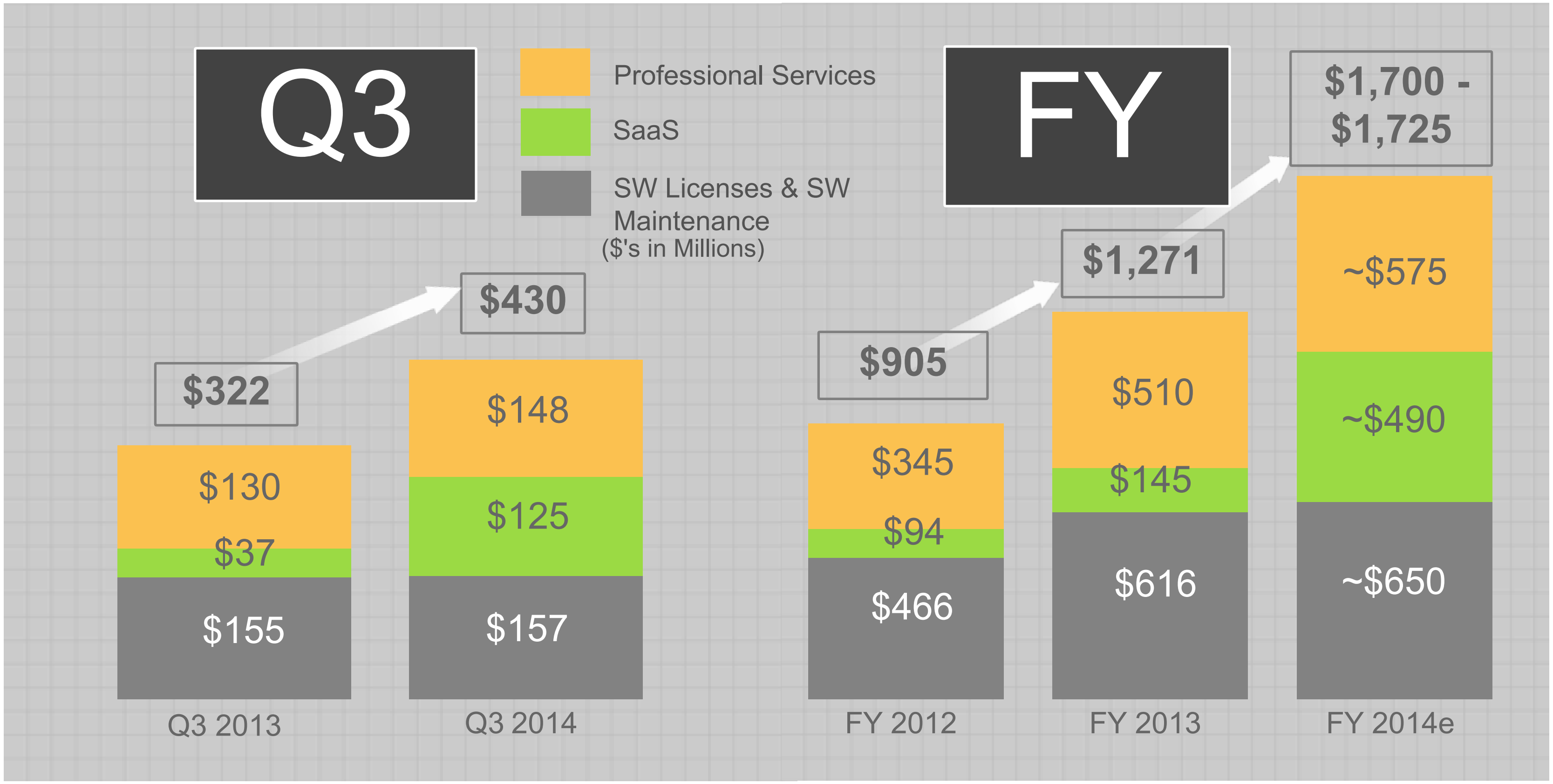
FREE CASH FLOW

Q3 2013	Q3 2014
($66) million	$132 million

Excluding $93 million recoveries from the Fox River environmental-related matter, FCF up $105M

(1) NPOI as a percentage of revenue.

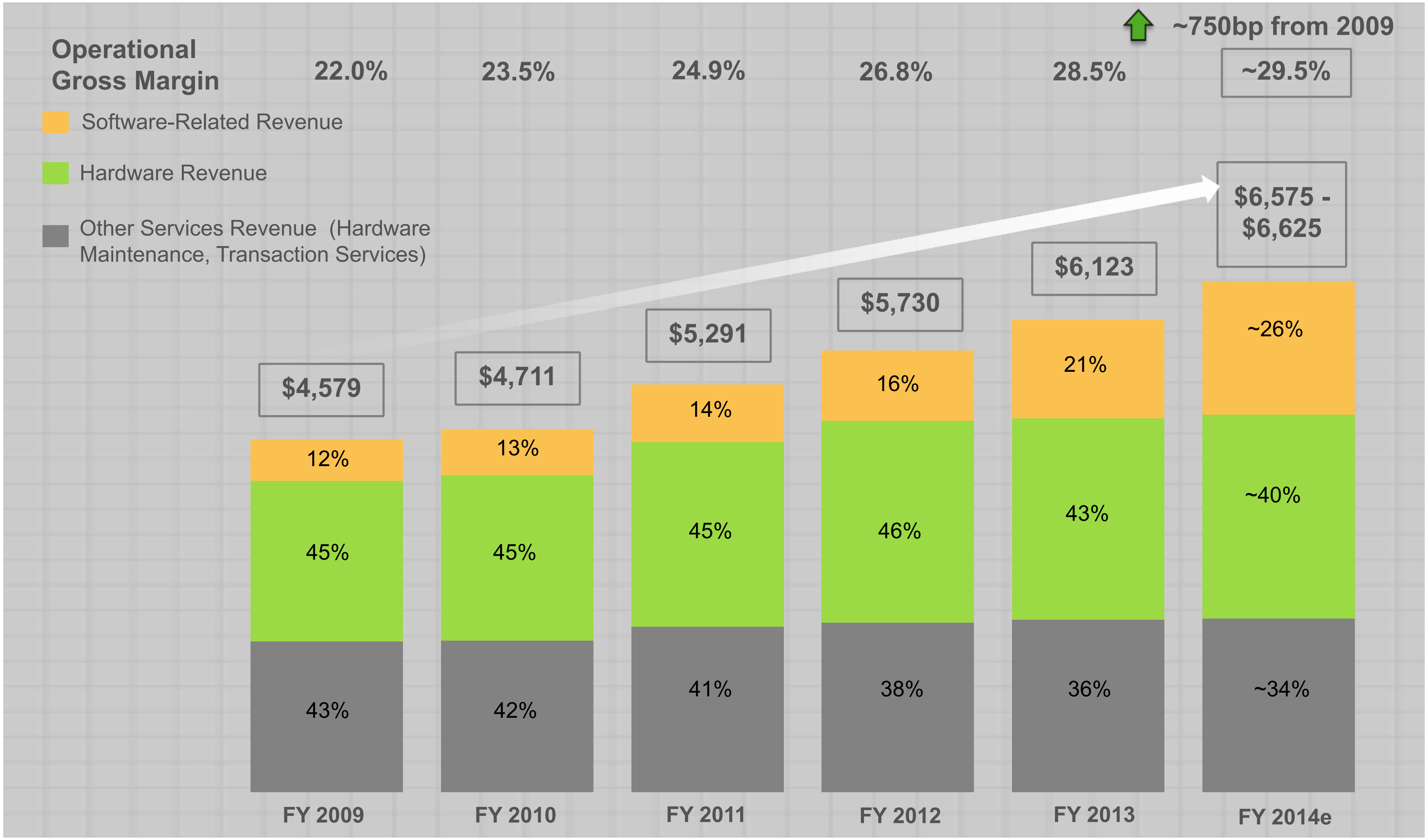
SOFTWARE-RELATED REVENUE GROWTH



- Q3 Software-related revenue up 34% y/y; up 7% excluding Digital Insight
- Q3 Professional Services revenue up 14% y/y
- Q3 SaaS revenue up 238% y/y; up 11% excluding Digital Insight

- FY2014 target lowered to $1,700 - $1,725 from $1,775 - $1,825
- 2014 growth now expected to be ~34-36%; up ~8-10% y/y excluding Digital Insight

SOFTWARE-RELATED REVENUE POSITIVELY IMPACTING MARGINS



($ in Millions)

FURTHER EXECUTION AGAINST LEGACY ISSUES

Significant progress on Fox River in September 2014
Favorable rulings reduce reserve and may improve cash flow
New funding agreement provides cash flow predictability

Seventh Circuit Favorable Rulings in Fox River Appeals

- Overturned decisions that held NCR 100% liable for certain Fox River cleanup costs
- Vacated cleanup injunction and declaratory judgment as to NCR
- Upheld ruling that NCR does not have “arranger liability” at the Fox River
- Cases will return to trial court for further proceedings
- NCR will pursue others for cleanup participation and costs; may have favorable impact on remediation cash flow
- Rulings and other items have favorable impact to Fox River reserve - reduced from $95M at Q2 2014 to $57M at Q3 2014

New Four-Party Funding Agreement regarding Fox River & Certain Future Sites

- Collected $93M against API Fox obligation, effectively ending API arbitration
- Secured funding from 3 parties, including API, Windward and BAT
- Four companies now working together to pursue claims against other parties to maximize recoveries

Pension Phase III Update: Executing NPV-positive pension transactions to add value & reduce risk for shareholders

U.S. Retiree Lump Sum Offer

- Offered ~20,000 U.S. retirees the opportunity to convert their annuity benefit to a lump-sum during Q3
- ~50% of the eligible retirees chose the lump-sum option
- Lump-sum of nearly $800M will be paid in Q4 from plan assets reducing enterprise risk by eliminating more than a quarter of NCR’s U.S. pension liability
- Action will be NPV positive as it materially reduces ongoing PBGC fixed premiums and plan recordkeeping costs

Q3 OPERATIONAL RESULTS

	For the three months ended September 30		
	2014	2013	% Change
Revenue	$1,647	$1,508	9 %[1] / 10%[2]
Operational Gross Margin	476	431	10 %
Operational Gross Margin Rate	28.9%	28.6%	
Expenses (non-GAAP)	272	246	11 %
% of Revenue	16.5%	16.3%	
NPOI	204	185	10 %
% of Revenue	12.4%	12.3%	
Non-GAAP Diluted EPS[3]	$0.67	$0.76	(12)%

$ millions, except per share amounts

(1) As reported.
(2) On a constant currency basis.
(3) Decrease primarily related to higher interest expense and unfavorable foreign currency fluctuations.

Q3 GAAP RESULTS

	For the three months ended September 30		
	2014	2013	% Change
Revenue	$1,647	$1,508	9 %
Gross Margin (1)	404	415	(3)%
Gross Margin Rate	24.5%	27.5%	
Expenses (1)	363	270	34 %
% of Revenue	22.0%	17.9%	
Income from Operations (1)	41	145	(72)%
% of Revenue	2.5%	9.6%	
GAAP Diluted EPS(1)	$—	$0.58	(100)%

(1) Includes the impact of the previously announced restructuring plan. See further detail on slide 27.

$ millions, except per share amounts

Q3 REVENUE BY SEGMENT

	For the three months ended September 30			
	2014	2013	% Change	% Change (Constant Currency)
Financial Services	$899	$767	17 %	18 %
Excluding Digital Insight	$806		5 %	6 %
Retail Solutions	489	494	(1)%	(1)%
Hospitality	168	161	4 %	4 %
Emerging Industries	91	86	6 %	6 %
Total Revenue	**$1,647**	**$1,508**	**9 %**	**10 %**
Excluding Digital Insight	$1,554		3 %	4 %

$ millions

Q3 OPERATING INCOME BY SEGMENT

	For the three months ended September 30	
	2014	2013
Financial Services	$144	$93
% of Financial Services Revenue	16.0%	12.1%
Retail Solutions	24	50
% of Retail Solutions Revenue	4.9%	10.1%
Hospitality	27	26
% of Hospitality Revenue	16.1%	16.1%
Emerging Industries	9	16
% of Emerging Industries Revenue	9.9%	18.6%
NPOI	$204	$185
% of Total Revenue	12.4%	12.3%

$ millions

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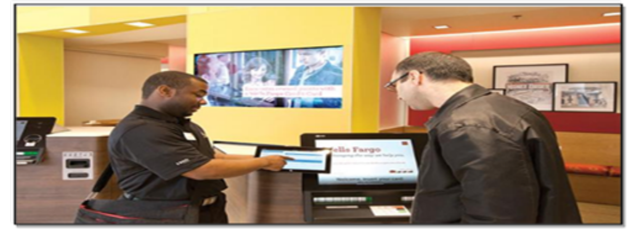
FINANCIAL SERVICES

Q3 2014 Update



Financial Highlights

Revenue

$899M +17% y/y

Operating Income

$144M +55% y/y

Operating Margin

16.0% +390 bps

Performance Highlights

- Core order growth of 7% driven by North America community financial institutions, Europe, Southeast Asia, and MEA
- Backlog up 14% driven by Branch Transformation and software demand
- Operating margin increased 55% with half from the core, driven by mix shift, and half from Digital Insight
- Core revenue up 5% y/y and operating margin up 240 bps
- Software-related revenue up 96%; up 20% excluding Digital Insight

Key Developments

- Balanced performance globally, led by North America, Europe and MEA
- Continued strong performance for Branch Transformation
    - Branch Transformation y/y orders and revenues up 90% and 125%, respectively
    - 13 new Interactive Services customers; customer wins globally
- Digital Insight performing ahead of expectations
    - Q3 revenue of $93 million and operating income of $27 million
    - 20% year-to-date increase in customer renewals
    - Continued strong mobile growth - 6.4M mobile active users vs. 4.6M last year
    - NCR-owned data centers installed; Transition customer and applications from mid-2014 through early 2015

HOSPITALITY

Q3 2014 Update

Financial Highlights

Revenue

$168M +4% y/y

Operating Income

$27M +4% y/y

Operating Margin

16.1% Flat y/y

Performance Highlights

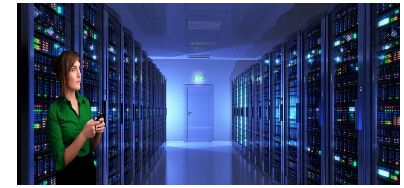
- Revenue growth across North America and Europe
- Operating margin up 260 bps over Q2 2014
- Software-related revenue down 2%
- SaaS revenue up 21%
- SaaS application sites up 21% y/y

Key Developments

- Customer wins across product areas including venue management solutions, restaurant operations and consumer engagement solutions
- Expanding partnership with Yum Brands in key international markets
- Continuing to advance North America SMB market strategy
  - 13% revenue growth y/y
- Enabling integration of consumer mobile payment applications through point-of-sale and mobile commerce channels

EMERGING INDUSTRIES

Q3 2014 Update



Financial Highlights

Revenue

$91M ↑ +6% y/y

Operating Income

$9M ↓ -$7M y/y

Operating Margin

9.9% ↓ vs. 18.6% Q3 2013

Performance Highlights

- Telecom & Technology revenue up 14%
- Travel revenue down 23%
- Small Business continues to gain momentum
- Operating income negatively impacted by costs related to onboarding managed services contracts and continued investment in Small Business

Key Developments

Telecom & Technology

- Globe Telecom (Phillipines) using NCR Bill Pay solution to provide differentiated customer service

Travel

- Added omni-channel capabilities to NCR Wayfinding
- Deployment with Spring Airlines (Japan)
- Delivered a record 35M mobile airline boarding passes in Q3 2014, up 203% y/y

Small Business (NCR Silver)

- Increased adoption of NCR Silver; Customer base up 28% over Q2 2014 and up 195% y/y
- Strengthened platform through enabling online and mobile ordering including Apple Pay support and extending customer support to 24/7
- NCR Silver won American Business Award for 'Best Business-to-Business Product'

Q3 SUPPLEMENTAL REVENUE INFORMATION

	For the three months ended September 30		
	2014	2013	% Change
SaaS	$125	$37	238 %
Software License and Software Maintenance	157	155	1 %
Professional Services	148	130	14 %
Total Software-Related Revenue	430	322	34 %
Hardware	650	626	4 %
Other Services	567	560	1 %
Total Revenue	**$1,647**	**$1,508**	**9 %**

$ millions

FREE CASH FLOW

	Q3 2014	Q3 2013	FY 2014e	FY 2013
Cash Provided by Operating Activities	$124	$27	$442 - $477	$281
Net capital expenditures	(58)	(66)	(250) - (260)	(226)
Cash Provided by (Used In) Discontinued Operations	66	(27)	0 - (5)	(52)
Pension discretionary contributions and settlements	—	—	48	204
Free Cash Flow (Used) (1)	**$132**	**($66)**	**~$225 - $275**	**$207**

$ millions

(1) FY 2014e free cash flow includes the estimated cash impact of ~$50 million related to the previously announced restructuring plan.

FREE CASH FLOW GENERATION

		Current 2014e	Prior 2014e	2013
Free Cash Flow (FCF)		**~$225 - $275**	**~$250 - $300**	**$207**
plus:	Pension	50	50	79
plus:	Discontinued Ops	0-5 (2)	45-55 (1)	52
plus:	Acquisition-related costs	25-35	25-35	43
plus:	Restructuring plan	50	50	—
Adjusted FCF		**~$350 - $415**	**~$420 - $490**	**$381**
Adjusted FCF as a % of non-GAAP net income		**~80%**	**~85%**	**80%**

$ millions, except metrics

(1) Prior 2014 estimate included approximately $45 million of anticipated recoveries related to the Fox River environmental matter offset by $90 million to $100 million net remediation and transaction costs related to environmental matters.

(2) Current 2014 estimate includes $93 million of recoveries received in Q3 2014 related to the Fox River environmental matter offset by $93 million to $98 million net remediation and transaction costs related to environmental matters.

NET DEBT & EBITDA METRICS

	2013	Q1 2014	Q2 2014	Q3 2014
Debt	$3.4	$3.9	$3.9	$3.7
Cash	0.5	0.5	0.5	0.4
Net Debt	$2.9	$3.4	$3.4	$3.3
Adjusted EBITDA	$0.9	$0.9 [1]	$1.0 [1]	$1.0 [1]
Net Debt / Adjusted EBITDA	**3.2x**	**3.7x**	**3.4x**	**3.3x**

[1] Adjusted EBITDA for the trailing twelve-month period.

$ in billions, except metrics

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FY 2014 GUIDANCE

	Current 2014 Guidance	Prior 2014 Guidance	2013
Revenue	$6,575 - $6,625 (1)	$6,750 - $6,850 (1)	$6,123
Year-over-Year Revenue Growth	7% - 8% (1)	10% - 12% (1)	7%
Income from Operations (GAAP)(2) (4)	$499 - $519	$580 - $600	$666
Non-Pension Operating Income (NPOI)	$810 - $830	$900 - $920	$717
Adjusted EBITDA	$1,001 - $1,021	$1,085 - $1,105	$886
Diluted EPS (GAAP)(2) (4)	$1.30 - $1.40	$1.75 - $1.85	$2.67
Non-GAAP Diluted EPS(3)	$2.60 - $2.70	$3.00 - $3.10	$2.81
Free Cash Flow (4)	$225 - $275	$250 - $300	$207

$ in millions, except per share amounts

(1) Includes 1% of unfavorable foreign currency fluctuations.
(2) Income from operations and diluted earnings per share guidance excludes the impact of the actuarial mark to market pension adjustment that will be determined in the fourth quarter of 2014.
(3) 2014 guidance now includes expected other expense (income), net (OIE) of $215M, which incorporates $185M of interest expense, a 25% tax rate and a share count of 172M. 2013 results include OIE of $112M,which incorporates $103M of interest expense, a 22% tax rate and a share count of 169M.
(4) Includes the estimated pre-tax charge of $150 million, or $0.66 per diluted share, and the estimated cash impact of ~$50 million related to the previously announced restructuring plan.

2014 SEGMENT REVENUE GUIDANCE

Line of Business	Current 2014e	Prior 2014e	FY 2013
Financial Services	15% - 16%	15% - 17%	$3,115
Financial Services excluding Digital Insight	4% - 5%	4% - 5%	
Retail	(2)% - (3)%	3% - 5%	$2,034
Hospitality	5% - 7%	8% - 10%	$626
Emerging Industries	1% - 4%	10% - 14%	$348
Total	**7% - 8%** (1)	**10% - 12%** (1)	**$6,123**

(1) Includes 1% of unfavorable foreign currency fluctuations.

$ in millions

Q4 2014 GUIDANCE

	Q4 2014e	Q4 2013
Income from Operations (GAAP)	$181 - $201 [1]	$297
Non-Pension Operating Income (Non-GAAP)	$241 - $261	$221
Tax rate	30%	25%
Other expense	~$55	$32

(1) Includes an estimated pre-tax charge of $20 million related to the previously announced restructuring plan.

$ millions

Q3 2014 SUMMARY

- Software and SaaS y/y revenue increased; outlook adjusted but expect continued growth
- Financial Services performed well
  - Strong performance driven by branch transformation and software growth
  - Solid order and backlog growth
  - Continued strong performance from Digital Insight benefiting from customer renewals, mobile growth and synergies/cross-sell program
- Retail Solutions continues to face headwinds
  - Continued challenges in North America but market position remains steady
  - Backlog up but further delays causing slower revenue conversion
  - Operating margins impacted by weaker software–related growth
- Hospitality – executing strategy and growing global footprint
  - Added new customers in key geographies
  - Further progress executing SMB strategy – revenues and customers growing
- Previously announced restructuring plan on track to deliver run-rate savings reaching ~$90M by 2016
- Full year 2014 guidance lowered due to challenging retail market, difficult global macroeconomic conditions and foreign currency headwinds but remain confident in our positioning for long-term growth

SUPPLEMENTARY NON-GAAP MATERIALS

NON-GAAP MEASURES

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

NPOI, Non-GAAP Diluted EPS, Operational Gross Margin, Operational Gross Margin Rate, Expenses (non-GAAP), Effective Tax Rate and Non-GAAP Net Income. NCR's non-pension operating income (NPOI), non-GAAP net income and non-GAAP diluted earnings per share (non-GAAP diluted EPS) are determined by excluding pension expense and special items, including amortization of acquisition related intangibles, from NCR's GAAP income (loss) from operations. NCR also determines operational gross margin, operational gross margin rate, expenses (non-GAAP) and effective tax rate (non-GAAP) by excluding pension expense and these special items from its GAAP gross margin, gross margin rate, expenses and effective tax rate. Due to the significant change in its pension expense from year to year and the non-operational nature of pension expense and these special items, NCR's management uses these non-GAAP measures to evaluate year-over-year operating performance. NCR also uses NPOI and non-GAAP diluted EPS to manage and determine the effectiveness of its business managers and as a basis for incentive compensation. NCR believes these measures are useful for investors because they provide a more complete understanding of NCR's underlying operational performance, as well as consistency and comparability with NCR's past reports of financial results.

Free Cash Flow and Adjusted Free Cash Flow. NCR defines free cash flow as net cash provided by/used in operating activities and cash flow provided by/used in discontinued operations less capital expenditures for property, plant and equipment, additions to capitalized software, discretionary pension contributions and settlements. NCR defines adjusted free cash flow as free cash flow plus required pension contributions, cash provided by/used in discontinued operations, and cash flow impact of special items. NCR's management uses free cash flow and adjusted free cash flow to assess the financial performance of the Company and believes they are useful for investors because they relate the operating cash flow of the Company to the capital that is spent to continue and improve business operations. In particular, free cash flow and adjusted free cash flow indicate 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 and adjusted free cash flow do not represent the residual cash flow available for discretionary expenditures since there may be other nondiscretionary expenditures that are not deducted from the measures. Free cash flow (FCF) and adjusted free cash flow (adjusted FCF) do not have uniform definitions under GAAP and, therefore, NCR's definitions may differ from other companies' definitions of these measures.

NON-GAAP MEASURES

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

Revenue Growth on a Constant Currency Basis. NCR's period-over-period revenue growth on a constant currency basis excludes the effects of foreign currency translation. Due to the variability of foreign exchange rates from period to period, NCR's management uses revenue growth on a constant currency basis to evaluate period-over-period operating performance. Revenue growth on a constant currency basis is calculated by translating prior period revenue at current period monthly average exchange rates.

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

GAAP TO NON-GAAP RECONCILIATION

Income from Operations (GAAP) to Non-Pension Operating Income (non-GAAP) and Adjusted EBITDA (non-GAAP)							
in millions	Q3 2014 LTM	Q2 2014 LTM	Q1 2014 LTM	FY 2013	Current FY 2014e	Prior FY 2014e	Q4 2014e
Income from Operations (GAAP)	$615	$719	$689	$666	$499 - $519	$580 - $600	$181 - $201
Pension Expense (Benefit)	(97)	(93)	(86)	(78)	8	8	6
Restructuring Plan	127	—	—	—	147	150	20
Acquisition-Related Amortization of Intangibles	106	94	81	65	120	121	31
Acquisition-Related Costs	27	36	44	46	28	33	3
Acquisition-Related Purchase Price Adjustment	9	11	12	15	6	6	—
OFAC and FCPA Investigations[1]	3	4	3	3	2	2	—
Non-Pension Operating Income (non-GAAP)	**$790**	**$771**	**$743**	**$717**	**$810 - $830**	**$900 - $920**	**$241 - $261**
Depreciation and Amortization	164	159	149	143	160	155	
Ongoing Pension Expense	(6)	(11)	(12)	(15)	(4)	(10)	
Stock Compensation Expense	33	38	41	41	35	40	
Adjusted EBITDA	**$981**	**$957**	**$921**	**$886**	**$1,001 - $1,021**	**$1,085 - $1,105**	

(1) Estimated expenses for 2014 will be affected by, among other things, the status and progress of these matters. There can be no assurance that the Company will not be subject to fines or other remedial measures as a result of OFAC's, the SEC's or the DOJ's investigations.

GAAP TO NON-GAAP RECONCILIATION

Q3 2014 QTD

in millions (except per share amounts)	Q3 QTD 2014 GAAP	Restructuring plan	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	Q3 QTD 2014 non-GAAP
Product revenue	**$721**	$—	$—	$—	$—	$—	$—	**$721**
Service revenue	**926**	—	—	—	—	—	—	**926**
Total revenue	**1,647**	—	—	—	—	—	—	**1,647**
Cost of products	**547**	(9)	(9)	—	(1)	—	—	**528**
Cost of services	**696**	(46)	(6)	—	—	—	(1)	**643**
Gross margin	**404**	55	15	—	1	—	1	**476**
Gross margin rate	***24.5%***	*3.3%*	*0.9%*	*—%*	*0.1%*	*—%*	*0.1%*	***28.9%***
Selling, general and administrative expenses	**232**	—	(14)	(5)	—	—	—	**213**
Research and development expenses	**59**	—	—	—	—	—	—	**59**
Restructuring-related charges	**72**	(72)	—	—	—	—	—	**—**
Total expenses	**363**	(72)	(14)	(5)	—	—	—	**272**
Total expense as a % of revenue	***22.0%***	*(4.4)%*	*(0.8)%*	*(0.3)%*	*—%*	*—%*	*—%*	***16.5%***
Income (loss) from operations	**41**	127	29	5	1	—	1	**204**
Income (loss) from operations as a % of revenue	***2.5%***	*7.7%*	*1.7%*	*0.3%*	*0.1%*	*—%*	*0.1%*	***12.4%***
Interest and Other (expense) income, net	**(60)**	3	—	—	—	—	—	**(57)**
Income (loss) from continuing operations before income taxes	**(19)**	130	29	5	1	—	1	**147**
Income tax expense (benefit)	**(19)**	31	9	1	1	—	9	**32**
Effective tax rate	***100%***							***22%***
Income (loss) from continuing operations	**—**	99	20	4	—	—	(8)	**115**
Net income (loss) attributable to noncontrolling interests	**—**	—	—	—	—	—	—	**—**
Income (loss) from continuing operations (attributable to NCR)	**$—**	$99	$20	$4	$—	$—	($8)	**$115**
Diluted earnings per share	**$—**	$0.58	$0.12	$0.02	$—	$—	($0.05)	**$0.67**

NCR

GAAP TO NON-GAAP RECONCILIATION

Q3 2013 QTD

in millions (except per share amounts)	Q3 QTD 2013 GAAP	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	Q3 QTD 2013 non-GAAP
Product revenue	**$701**	—	—	—	—	—	**$701**
Service revenue	**807**	—	—	—	—	—	**807**
Total revenue	**1,508**	—	—	—	—	—	**1,508**
Cost of products	**524**	(10)	—	—	—	—	**514**
Cost of services	**569**	—	—	(3)	—	(3)	**563**
Gross margin	**415**	10	—	3	—	3	**431**
Gross margin rate	***27.5%***	*0.7%*	*—%*	*0.2%*	*—%*	*0.2%*	***28.6%***
Selling, general and administrative expenses	**217**	(7)	(14)	—	(1)	(1)	**194**
Research and development expenses	**53**	—	—	—	—	(1)	**52**
Total expenses	**270**	(7)	(14)	—	(1)	(2)	**246**
Total expense as a % of revenue	***17.9%***	*(0.5)%*	*(0.9)%*	*—%*	*(0.1)%*	*(0.1)%*	***16.3%***
Income (loss) from operations	**145**	17	14	3	1	5	**185**
Income (loss) from operations as a % of revenue	***9.6%***	*1.1%*	*1.0%*	*0.2%*	*0.1%*	*0.3%*	***12.3%***
Interest and Other (expense) income, net	**(26)**	—	—	—	—	—	**(26)**
Income (loss) from continuing operations before income taxes	**119**	17	14	3	1	5	**159**
Income tax expense (benefit)	**19**	1	4	1	1	2	**28**
Effective tax rate	***16%***						***18%***
Income (loss) from continuing operations	**100**	16	10	2	—	3	**131**
Net income (loss) attributable to noncontrolling interests	**2**	—	—	—	—	—	**2**
Income (loss) from continuing operations (attributable to NCR)	**$98**	$16	$10	$2	$—	$3	**$129**
Diluted earnings per share	**$0.58**	$0.09	$0.06	$0.01	$—	$0.02	**$0.76**

GAAP TO NON-GAAP RECONCILIATION

Q3 2014 YTD

in millions (except per share amounts)	Q3 YTD 2014 GAAP	Restructuring plan	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	Q3 YTD 2014 non-GAAP
Product revenue	**$2,077**	—	—	—	—	—	—	**$2,077**
Service revenue	**2,746**	—	—	—	—	—	—	**2,746**
Total revenue	**4,823**	—	—	—	—	—	—	**4,823**
Cost of products	**1,554**	(9)	(29)	—	(4)	—	—	**1,512**
Cost of services	**1,969**	(46)	(18)	—	(2)	—	—	**1,903**
Gross margin	**1,300**	55	47	—	6	—	—	**1,408**
Gross margin rate	***27.0%***	*1.1%*	*1%*	*—%*	*0.1%*	*—%*	*—%*	***29.2%***
Selling, general and administrative expenses	**724**	—	(42)	(25)	—	(2)	(1)	**654**
Research and development expenses	**186**	—	—	—	—	—	(1)	**185**
Restructuring-related charges	**72**	(72)	—	—	—	—	—	**—**
Total expenses	**982**	(72)	(42)	(25)	—	(2)	(2)	**839**
Total expense as a % of revenue	***20.4%***	*(1.5)%*	*(0.9)%*	*(0.6)%*	*—%*	*—%*	*—%*	***17.4%***
Income (loss) from operations	**318**	127	89	25	6	2	2	**569**
Income (loss) from operations as a % of revenue	***6.6%***	*2.7%*	*1.9%*	*0.5%*	*0.1%*	*—%*	*—%*	***11.8%***
Interest and Other (expense) income, net	**(159)**	3	—	—	—	—	—	**(156)**
Income (loss) from continuing operations before income taxes	**159**	130	89	25	6	2	2	**413**
Income tax expense (benefit)	**14**	31	29	6	2	1	10	**93**
Effective tax rate	***9%***							***23%***
Income (loss) from continuing operations	**145**	99	60	19	4	1	(8)	**320**
Net income (loss) attributable to noncontrolling interests	**2**	—	—	—	—	—	—	**2**
Income (loss) from continuing operations (attributable to NCR)	**$143**	$99	$60	$19	$4	$1	($8)	**$318**
Diluted earnings per share	**$0.84**	$0.58	$0.35	$0.11	$0.02	$0.01	($0.05)	**$1.86**

GAAP TO NON-GAAP RECONCILIATION

Q3 2013 YTD

in millions (except per share amounts)	Q3 YTD 2013 GAAP	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Pension (expense) benefit	Q3 YTD 2013 non-GAAP
Product revenue	**$2,111**	—	—	—	—	—	**$2,111**
Service revenue	**2,342**	—	—	—	—	—	**2,342**
Total revenue	**4,453**	—	—	—	—	—	**4,453**
Cost of products	**1,577**	(27)	—	—	—	—	**1,550**
Cost of services	**1,666**	—	—	(12)	—	(12)	**1,642**
Gross margin	**1,210**	27	—	12	—	12	**1,261**
Gross margin rate	***27.2%***	*0.5%*	*—%*	*0.3%*	*—%*	*0.3%*	***28.3%***
Selling, general and administrative expenses	**678**	(21)	(44)	—	(2)	(6)	**605**
Research and development expenses	**163**	—	—	—	—	(3)	**160**
Total expenses	**841**	(21)	(44)	—	(2)	(9)	**765**
Total expense as a % of revenue	***18.9%***	*(0.5)%*	*(1.0)%*	*—%*	*—%*	*(0.2)%*	***17.2%***
Income (loss) from operations	**369**	48	44	12	2	21	**496**
Income (loss) from operations as a % of revenue	***8.3%***	*1.0%*	*1.0%*	*0.3%*	*—%*	*0.5%*	***11.1%***
Interest and Other (expense) income, net	**(74)**	—	—	—	—	—	**(74)**
Income (loss) from continuing operations before income taxes	**295**	48	44	12	2	21	**422**
Income tax expense (benefit)	**44**	12	14	4	1	9	**84**
Effective tax rate	***15%***						***20%***
Income (loss) from continuing operations	**251**	36	30	8	1	12	**338**
Net income (loss) attributable to noncontrolling interests	**5**	—	—	—	—	—	**5**
Income (loss) from continuing operations (attributable to NCR)	**$246**	$36	$30	$8	$1	$12	**$333**
Diluted earnings per share	**$1.46**	$0.21	$0.18	$0.04	$0.01	$0.07	**$1.97**

GAAP TO NON-GAAP RECONCILIATION

Q4 2013 QTD

in millions (except per share amounts)	Q4 QTD 2013 GAAP	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Japan valuation reserve release	Pension (expense) benefit	Q4 QTD 2013 non-GAAP
Product revenue	**$801**	—	—	—	—	—	—	**$801**
Service revenue	**869**	—	—	—	—	—	—	**869**
Total revenue	**1,670**	—	—	—	—	—	—	**1,670**
Cost of products	**575**	(9)	—	(1)	—	—	2	**567**
Cost of services	**565**	—	—	(2)	—	—	56	**619**
Gross margin	**530**	9	—	3	—	—	(58)	**484**
Gross margin rate	***31.7%***	*0.5%*	*—%*	*0.2%*	*—%*	*—%*	*-3.4%*	***29.0%***
Selling, general and administrative expenses	**193**	(8)	(2)	—	(1)	—	28	**210**
Research and development expenses	**40**	—	—	—	—	—	13	**53**
Total expenses	**233**	(8)	(2)	—	(1)	—	41	**263**
Total expense as a % of revenue	***14.0%***	*(0.5)%*	*(0.1)%*	*—%*	*(0.1)%*	*—%*	*2.4%*	***15.7%***
Income (loss) from operations	**297**	17	2	3	1	—	(99)	**221**
Income (loss) from operations as a % of revenue	***17.8%***	*0.9%*	*0.1%*	*0.2%*	*0.1%*	*—%*	*(5.9)%*	***13.2%***
Interest and Other (expense) income, net	**(38)**	—	6	—	—	—	—	**(32)**
Income (loss) from continuing operations before income taxes	**259**	17	8	3	1	—	(99)	**189**
Income tax expense (benefit)	**54**	5	2	1	—	15	(29)	**48**
Effective tax rate	***21%***							***25%***
Income (loss) from continuing operations	**205**	12	6	2	1	(15)	(70)	**141**
Net income (loss) attributable to noncontrolling interests	**(1)**	—	—	—	—	—	—	**(1)**
Income (loss) from continuing operations (attributable to NCR)	**$206**	$12	$6	$2	$1	($15)	($70)	**$142**
Diluted earnings per share	**$1.21**	$0.07	$0.03	$0.01	$0.01	($0.09)	($0.41)	**$0.83**

GAAP TO NON-GAAP RECONCILIATION

FY 2013

in millions (except per share amounts)	FY 2013 GAAP	Acquisition-related amortization of intangibles	Acquisition-related costs	Acquisition-related purchase price adjustments	OFAC and FCPA Investigations	Japan valuation reserve release	Pension (expense) benefit	FY 2013 non-GAAP
Product revenue	**$2,912**	—	—	—	—	—	—	**$2,912**
Service revenue	**3,211**	—	—	—	—	—	—	**3,211**
Total revenue	**6,123**	—	—	—	—	—	—	**6,123**
Cost of products	**2,152**	(36)	—	(1)	—	—	2	**2,117**
Cost of services	**2,231**	—	—	(14)	—	—	44	**2,261**
Gross margin	**1,740**	36	—	15	—	—	(46)	**1,745**
Gross margin rate	***28.4%***	*0.6%*	*—%*	*0.2%*	*—%*	*—%*	*-0.7%*	***28.5%***
Selling, general and administrative expenses	**871**	(29)	(46)	—	(3)	—	22	**815**
Research and development expenses	**203**	—	—	—	—	—	10	**213**
Total expenses	**1,074**	(29)	(46)	—	(3)	—	32	**1,028**
Total expense as a % of revenue	***17.5%***	*(0.5)%*	*(0.7)%*	*—%*	*—%*	*—%*	*0.5%*	***16.8%***
Income (loss) from operations	**666**	65	46	15	3	—	(78)	**717**
Income (loss) from operations as a % of revenue	***10.9%***	*1.1%*	*0.8%*	*0.2%*	*—%*	*—%*	*(1.3)%*	***11.7%***
Interest and Other (expense) income, net	**(112)**	—	6	—	—	—	—	**(106)**
Income (loss) from continuing operations before income taxes	**554**	65	52	15	3	—	(78)	**611**
Income tax expense (benefit)	**98**	17	16	5	1	15	(20)	**132**
Effective tax rate	***18%***							***22%***
Income (loss) from continuing operations	**456**	48	36	10	2	(15)	(58)	**479**
Net income (loss) attributable to noncontrolling interests	**4**	—	—	—	—	—	—	**4**
Income (loss) from continuing operations (attributable to NCR)	**$452**	$48	$36	$10	$2	($15)	($58)	**$475**
Diluted earnings per share	**$2.67**	$0.29	$0.21	$0.06	$0.01	($0.09)	($0.34)	**$2.81**

GAAP TO NON-GAAP RECONCILIATION

Diluted Earnings per Share (GAAP) to Non-GAAP Diluted Earnings per Share (non-GAAP)	
	FY 2014e
Diluted EPS (GAAP)	$1.30 - $1.40
Pension Expense (Benefit)	0.03
Restructuring Plan	0.66
Acquisition-Related Costs	0.11
Acquisition-Related Amortization of Intangibles	0.47
Acquisition-Related Purchase Price Adjustment	0.02
OFAC and FCPA Investigations[1]	0.01
Non-GAAP Diluted EPS	**$2.60 - $2.70**

(1) Estimated expenses for 2014 will be affected by, among other things, the status and progress of these matters. There can be no assurance that the Company will not be subject to fines or other remedial measures as a result of OFAC's, the SEC's or the DOJ's investigations.

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GAAP TO NON-GAAP RECONCILIATIONS

Gross Margin as a % of Revenue (GAAP) to Operational Gross Margin Rate (non-GAAP)					
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Gross Margin as a % of Revenue (GAAP)	22.0%	22.9%	18.0%	28.7%	28.4%
Pension expense (benefit)	(0.5)%	0.6%	6.8%	(2.2)%	(0.7)%
Impairment of assets related to an equity investment	0.5%	-	-	-	-
Acquisition-related purchase price adjustments	-	-	-	-	0.2%
Acquisition-related amortization of intangibles	-	-	0.1%	0.3%	0.6%
Operational Gross Margin Rate (non-GAAP)	22.0%	23.5%	24.9%	26.8%	28.5%

GAAP TO NON-GAAP RECONCILIATIONS

Revenue Growth % (GAAP) to Revenue Growth % on a Constant Currency Basis (non-GAAP)	
	Q3 2014
Revenue Growth % (GAAP)	9%
Unfavorable foreign currency fluctuation impact	1%
Revenue Growth % on a Constant Currency Basis (non-GAAP)	**10%**