ACI UNIVERSAL PAYMENTS

May 8, 2008

ACI Worldwide, Inc. Reports Financial Results for the Quarter Ended March 31, 2008

(NEW YORK — May 8, 2008) — ACI Worldwide, Inc. (NASDAQ:ACIW), a leading international provider of software for electronic payment systems, today announced financial results for the period ending March 31, 2008. We will hold a conference call on May 8, 2008, at 8.30 a.m. EDT to discuss this information. Interested persons may also access a real-time audio broadcast of the teleconference at http://www.tsainc.com/investors.

“The first quarter witnessed a renewed investment in product development and in services personnel to manage both the migration of customers to our latest BASE24TM offering as well as the implementation of the record new accounts we booked in prior quarters. We also saw the rate of increase of overall deferred revenue slow down, which would indicate that more of our deferred revenue is converting into current period GAAP earnings. The business itself reflected a steady and typical first quarter performance with a moderated pace of new sales after a healthy fourth quarter,” said Chief Executive Officer Philip Heasley.

Notable new business during the quarter included:

EMEA: Added new BASE24-epsTM customer locations in Romania and Kyrgystan. Products selected across the region include BASE24TM combinations, the ACI Money Transfer System, and application infrastructure tools.
Asia: Bank and credit card customers added wholesale products including ACI Enterprise Banker, ACI Payments File Manager, Proactive Risk Manager, Trade Manager, NET24 XPNET and File Connect
Thailand: Kasikorn Bank purchased a global payment hub comprised of multiple products in an IBM environment<
United States: A large supermarket chain purchased BASE24TM and Golden Gate.
Italy: A banking customer added BASE24-pos and Simulation Services for Enterprise Testing
6 new customers signed, including new users of ACI Enterprise Banker, BASE24-epsTM and Proactive Risk Manager.
16 new applications added to existing customer relationships ranging from ACI Retail Commerce Server and Proactive Risk Manager for Enterprise Services to Simulation Services for Enterprise Testing

FINANCIAL SUMMARY

Operating Free Cash Flow

Operating free cash flow for the quarter was $45.3 million compared to $18.3 million for the March 2007 quarter. The rise in our operating free cash flow was due to the receipt of payments under the terms of the alliance agreement with IBM Corporation in the March 2008 quarter as compared to the same quarter in the year prior. Net operating free cash flow was $9.1 million excluding a net IBM alliance payment of $36.2 million. The year-over-year variance in operating free cash flow of $9.2 million was comprised primarily of the addition of $6.0 million of services personnel and related expenses in the geographic channels as well as $2.2 million rise in distributor commissions and professional fees paid in the quarter.

Sales

Sales bookings in the quarter totaled $63.8 million compared to $125.5 million in the March 2007 quarter. The contraction in year-over-year sales is a consequence primarily of two sales types that totaled $56.6 million of the variance: term extensions, which accounted for $28.9 million, and new accounts/new applications sales, which accounted for a further $27.7 million reduction over the prior period. The two sales groups contracted for different reasons. The term extension reduction is a function of the timing of renewals of five-year contracts while the prior-year period saw the booking of much larger deals that had commensurately higher product sales components. In the combined new accounts/new applications category we sold smaller deals in the current period; this year our top five sales amounted to $9.3 million in contrast to the prior year quarter in which we sold $30.2 million of products. The contraction is due to the complexity of new multi-product deals, slower than usual customer approval processes, and our new focus on selling products in conjunction with IBM.

Backlog

As of March 31, 2008, our estimated 60-month backlog was $1.397 billion compared to $1.380 billion at December 31, 2007, and $1.277 billion as of March 31, 2007. The sequential growth of $17 million in our 60-month backlog was comprised primarily of EMEA growth due to positive foreign exchange translation of approximately $12 million as well as higher sales bookings in the British Isles and Italy. As of March 31, 2008, our 12-month backlog was $347 million, as compared to $336 million for the quarter ended December 31, 2007, and $307 million for the quarter ended March 31, 2007. The 12-month backlog was positively impacted by $3 million of foreign exchange gain as well as a large transaction moving into the near-term period.

Revenues

Revenue was $92.6 million in the quarter ended March 31, 2008, an increment of $2.7 million or 3% over the prior-year period revenue of $89.9 million. The increase was largely attributable to a rise of $1.6 million in maintenance fees in the March 2008 quarter as compared to the March 2007 quarter. Our March 2008 GAAP revenue derived principally from our backlog; 89% derived from 12-month backlog whereas only 11% of the revenue was provided by current-period sales. Our monthly recurring revenue figure in the quarter of $56.3 million, a rise of $4.1 million over the prior-year quarter, also underscores the growth of the ratable and renewing portion of our business and a lessening of the significance of non-recurring license fee revenue.

Sequentially, our deferred revenue increased by $12.9 million compared to a sequential increase of $20.8 million in the March 2007 quarter while our year-over-year deferred revenue rose by $33.9 million. The rise in sequential short-term deferred revenue from $115.5 million to $135.4 million signifies that some of our backlog is beginning to move closer to GAAP revenue recognition.

Operating Expenses

Operating expenses were $93.1 million in the March 2008 quarter compared to $89.7 million in the March 2007 quarter, an increase of $3.4 million or 4%. Excluding the prior-year quarter's non-recurring expenses of $5.9 million incurred in conjunction with our historic stock options review in 2007, operating expenses grew by $9.3 million as a result of the following variances: a rise of $4.6 million in services personnel and related costs, $2.2 million rise in distributorship commissions related to mix of sales as well as external professional fees, $0.5 million investment in our retail on-demand product, $0.9 other general and administrative costs, and $1.1 million in acquisition expenses specific to Stratasoft and Visual Web.

Other Income and Expense

Other expense for the quarter was $1.0 million, compared to other expense of $0.9 million in the March 2007 quarter. The increase in other expense in the quarter resulted from the reduction of cash and cash equivalents due to funding of our share repurchase program, which also impacted interest income received, and from interest expense paid on the outstanding credit facility. The $3.7 million FAS 133 non-cash loss on our interest rate swaps was offset by a gain of $3.7 million on foreign exchange.

Taxes

Income tax expense in the quarter was $2.0 million due to losses in tax jurisdictions for which we received no tax benefit offset by income in tax jurisdictions in which we accrued tax expense. Furthermore, as mentioned in previous quarters, the company continues to incur a fixed amortization charge of $0.6 million per quarter related to the transfer of intellectual property outside the United States.

Net Income (Loss) and Diluted Earnings Per Share

Net loss for the quarter was $3.5 million, compared to net loss of $0.4 million during the same period last year.

Earnings (loss) per share for the quarter ended March 2008 was $(0.10) per diluted share compared to $(0.01) per diluted share during the same period last year. The year-over-year quarterly change is primarily due to the following factors: positive variance of $0.10 due to lack of historic stock option review fees in 2008, $0.07 variance driven by foreign currency gain in the March 2008 quarter versus a loss in prior year and $0.04 rise in organic revenue, offset by a negative variance of $0.15 in organic operating expenses, $0.07 in a non-cash loss on our interest rate swaps and $0.07 due to the 2008 tax expense.

Weighted Average Shares Outstanding

Total weighted average shares outstanding were 35.2 million for the quarter ended March 31, 2008 as compared to 37.2 million shares outstanding for the quarter ended March 31, 2007. During the quarter, we repurchased 1,639,755 shares at an average price of $18.33 in the quarter.

About ACI Worldwide, Inc.

ACI Worldwide is a leading provider of electronic payments software and services to major banks, retailers and processors around the world. The company's solutions enable online payment processing, online banking, fraud prevention and detection, and back office services such as settlement, account management, card management and dispute processing. ACI solutions provide market-leading levels of reliability, manageability and scale to over 800 customers in 88 countries. Visit ACI Worldwide at www.aciworldwide.com.

Non GAAP Financial Measures

This press release includes operating free cash flow and backlog estimates. ACI is presenting these non-GAAP guidance measures to provide more transparency to its earnings, focusing on operating free cash flow and backlog.

ACI is presenting operating free cash flow, which is defined as net cash provided (used) by operating activities, excluding cash payments associated with the cash settlement of stock options, cash payments associated with one-time employee related actions, less capital expenditures and plus or minus net proceeds from IBM. We utilize this non-GAAP financial measure, and believe it is useful to investors, as an indicator of cash flow available for debt repayment and other investing activities, such as capital investments and acquisitions. We utilize operating free cash flow as a further indicator of operating performance and for planning investing activities. Operating free cash flow is considered a non-GAAP financial measure as defined by SEC Regulation G. Operating free cash flow should be considered in addition to, rather than as a substitute for, net cash provided (used) by operating activities. A limitation of operating free cash flow is that it does not represent the total increase or decrease in the cash balance for the period. This measure also does not exclude mandatory debt service obligations and, therefore, does not represent the residual cash flow available for discretionary expenditures. 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 of viewing aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. These non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, loss from operations and net loss per share calculated in accordance with GAAP. We believe that operating free cash flow is useful to investors to provide disclosures of our operating results on the same basis as that used by our management. We also believe that this measure can assist investors in comparing our performance to that of other companies on a consistent basis without regard to certain items, which do not directly affect our ongoing cash flow.

ACI also includes backlog estimates which are all software license fees, maintenance fees and services specified in executed contracts, as well as revenues from assumed contract renewals to the extent that we believe recognition of the related revenue will occur within the corresponding backlog period. We have historically included assumed renewals in backlog estimates based upon automatic renewal provisions in the executed contract and our historic experience with customer renewal rates.

Backlog is considered a non-GAAP financial measure as defined by SEC Regulation G. Our 60-month backlog estimate represents expected revenues from existing customers using the following key assumptions:

Maintenance fees are assumed to exist for the duration of the license term for those contracts in which the committed maintenance term is less than the committed license term.
License and facilities management arrangements are assumed to renew at the end of their committed term at a rate consistent with our historical experiences.
Non-recurring license arrangements are assumed to renew as recurring revenue streams.
Foreign currency exchange rates are assumed to remain constant over the 60-month backlog period for those contracts stated in currencies other than the U.S. dollar.
Our pricing policies and practices are assumed to remain constant over the 60-month backlog period.
Estimates of future financial results are inherently unreliable. Our backlog estimates require substantial judgment and are based on a number of assumptions as described above. These assumptions may turn out to be inaccurate or wrong, including for reasons outside of management's control. For example, our customers may attempt to renegotiate or terminate their contracts for a number of reasons, including mergers, changes in their financial condition, or general changes in economic conditions in the customer's industry or geographic location, or we may experience delays in the development or delivery of products or services specified in customer contracts which may cause the actual renewal rates and amounts to differ from historical experiences. Changes in foreign currency exchange rates may also impact the amount of revenue actually recognized in future periods. Accordingly, there can be no assurance that contracts included in backlog estimates will actually generate the specified revenues or that the actual revenues will be generated within the corresponding 60-month period.

Backlog should be considered in addition to, rather than as a substitute for, reported revenue and deferred revenue.

The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP.

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”, “looks forward to,” 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 the:

Expectations related to the reduced rate of increase in our overall deferred revenue and our belief that this indicates that we are converting a greater amount of deferred revenue into current period GAAP earnings;
Our ability to successfully sell complex multi-product deals and engage in joint marketing efforts with IBM and the impact of such efforts on our sales;
Expectations related to the growth of the ratable and renewing portion of our business and the lessening significance of non-recurring license fee revenue; and
Expectations related to the timing for the conversion of portions of our backlog to GAAP revenue based on the increase in our sequential short-term deferred revenue.
Any or all of the forward-looking statements may turn out to be wrong. They can be affected by the judgments and estimates underlying such assumptions or by known or unknown risks and uncertainties. Many of these factors will be important in determining our actual future results. Consequently, no forward-looking statement can be guaranteed. Actual future results may vary materially from those expressed or implied in any forward-looking statements. In addition, we disclaim any obligation to update any forward-looking statements after the date of this presentation.

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. 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 Form 10-K filed on January 30, 2008 and our Form 10-Q filed on February 19, 2008, both as amended by our Form 10-K/A and Form 10-Q/A, respectively, filed on March 4, 2008, and specifically the sections entitled “Factors That May Affect Our Future Results or the Market Price of Our Common Stock.”

The risks identified in our filings with the Securities and Exchange Commission include:

Risks associated with the restatement of our financial statements;
Risks associated with our performance which could be materially adversely affected by a general economic downturn or lessening demand in the software sector;
Risks associated with our ability to successfully and effectively compete in a highly competitive and rapidly changing industry;
Risks inherent in making an estimate of our backlogs which may not be accurate and may not generate the predicted revenue;
Risks associated with tax positions taken by us which require substantial judgment and with which taxing authorities may not agree;
Risks associated with consolidation in the financial services industry which may adversely impact the number of customers and our revenues in the future;
Risks associated with our stock price which may be volatile;
Risks associated with conducting international operations;
Risks regarding one of our most strategic products, BASE24-eps, which may prove to be unsuccessful in the marketplace;
Risks associated with our future profitability which depends on demand for our products; lower demand in the future could adversely affect our business;
Risks associated with the complexity of our software products and the risk that our software products may contain undetected errors or other defects which could damage our reputation with customers, decrease profitability, and expose us to liability;
Risks associated with the IBM alliance, including our and/or IBM’s ability to perform under the terms of that alliance and customer receptiveness to the alliance
Risks associated with future acquisitions and investments which could materially adversely affect us;
Risks associated with our ability to protect our intellectual property and technology and that we may be subject to increasing litigation over our intellectual property rights;
Risks associated with litigation that could materially adversely affect our business financial condition and/or results of operations;
Risks associated with our offshore software development activities which may be unsuccessful and may put our intellectual property at risk;
Risks associated with security breaches or computer viruses which could disrupt delivery of services and damage our reputation;
Risks associated with our ability to comply with governmental regulations and industry standards to which are customers are subject which may result in a loss of customers or decreased revenue;
Risks associated with our ability to comply with privacy regulations imposed on providers of services to financial institutions;
Risks associated with system failures which could delay the provision of products and services and damage our reputation with our customers;
Risks associated with our restructuring plan which may not achieve expected efficiencies;
Risks associated with material weaknesses in our internal control over financial reporting;
Risks associated with the impact of economic changes on our customers in the banking and financial services industries including the current mortgage crisis which could reduce the demand for our products and services; and
Risks associated with the our recent outsourcing agreement with IBM which may not achieve the level of savings that we

anticipate and involves many changes in systems and personnel which increases operational and control risk during transition, including, without limitation, the risks described in our Current report on Form 8-K filed March 19, 2008.

Risks associated with our announcement of the maturity of certain legacy retail payment products may result in decreased customer investment in our products and our strategy to migrate customers to our next generation products may be unsuccessful which may adversely impact our business and financial condition.