



NCR Announces Preliminary Second Quarter Results

July 9, 2001 at 8:48 AM EDT

DAYTON, Ohio, July 9 /PRNewswire/ -- NCR Corporation today announced that revenue and earnings for its second quarter ended June 30, 2001 will be below the company's previous guidance, primarily due to customer deferrals in the company's Data Warehousing business. NCR expects reported revenue for the second quarter of 2001 to be approximately \$1.5 billion, an increase of 3 percent over the company's 2000 second quarter revenue, up about 7 percent on a local currency basis. Earnings for the second quarter are expected to be \$0.35 to \$0.37 per share on a fully diluted basis, with the shortfall primarily due to the impact of the economy on the Data Warehousing business. Profitability in the High Availability Customer Services business also will be lower as a result of slower than anticipated growth in markets such as the telecommunications sector. As reported by First Call, the current analysts' consensus earnings estimate is \$0.57 per share for the second quarter of 2001.

NCR's Retail Store Automation and Financial Self Service businesses generally had a strong quarter with good growth and improved profitability. In the second quarter, these businesses are expected to increase aggregated revenue by nearly 7 percent; the Data Warehousing business is anticipated to generate approximately 2 percent revenue growth.

Customer interest for Teradata's Data Warehousing solution remains very high; the number of new customers in the quarter is expected to increase 60 percent over the prior year period. However, the economy has driven Teradata's existing customer base to be more cautious as they expand their current systems. In this regard, Teradata saw customers with more than \$60 million of data warehouse upgrades postpone their decision during the second quarter, many in the final days of the quarter. The majority of these deferrals came from companies based in the Americas, with the remainder spread evenly between the Europe-Middle East-Africa and Asia-Pacific regions. By industry, most of the deferrals were in the telecommunications and retail sectors.

The information included in this release is based on NCR's estimate of preliminary results. NCR is currently evaluating its second half outlook, including the moderation of the Data Warehousing growth rate, and will provide detailed guidance for the remainder of 2001 when it releases second quarter finalized results on July 17th. As previously scheduled, NCR will release its finalized earnings for the second quarter before the market opens on July 17th. The company will host a conference call at 10:30 a.m. (ET) that day to discuss the results and its outlook for the remainder of the year.

About NCR Corporation

NCR Corporation (NYSE: NCR) is a leader in providing Relationship Technology(TM) solutions to customers worldwide. NCR's Relationship Technology solutions include the Teradata(R) database and analytical applications for customer relationship management (CRM) and business performance management, store automation systems and automated teller machines (ATMs). The company's business solutions are built on the foundation of its long-established industry knowledge and consulting expertise, value-adding software, global customer support services, a complete line of consumable and media products, and leading edge hardware technology. NCR employs 33,200 in more than 100 countries, and is a component stock of the Standard & Poor's 500 Index. More information about NCR and its solutions may be found at www.ncr.com.

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

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. These forward-looking statements include any projections of revenue, profit growth and other financial items, future economic performance and statements expressing comfort with analysts' earnings estimates. 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: 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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