
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant To Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 14, 2018 (November 14, 2018)

ACI WORLDWIDE, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-25346
(Commission
File Number)

47-0772104
(IRS Employer
Identification No.)

3520 Kraft Rd, Suite 300
Naples, FL 34105
(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (239) 403-4600

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act (17 CFR 230.405) or Rule 12b-2 under the Exchange Act (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On November 14, 2018, ACI Worldwide, Inc. posted investor relations materials on its website (www.aciworldwide.com) to be used in connection with investor conferences. A copy of the presentation materials is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 7.01. The foregoing information (including the exhibits hereto) is being furnished under "Item 7.01- Regulation FD Disclosure." Such information (including the exhibits hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

The filing of this report and the furnishing of this information pursuant to Item 7.01 do not mean that such information is material or that disclosure of such information is required.

Item 9.01. Financial Statements and Exhibits.

99.1 [Investor Presentation Materials dated November 14, 2018](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ACI WORLDWIDE, INC.

/s/ Scott W. Behrens

Scott W. Behrens, Senior
Executive Vice President, Chief Financial
Officer, and Chief Accounting Officer

Date: November 14, 2018

ACI UNIVERSAL
PAYMENTS

MAKING POSSIBILITIES HAPPEN

ANALYST DAY 2018

WELCOME

John Kraft

Vice President, Investor Relations and Strategic Analysis

Private Securities Litigation Reform Act of 1995 Safe Harbor for Forward-Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. A discussion of these forward-looking statements and risk factors that may affect them is set forth at the end of this presentation. The company assumes no obligation to update any forward-looking statement in this presentation, except as required by law.

AGENDA

- **Welcome**
- **Making Possibilities Happen**
- **Financial Discussion**
- **ACI Growth Strategy Delivered by 6-4-2-1**
- **UP® Solutions Strategy**
- **BREAK**
- **Execution Through 2 P&L Model**
- **Q&A**



MAKING POSSIBILITIES HAPPEN

Philip Heasley
President and CEO

OUR VISION

ACI® is a highly focused and unified payments software enterprise that enables any-to-any payment transactions to occur regardless of time, location or type, supporting multi-party payments with the notion that the purchaser directs the payments to his/her provider of choice to satisfy the transaction in an efficient and secure environment.

Any Payment, Every Possibility.®

UP Investment Journey

2012

S1, DISTRA
RETAIL PAYMENTS
UNIVERSAL PAYMENTS TECHNOLOGY

2014

UP BASE24-EPS
RED CNP FRAUD PREVENTION

2016

UP FRAMEWORK
UP RETAIL PAYMENTS SOLUTION WITH LINUX

2018

PAYMENTS INTELLIGENCE
UP MERCHANT PAYMENTS
OPEN SOURCE, AGILE
OPEN BANKING
PUBLIC CLOUD

2013

ORCC, OPAY
EBPP

2015

PAY.ON
eCOMMERCE GATEWAY SOLUTIONS

2017

UP PAYMENTS RISK MANAGEMENT
UNIVERSAL ONLINE BANKER 6.0
UP REAL-TIME PAYMENTS SOLUTION WITH LINUX
UP AND APIS
DEVICE DRIVERS



More Ways to Pay (endpoints)
More Payment Capabilities (services)
Payments Orchestration
Industry-leading Non-Functional Requirements (NFRs)

Key Themes for Today's Event



**MARKET GROWTH
OPPORTUNITY**



**ACI LEADERSHIP AND
FINANCIAL STRENGTH**



**MARKET
VALIDATION**

FINANCIAL DISCUSSION

Scott Behrens
Chief Financial Officer

Multiple Drivers to Accelerate Revenue Growth and Margin Expansion



ACI ON PREMISE

- Migrate customers to modernized IP
 - UP Retail Payments Solution (RPS)
 - New UP Real-Time Payments Solution (RTPS)
- Cross-selling to existing customers
- Secular transaction growth
- Maintain low attrition



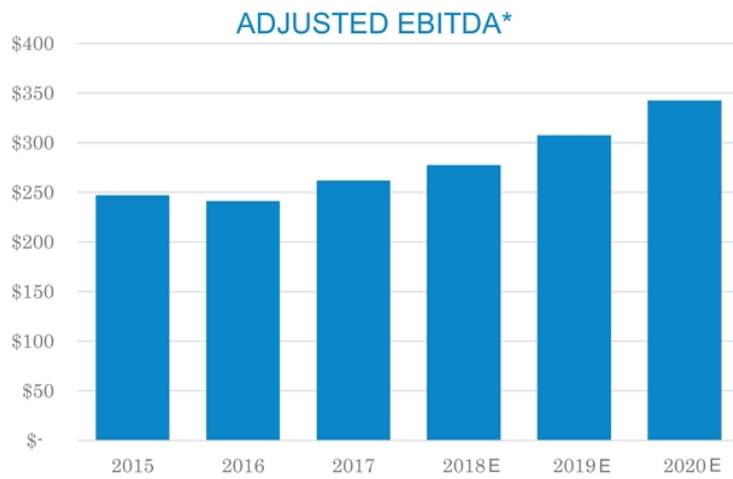
ACI ON DEMAND

- New platform-based multi-tenant product releases
- Win new logos
- Harvest \$2B+ backlog, accelerate time to revenue
- Ramp incremental volume from existing customers
- Disciplined transaction-based pricing
- Winding down of heavy investment cycle
- Targeting Rule of 40*

*Sum of percentage revenue growth and net adjusted EBITDA margin of at least 40%

Compelling Transaction-based Business Model

Expect margin expansion to accelerate



Nearly 300 basis point improvement from 2016 - 2018

* In millions. Excludes CFS divestiture. FY 2018 - 2020 based on mid-point of guidance and longer-term targets.

Balanced Capital Allocation Creates Value

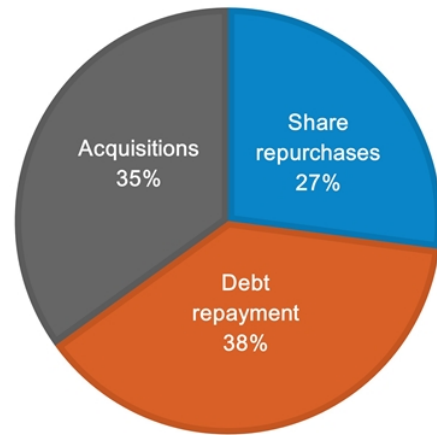
Strong free cash flow generation

- **Disciplined history of share repurchases**
 - \$577 million repurchased*
 - Average price of \$12.50/share*
 - Shares outstanding flat*
 - \$177 million remaining on authorization
- **Acquisitions**
 - Focus on payments capabilities aligned with our strategy
 - Gain scale and expand market opportunities
 - Risk-adjusted returns greater than alternative uses of cash

*Activity since 2005



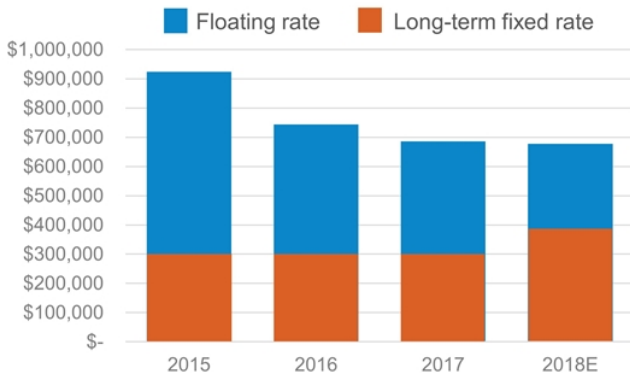
USES OF FREE CASH FLOW
2015 – 2018 YTD



Solid Balance Sheet

Target leverage of 2.5x

DEBT*

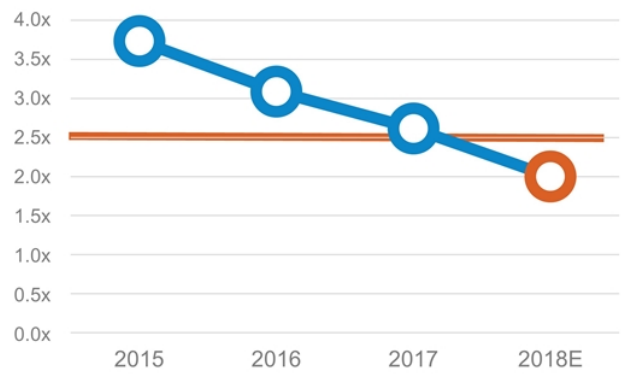


**Credit facility matures Q1 2022, \$500m revolver undrawn
\$400m 5.75% unsecured senior notes due Q3 2026**

*In thousands



LEVERAGE RATIO*



*Ratio represents total debt over current year adjusted EBITDA

2018–2020 Outlook

2018 GUIDANCE

UNDER ASC 605 and 606*

- Revenue of \$1.05 billion to \$1.075 billion
- Adjusted EBITDA of \$270 million to \$285 million
- New bookings growth expected to be in the low double digits
- Operating free cash flow to be in a range of \$140 million to \$155 million

2019 & 2020 GUIDANCE

- 2019 adjusted EBITDA targeted to be in a range of \$300 million to \$315 million
- 2020 adjusted EBITDA targeted to be in a range of \$335 million to \$350 million

*Effective January 1, 2018, the company adopted Accounting Standards Codification Topic 606, Revenue from Contracts with Customers ("ASC 606"), which supersedes the revenue recognition requirements in ASC Topic 605, Revenue Recognition ("ASC 605"). The company expects the adoption of ASC 606 to impact the timing and amount of revenue recognition for its On Premise licensing arrangements. The company does not expect the adoption of ASC 606 to have a significant impact on its other revenue streams or cash flow from operations. Guidance excludes approximately \$7 million in significant transaction-related expenses

Financial Summary: Five-Year Targets

- **New bookings growth**
High single digits
- **Organic revenue growth**
Mid-to-upper single digits
- **Adjusted EBITDA margin**
100+ bps expansion per year
- **Operating free cash flow**
Track adjusted EBITDA growth
- **Target leverage ratio**
2.5x EBITDA



Investment Highlights

- 1 Long-term, blue-chip, geographically diverse customer base with **low customer concentration** and **strong renewal rates**
- 2 **Large contractual backlog** provides revenue and earnings visibility
- 3 **Transaction-based** software contracts drive **high-quality, recurring revenue**
- 4 **High-margin software** and platform delivery will see improving profitability with scale



ACI GROWTH DELIVERED BY 6-4-2-1

Jeremy Wilmot

Chief Marketing and Revenue Officer

ANY PAYMENT, EVERY POSSIBILITY.

ACI makes fast, simple and secure payments possible around the world by connecting more ways to pay with more payment capabilities than any other provider.



Growth Trends Transforming **Transaction Opportunity**

Cloud/
Open Source

**Billions
Not Millions**

eCommerce
Growth

Rise of
Intermediaries

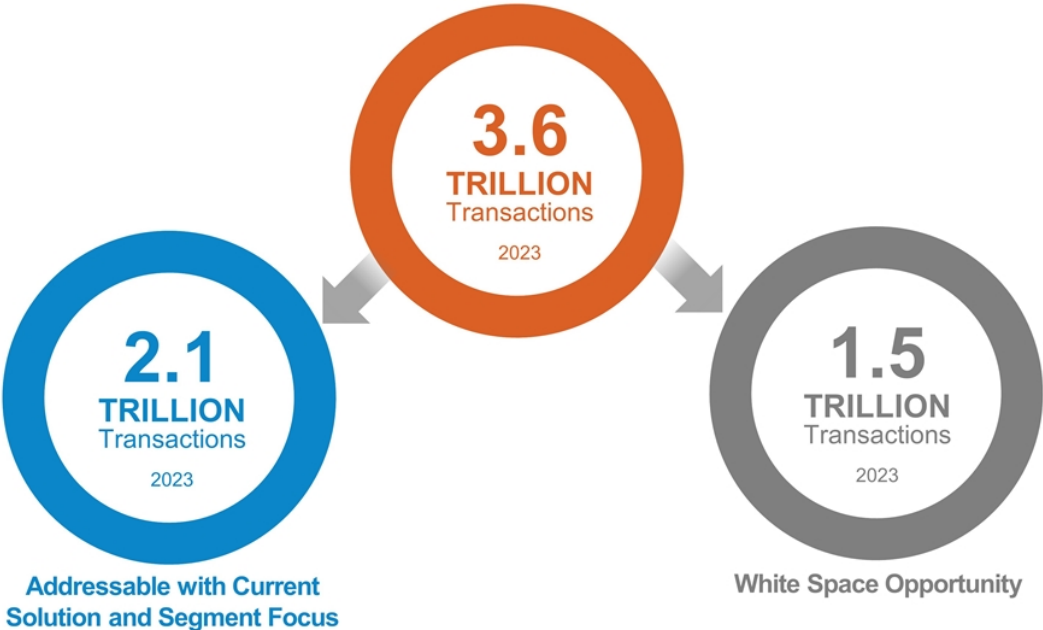
Real-Time
Payments

Payments
Intelligence

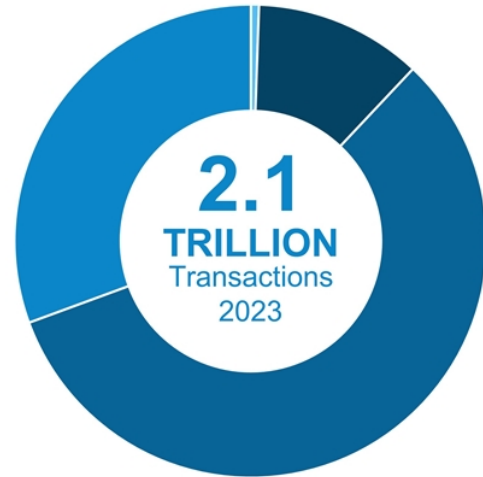
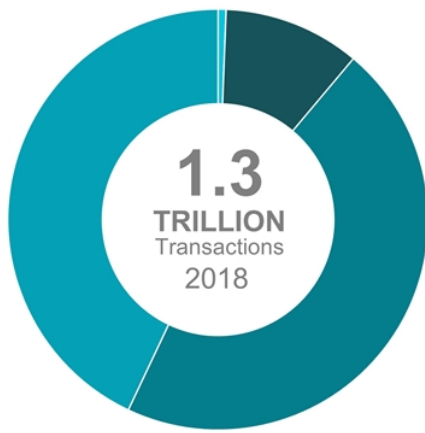
2023 Addressable Transaction Opportunity



2023 Addressable Transaction Opportunity



ACI's Addressable Transaction Opportunity by Segment



ACI % share: High teens to low 20s





Corporates	8 B
Merchants	137 B
Intermediaries	598 B
Banks	560 B

ACI % share: Low-to-mid 20s

Corporates	10 B
Merchants	210 B
Intermediaries	1050 B
Banks	865 B

Monetizing the Transaction Opportunity

Value-based pricing approach

	 Corporates	 Merchants	 Banks	 Intermediaries
Type	C2B end-to-end hosted payment processing	C2B payment at merchant POS or via eCommerce	Payment access to funds	Wide range of payment services
Price per transaction	\$0.2-\$1.0	\$0.01-\$0.07	<\$0.01 <small>(Volume discount price curve applied)</small>	Full range, depending on value derived

Long-term outlook for price compression as transaction volumes expand

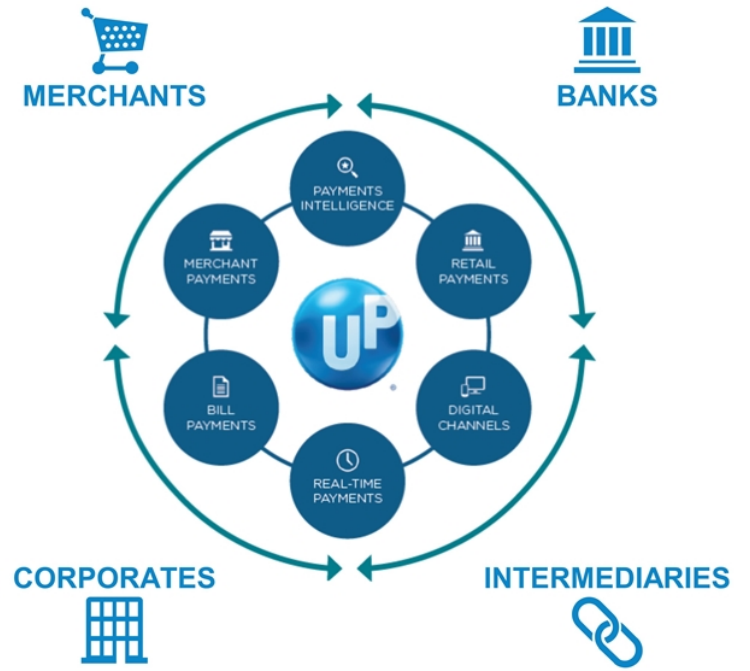
- The cloud and open source infrastructure software are key to efficiency gains
- Payments intellectual property architected for the future

Operationalizing Our Strategy with 6-4-2-1





ACI's Segment and Solutions Focus





Segment Focus: Banks



BANKS: TRENDS

- Real-time and open banking catalyzing payments transformation
- Accelerating cloud adoption in response to innovation drive and increasing cost pressures
- Security and fraud risk management remaining top priority for banks



ACI FOCUS AREAS

- Cards and Real-Time Gross Settlement evolving into hub for large banks
- Real-time payments and open banking innovation
- Mid-tier banks in payments and digital channels
- Payments intelligence as core component



Segment Focus: Merchants and Corporates



MERCHANTS: TRENDS

- Globalization driven by eCommerce
- Omni-channel acceptance of payments
- Mobile-first experience
- Constantly changing risk environment



CORPORATES: TRENDS

- Acceptance of new payment types
- Emerging customer experience demand
- Inefficient processes and service provide opportunity for consolidation



ACI FOCUS AREAS

- eCommerce direct to travel/gaming/telco
- Omni-channel for large complex merchants
- Omni-channel standard solution for mid-large merchants
- Focus U.S. bill pay on select verticals
- Extend real-time payments rails for acceptance across Merchants and Corporates
- Payments intelligence as core component



Segment Focus: Intermediaries



INTERMEDIARIES: TRENDS

- Regulatory and technological changes reducing barriers to entry
- Inefficient and lackluster customer experience, payment services being disrupted
- Economies of scale in mid-market payment players
- Investment dollars seek quality assets



ACI FOCUS AREAS

- eCommerce indirect through payment service providers (PSPs)
- Dedicated focus on acquirers and third-party processors
- Enable FinTechs to disrupt and scale
- Payments intelligence as core component

Why Will ACI Win?



Brand

With a 40+ year heritage of powering mission-critical transactions, ACI is trusted to deliver secure, risk-compliant solutions in a highly regulated payments environment.



Software

ACI's UP solutions connect more ways to pay with more payment capabilities than any other provider; superior non-functional requirements (NFRs) ensure unmatched scalability and reliability in any deployment model.



Scale

The breadth of our solutions enables ACI to process one-fifth of the world's transactions today, with scalability to capitalize on the "billions not millions" opportunity.



Global Reach

ACI is a global payments powerhouse with local expertise, serving customers in 80+ countries. Broad payments reach secures global eCommerce expansion; payments intelligence combats worldwide fraud.



People

Largest team of payment experts in the world, strategically organized throughout the world to deliver 24x7x365 global support.

UP SOLUTIONS STRATEGY

Mike Braatz

Chief Solutions Officer

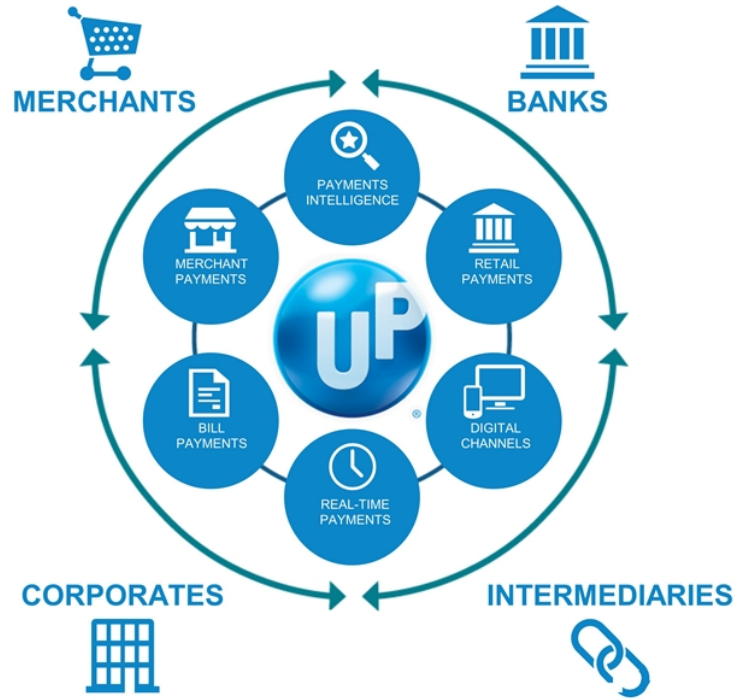
UP Solutions Strategy

Agenda

- ACI Solutions
- Payments Intelligence
- eCommerce Payments
- Real-Time Payments
- Demo



ACI's Segment and Solution Focus

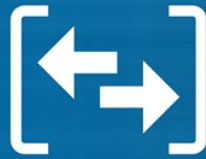


Key Elements of Our Strategy to Increase Customer Value



Any Payment, Every Possibility

Building services
and endpoints to
achieve orchestration



Non-Functional Requirements (NFRs)

Competitive
differentiator



Linux Platform

Open, modern,
efficient platform

Growth Trends Transforming **Transaction Opportunity**

Cloud/
Open Source

**Billions
Not Millions**

eCommerce
Growth

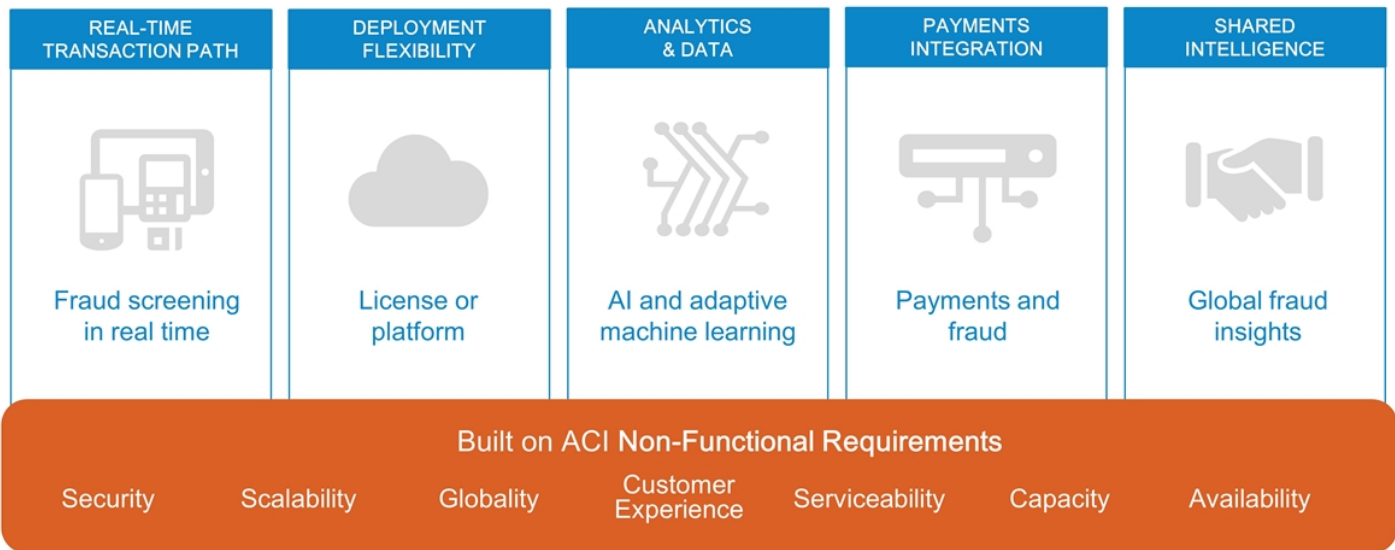
Rise of
Intermediaries

Real-Time
Payments

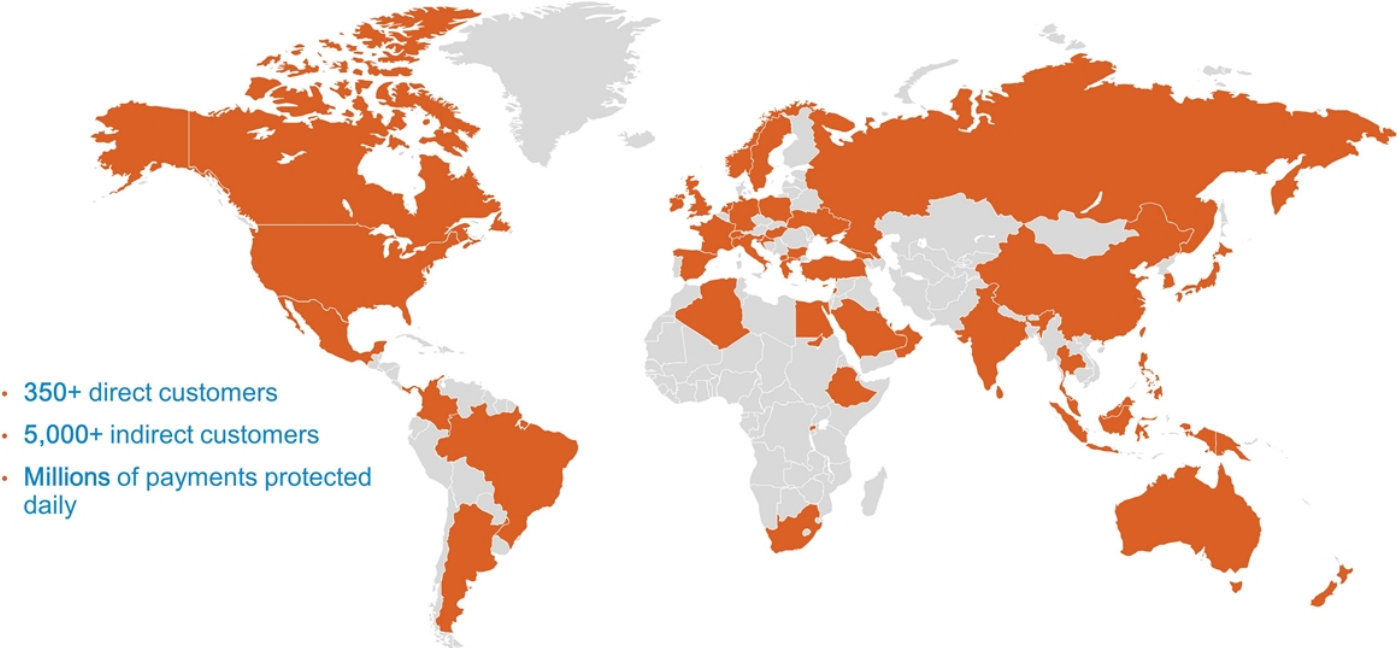
Payments
Intelligence

PAYMENTS INTELLIGENCE

Next-Gen Payments Intelligence



Expanding Global Footprint



- 350+ direct customers
- 5,000+ indirect customers
- Millions of payments protected daily

Customer Benefits Realized



More than 10x
TPS capacity



AI and machine learning for
best-in-class detection



50% improvement
in response time



“Five 9s” platform uptime
and availability

ACI Stream Analytics Engine



A faster, more efficient way to process higher volumes of data



Offering nearly 100 additional fields to positively identify customers



Leveraging the power of ACI consortium database



Big data technology brings speed and volume for faster throughput



Designed to improve approval rates and maximize revenue



Based on thousands of global merchants' customer and transactional data

Stream Analytics Engine's Positive Profiling



Single merchant transaction profiling can be limiting — often lacking critical customer data

- High-risk product
- Next-day delivery
- Nonsense/disposable email
- U.S. BIN
- Address IP mismatch
- No history of customer



Global consortium customer data provides better insights for conversions and fraud management

- Global history
- 300 days history
- Same card
- Same email
- Same telephone
- No chargebacks or fraud

Why Is Positive Profiling a Game Changer?

Merchant and Customer Benefits



Increased Conversions



Reduced Fraud and Chargebacks



Reduced Friction



Superior Omni-Channel Experience



Stronger Customer Relationships

Next-Gen Payments Intelligence in Action: Customer Results



\$100,000 worth of additional accepted transactions

The use of positive profiling during peak season reduced decline rates by 59%. Applying this feature results in \$100,000 worth of additional accepted transactions each month.



Increased revenue by \$225,000 per week

Applying the positive profiling capability to its five top rules, the decline rate for this customer reduced by almost 50% – increasing revenue by \$225,000 per week.

Next-Gen Payments Intelligence in Action: Customer Results



\$450,000 more per month in transactions

Using the Global Time on File Profile indicator, this customer was able to accept \$450,000 more per month in transactions.



\$2.8 million in additional transaction value

Applying positive profiling, this customer's top six rules resulted in 4,427 fewer challenged transactions, of which 3,264 would have been declined. Accepting these declined transactions would have yielded \$2.8 million in additional transaction value.

Next-Gen Payments Intelligence in Action: Customer Results



\$13.7 million being allowed to flow through without friction

The use of four positive profiling rules identified that 25% of this customer's volume was proven to be SAFE transactions (accuracy rate of 99.66%). This equated to \$13.7 million being allowed to flow through without friction.



40% of cases were proven to be fraud

Using the Global Card Spend profile, ACI's risk team found that 88% of this merchant's good customers' consolidated spend was \$200 or under, with the remainder proving to be fraud in 40% of cases.

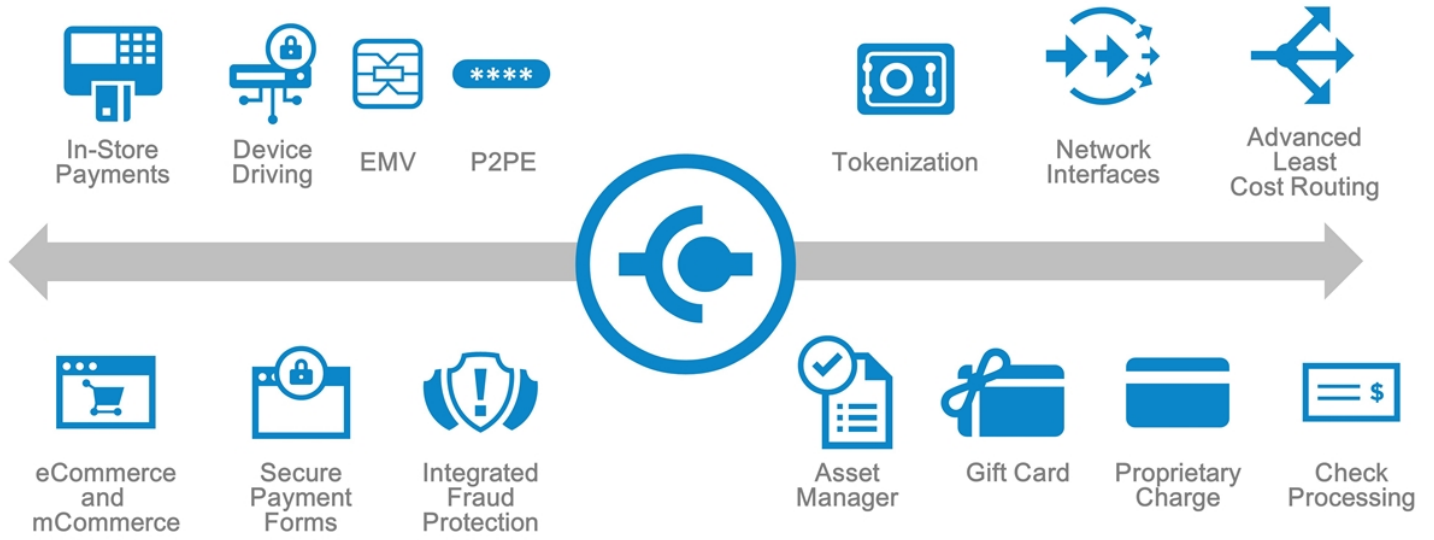
eCOMMERCE PAYMENTS

Market Growth in eCommerce and mCommerce



ACI Omni-Channel Payments Solution

Omni-channel payments services

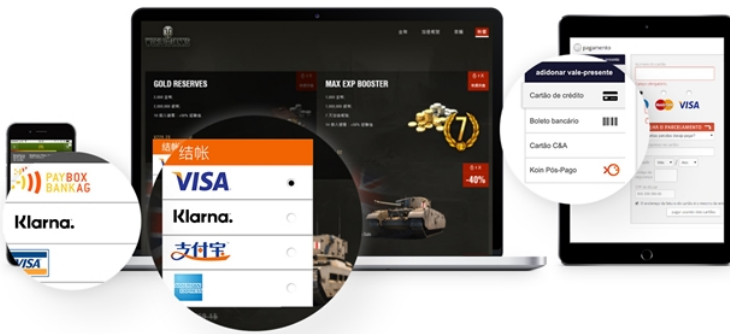


Delivering Global Coverage

The largest number of endpoints, connecting to traditional payments, alternative payments and acquirers – enabling rapid cross-border expansion

CARDS	ALTERNATIVE PAYMENTS
<p>DISCOVER CREDIT Diners Club INTERNATIONALE</p> <p>VISA mastercard AMERICAN EXPRESS UnionPay JCB</p> <p>argencard cencosud Fipercard CAROL Interac</p>	<p>DIRECT DEBIT</p> <p>ACH SEPA</p> <p>ONLINE TRANSFER</p> <p>entercash Przelewy24 Trustly giropay iDEAL d-local POLi paydirekt</p> <p>TrustPay sfort SOFORT Skrill Direct WebMoney</p>
<p>DEBIT</p> <p>moestro VISA Electron V PAY DK EB Bancontact</p> <p>UnionPay Interac el PostFinance Mister Cash</p>	<p>INSTALLMENTS</p> <p>Klarna PAYOLUTION</p> <p>Slice it.</p> <p>WALLET</p> <p>G Pay MasterPass 支付宝 ALIPAY 财付通 Яндекс</p> <p>Apple Pay cashU 支付宝 ALIPAY PayPal NETELLER</p> <p>necard Skrill QIWI Wallet WebChat Pay iPara</p>
<p>PRE-PAID</p> <p>MoneySafe paysafecard Mangir Kart</p> <p>elo</p>	<p>INVOICE</p> <p>AfterPay Klarna PAYOLUTION</p> <p>Paylexo Pay later.</p> <p>PREPAYMENT</p> <p>SERVI PAC Boleto OXO 7 ELEVEN LINK PAGO</p> <p>MB MULTIBANCO redpagos Provident rapipago</p>
<p>MOBILE</p> <p>DAO PAY Kanzaroo point</p> <p>paybox</p>	<p>OTHERS</p> <p>Miles & More Lufthansa bitcoin d-local</p>

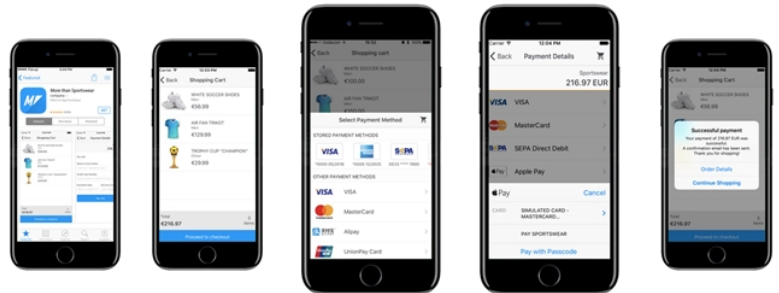
Enabling a Compelling Shopper Experience



- One-click checkout gives repeat shoppers a simpler experience.
- Responsive web design ensures shoppers they are buying from a legitimate business.
- Mobile- and tablet-optimized payment solutions that support all relevant payment methods increase conversion rates significantly.
- Multiple languages and all major currencies increase shopper confidence.
- Tokenization protects sensitive shopper data.

ACI mCommerce SDK

- Mobile is becoming the leading commerce channel favored by consumers.
- Native apps are ideal for repeat customers (with highest spend).
- Provide the best possible customer checkout experience in a native app
 - Optimize brand perception and maximize conversion
- Merchants need help to keep up with the rapid evolution of mCommerce and the many “Pays.”
- Merchants need to cope with new variations of mobile payments through Wearables, CarPlay, etc.
- Great experience for consumers
 - True native checkout (iOS/Android)
 - One-click payments
 - Locally relevant payment methods
- Simple integration for developers
 - Single SDK with exceptional developer portal
 - Merchants can be up and running rapidly



ACI Merchant Payments Value Proposition



“ACI Worldwide provides vast global reach with superior flexibility.”

The Forrester Wave™: Global Merchant Payment Providers, Q3 2018

“ACI is a best fit for retailers that want a global ‘payments integration hub’ that provides maximum flexibility to manage multiple acquirers, payment methods, and technology providers.”

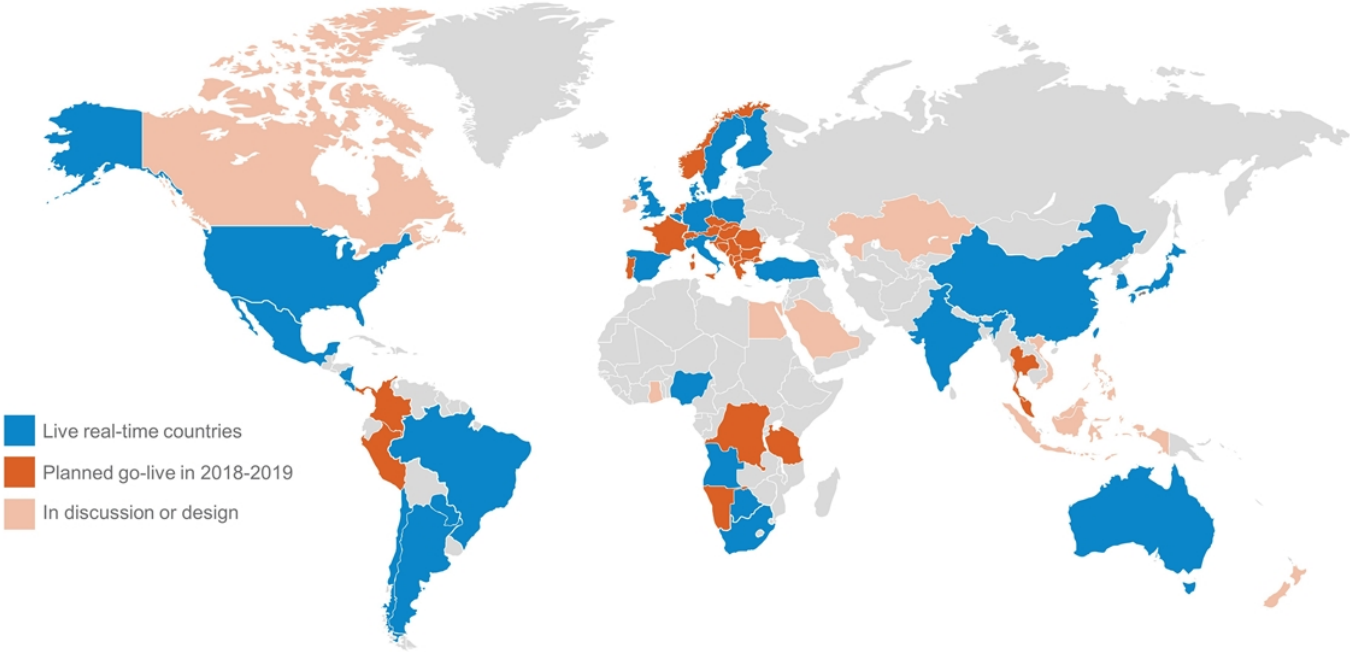
The Forrester Wave™
Global Merchant
Payment Providers,
Q4 2018 Report



*A gray marker indicates incomplete vendor participation.

REAL-TIME PAYMENTS

Real-Time Payments Around the Globe



UP Real-Time Payments Strategy

Four key pillars of our strategy



RTGS plus
immediate
payments and
SWIFT gpi



Additional
central
infrastructure
endpoints



License and
platform
offering



Expanded
partner
ecosystem

ACI: Proven in Real-Time Payments Globally

Vast experience in implementing and managing real-time payments



FASTER PAYMENTS: U.K.

- Over 60% of U.K. direct participants
- On-premise and multi-tenant cloud access
- Live since 2008



FAST: SINGAPORE

- Gateway plus business packs
- Stand-in, offline processing
- Live since 2014



RTP and Zelle: U.S.

- Gateway, hub and business packs
- Credit and Request to Pay
- License and platform access
- Live 2017



SEPA Instant: EU

- EBA Clearing, STET, Equens
- Credit and Request to Pay
- License and platform access
- Live 2017



NPP: AUSTRALIA

- Payment services, business intelligence, exception processing
- Credit and debit
- Live 2018



PayNet: MALAYSIA

- Central Infrastructure for Malaysia
- CI Connector and gateways
- Credit and debit
- Live 2018



UP Real-Time Payments

Solution overview

- ✓ Solution is available today, including a starter pack for TCH and Zelle
- ✓ Maintained to industry standards, globally and locally
- ✓ In use and proven around the world for multiple schemes
- ✓ ISO 8583, ISO 20022 and proprietary messaging frameworks
- ✓ ACI products are built for real time, 24x7 and 99.999% availability
- ✓ ACI expertise with ISO 20022, U.K. FP, NPP, FAST, ITMX, TCH, Zelle, EPC and EBA

For a Long Time, Payments in Banking Looked Like This

WHOLESALE



RETAIL



But the Lines Are Blurring...

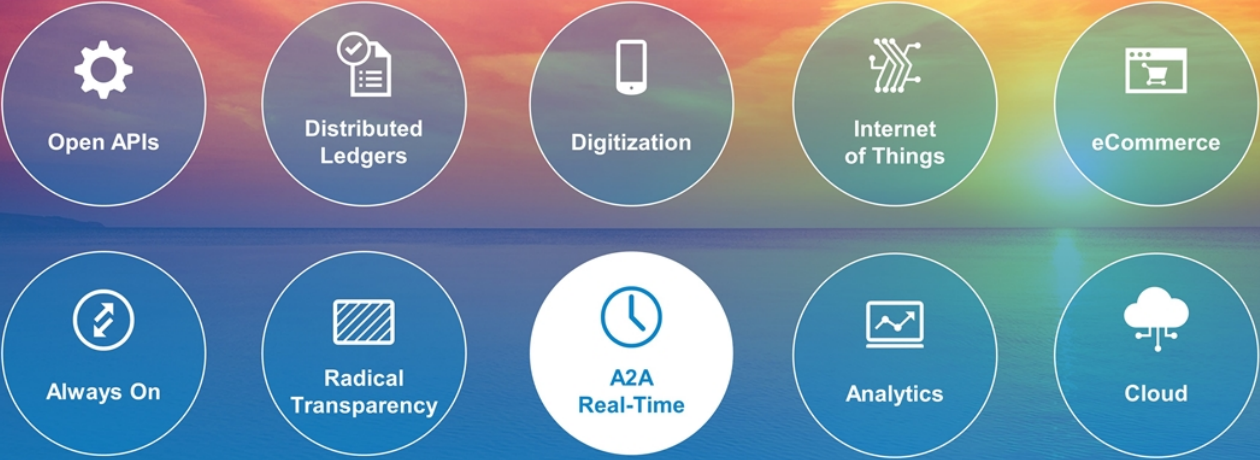
WHOLESALE



RETAIL



And Change Is Coming...



DEMO: REAL-TIME PAYMENTS

UP Solutions In Action

- Great user experience
- Powerful services
- API management and orchestration
- ACI technologies



DEMO: GIFT CERTIFICATE

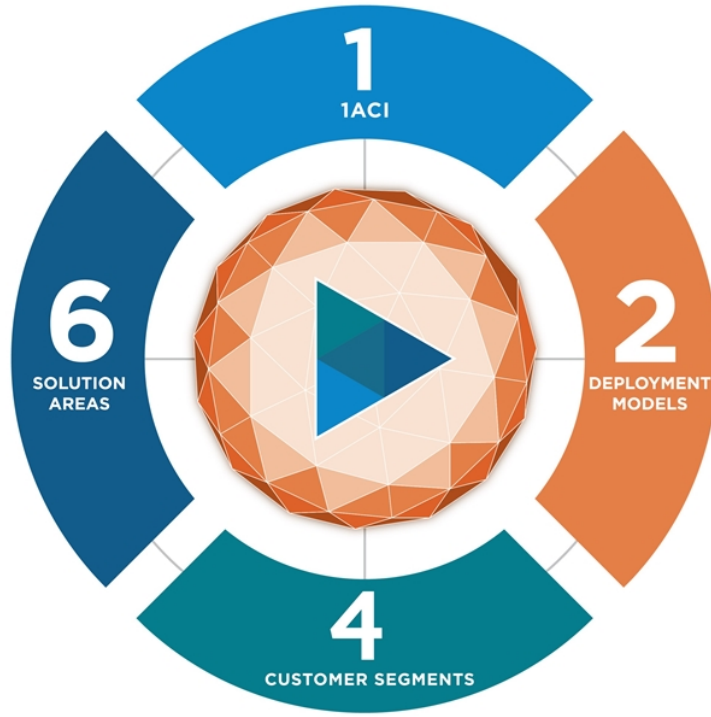
UP Solutions In Action

- Omni-channel commerce
- Great user experience
- Powerful services
- Mobile point of sale
- API management and orchestration
- ACI technologies



EXECUTING THROUGH OUR 2 P&L MODEL

Craig Saks
Chief Operating Officer



**ACI ON DEMAND:
TRANSFORMATION TO
PLATFORM BUSINESS**

**ACI ON PREMISE:
PUBLIC CLOUD OPTION,
LOWER TCO**

**FOCUS ON SPEED
AND RESPONSIVENESS**

**MATURATION OF
CUSTOMER SUCCESS**

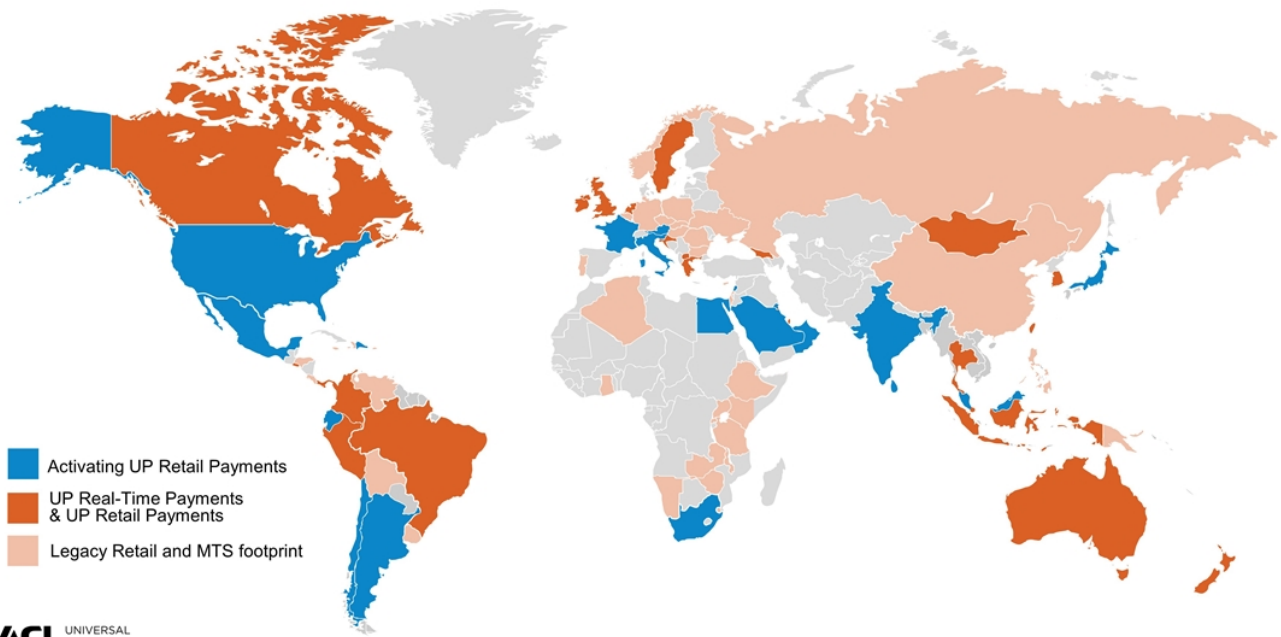
ACI ON PREMISE CUSTOMER INSIGHTS

Mandy Killam

Group President, ACI On Premise

Delivering Value to Our Customers Globally

Any payment



Customer Priorities for Value Creation

Every possibility

MANAGE



Real-Time

GROW



Open APIs

INNOVATE



Customer Priorities for Value Creation

Every possibility

MANAGE

LINUX
CONSOLIDATION
CLOUD

Real-Time

GROW

REAL-TIME
CONVERGENCE
AGILE

Open APIs

INNOVATE

DIGITAL
CO-INNOVATION
SOCIAL

Technology Modernization Delivering Transaction Growth

Leveraging common assets

Endpoints



Services



**Non-Functional
Requirements**



BMO Customer Profile

CHALLENGE

Drive payments modernization and improve customer experience, delivered through a world-class payment hub.



SOLUTION

ACI's UP Real-Time Payments solution allows BMO to address its Real-Time Gross Settlement SWIFT messaging, ACH and real-time payment needs with a single, universal offering.

RESULTS

- Contract to go-live in 9 months
- Sustained innovation with agile drops
- Integration with several of BMO's core payment systems

CUSTOMER VALUE

- Payment hub as a cornerstone of BMO payment modernization strategy
- Speed to market differentiates BMO and now in pole position for the new payment rails Canada is introducing in 2019

ABN AMRO Customer Profile

CHALLENGE

Accelerate payments innovation and better satisfy the demands of growing consumer and corporate customer bases.



SOLUTION

ABN AMRO is a long-term ACI customer that also utilizes the UP Payments Risk Management solution. With UP Retail Payments, ABN AMRO achieved cost savings by migrating to a more cost-efficient IT platform. ABN AMRO can also extend its investment in ACI payments infrastructure to easily add new payment types, address emerging requirements such as open APIs, and prepare for future innovation.

RESULTS

- Support business growth and new transaction services in areas such as public transport
- Accelerate digital payments innovation to launch new products such as wearables and wallets

CUSTOMER VALUE

- Flexible solution that leverages the entire functionality of ACI solutions to support its strategic growth objectives



Cognizant

Adam Bremner

SVP, Banking and Financial Services

Open Source and Cloud Advantages



PostgreSQL



Reduced TCO

Potential savings when switching to **Linux + PostgreSQL** from alternate platforms and databases*

43% savings vs. Oracle Systems, cTree

66% savings vs. Linux, Oracle

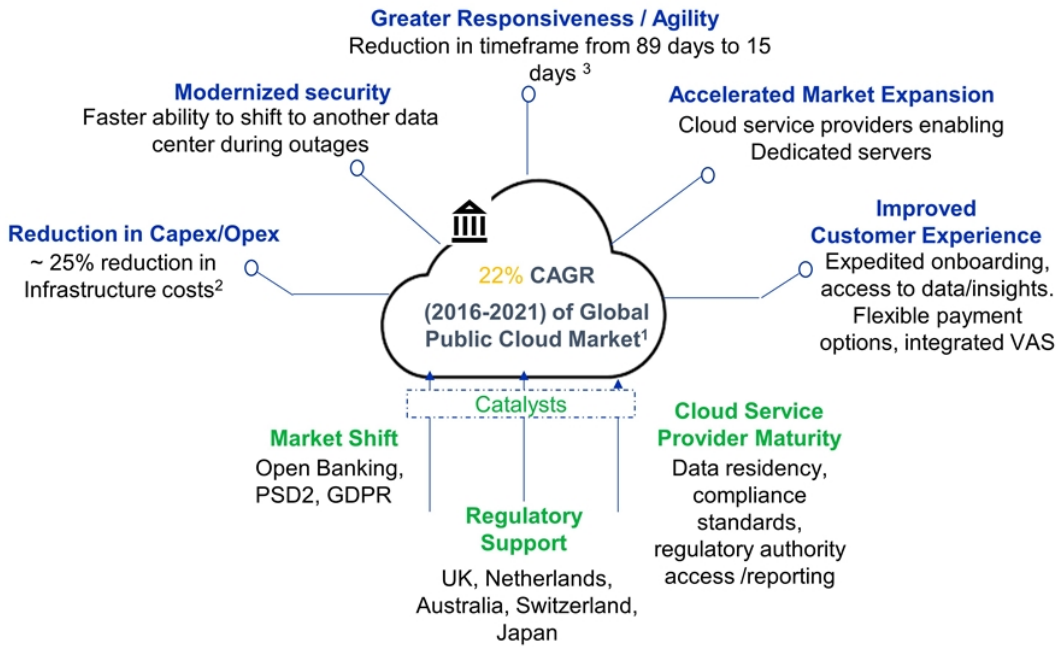
86% savings vs. HPE Non Stop, Enscribe

86% savings vs. IBM System-p, cTree

92% savings vs. IBM System-z, DB2

**For large customers (1,000 TPS average)*

Public cloud's role in payments platform modernization



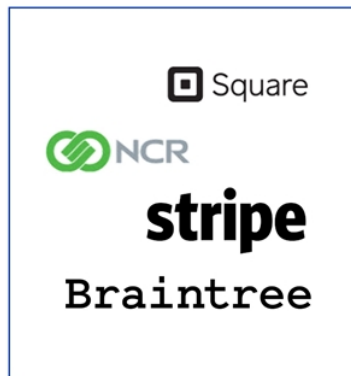
Factors that will drive adoption
<ul style="list-style-type: none"> • Regulatory Risk – Formalization of regulatory support in specific markets • Migration complexity of legacy platforms onto cloud • Encryption – Availability of cloud ready HSM solutions • Multi-tenancy – Added layer of complexity for payments as a service providers • Data consistency and persistency across cloud based applications

77 ¹ IDC Worldwide Semi Annual Public Cloud services spending guide, January 2018, Angela Vacca, Ashutosh Bisht, Eileen Smith, Enrique Phun
² Reuters/IDC Financial Insights study, 2017
³ McKinsey Report – “Beyond Agile: Re-organizing IT for faster software delivery”, By Oliver Bossert, Chris Ip and Irina Starikova, Sep 2015⁴

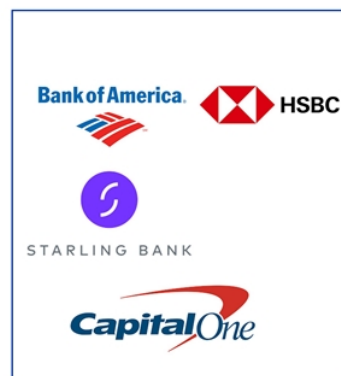
Selected examples of cloud deployment



Card Issuing and Acquiring
Platform / Payments
Processing in the Cloud



Online Payment
Providers/Payment
Switches in the Cloud

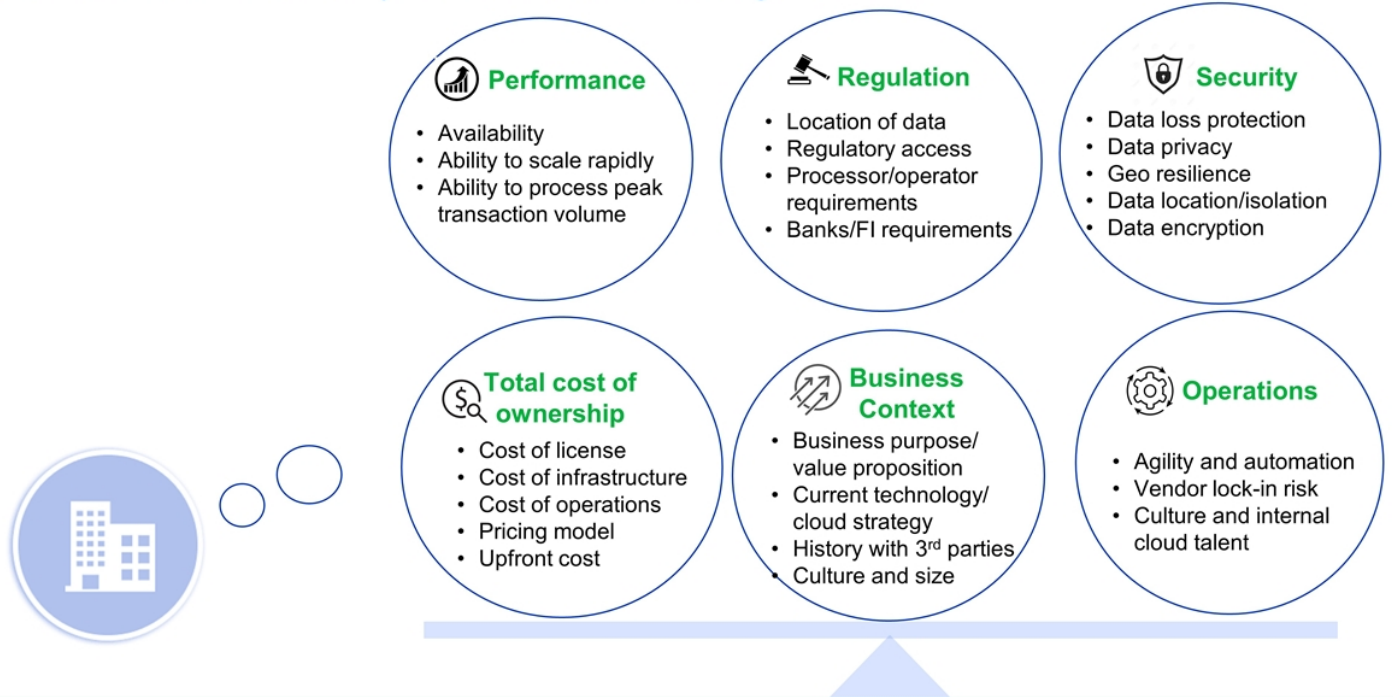


Retail Banking, /
Mobile Banking App
on the Cloud



Wholesale Trading and
Risk Modeling
Solutions in the Cloud

Elements clients may consider in making a choice



ACI ON DEMAND CUSTOMER INSIGHTS

Dan Frate

Group President, ACI On Demand

Balancing Fraud Prevention with Customer Experience

Payments Intelligence



Fraud costs 2.9% of revenue for financial services companies



More than 1 in 3 use compromised account less frequently after fraud



Emerging fraud threats require response times with better data analytics

Sources: ACI, LexisNexis



Amala Duggirala

Enterprise Chief Information Officer

Omni-Channel Payments for an Any Channel World

Investments in eCommerce and mCommerce driving change



1 in 3 merchants highlight payment enhancements as a leading IT priority



Smartphone mCommerce will surpass \$117 billion in 2018 — that's 23% of U.S. online retail sales



53% of merchants say that cloud models can increase their ability to launch new products and services

Sources: Forrester, Ovum

pilot®



FLYING J®

Josh Birdwell

Senior Director

Guest Systems & Applications Development

The Evolving Cash Management Industry

Digital payments



81% of banks expect cash management technology spend to increase over the next 2 years



Banking platforms must be configurable without the need for heavy customization



Cash management technology is evolving at a faster pace than ever before

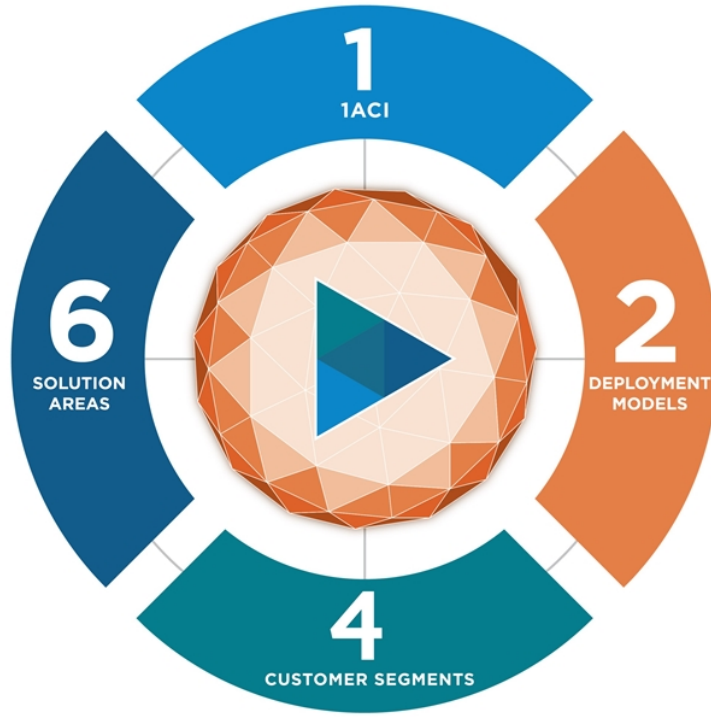
Sources: Aite, Forrester



Steve Fricano
CIO, Corporate Banking

EXECUTING THROUGH OUR 2 P&L MODEL

Craig Saks
Chief Operating Officer





Philip Heasley
President and CEO

Q&A

Scott Behrens
Chief Financial Officer

Craig Saks
Chief Operating Officer

CLOSING

John Kraft

Vice President, Investor Relations and Strategic Analysis

APPENDIX

Non-GAAP Financial Measures

- To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tables, which exclude significant transaction-related expenses, as well as other significant non-cash expenses such as depreciation, amortization, and non-cash compensation, that we believe are helpful in understanding our past financial performance and our future results. The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP. We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. Certain non-GAAP measures include:
- Adjusted EBITDA: net income (loss) plus income tax expense (benefit), net interest income (expense), net other income (expense), depreciation, amortization, and non-cash compensation, as well as significant transaction-related expenses. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income (loss).

Non-GAAP Financial Measures

Adjusted EBITDA (in millions)	2015	2016	2017
Net income (loss)	\$ 85	\$ 130	\$ 5
Plus:			
Income tax expense (benefit)	28	56	38
Net interest expense	41	39	38
Net other expense (income)	(26)	(4)	3
Depreciation expense	22	23	25
Amortization expense	76	81	77
Non-cash compensation expense	18	43	14
Adjusted EBIDTA	244	368	200
Deferred revenue fair value adjustment	1	-	-
Gain on sale of CFS assets	-	(152)	-
Legal judgment	-	-	47
Other significant transaction related expenses	15	21	15
Adjusted EBIDTA excluding significant transaction related expenses	\$ 260	\$ 237	\$ 262
Less CFS contribution	(13)	(1)	-
Retained indirect costs during TSA period	-	5	-
Adjusted EBIDTA excluding significant transaction related expenses and CFS	\$ 247	\$ 241	\$ 262

Forward-Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as “believes,” “will,” “expects,” “anticipates,” “intends,” and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in this presentation include, but are not limited to, statements regarding:

- expectations regarding debt levels and leverage ratios,
- expected impacts of adoption of ASC 606,
- expectations regarding revenue, adjusted EBITDA, operating free cash flow, and new bookings growth in 2018,
- expectations regarding EBITDA in 2019 and 2020,
- expectations regarding five year financial targets.

Forward-Looking Statements

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, increased competition, the success of our Universal Payments strategy, demand for our products, restrictions and other financial covenants in our credit facility, consolidations and failures in the financial services industry, customer reluctance to switch to a new vendor, the accuracy of management's backlog estimates, the maturity of certain products, our strategy to migrate customers to our next generation products, failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects or inaccurate project completion estimates, volatility and disruption of the capital and credit markets and adverse changes in the global economy, our existing levels of debt, impairment of our goodwill or intangible assets, litigation, future acquisitions, strategic partnerships and investments, the complexity of our products and services and the risk that they may contain hidden defects or be subjected to security breaches or viruses, compliance of our products with applicable legislation, governmental regulations and industry standards, our ability to protect customer information from security breaches or attacks, our compliance with privacy regulations, our ability to adequately defend our intellectual property, exposure to credit or operating risks arising from certain payment funding methods, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter, business interruptions or failure of our information technology and communication systems, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, exposure to unknown tax liabilities, volatility in our stock price, and potential claims associated with our sale and transition of our CFS assets and liabilities. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.