
**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): March 10, 2016 (March 10, 2016)

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))
-
-

Item 7.01. Regulation FD Disclosure

On March 10, 2016, ACI Worldwide, Inc. posted investor relations materials on its website (www.aciworldwide.com) to be used in connection with an investor event. 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 March 10, 2016

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: March 10, 2016

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation Materials dated March 10, 2016

ANALYST DAY 2016

THURSDAY, MARCH 10, 2016
NAPLES, FLORIDA





WELCOME

JOHN KRAFT
VICE PRESIDENT
INVESTOR RELATIONS



ANALYST DAY AGENDA

ACI Financial Update: 8:35 am – 9:05 am

Reinvention of Payments: ACI Opportunity: 9:05 am – 9:20 am

Solutions for a Changing World of Payments: 9:20 am – 10:00 am

Break: 10:00 am – 10:20 am

ACI Software as a Service Opportunity: 10:20 am – 11:00 am

Executive Q&A: 11:00 am – 11:15 am

Payments Perspectives Roundtable: 11:15 am – 12:00 pm

Lunch: 12:00 pm – 1:00 pm

Segment Updates: 1:00 pm – 3:00 pm

Analyst Day Conclusion: 3:00 pm

ACI FINANCIAL UPDATE

SCOTT BEHRENS
SENIOR EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

FINANCIAL OVERVIEW

- Strategic moves for growth
- Financial look-back
- Recurring revenue growth
- Strong financial flexibility
- Guidance and five-year targets

STRATEGIC MOVES FOR GROWTH



Divest non-core assets

+

Strategic M&A

=

Improved growth rates & margin profile*

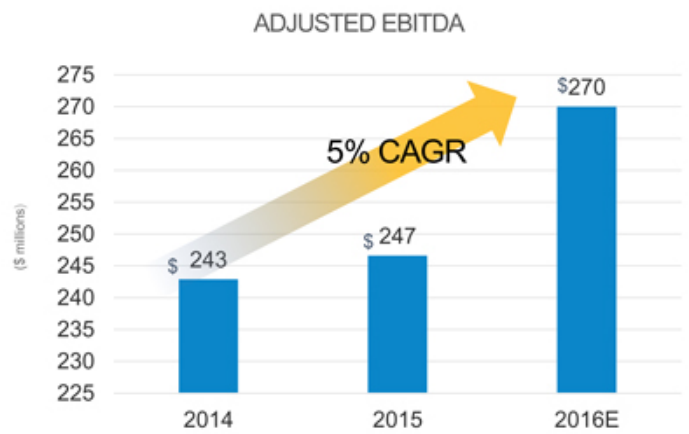
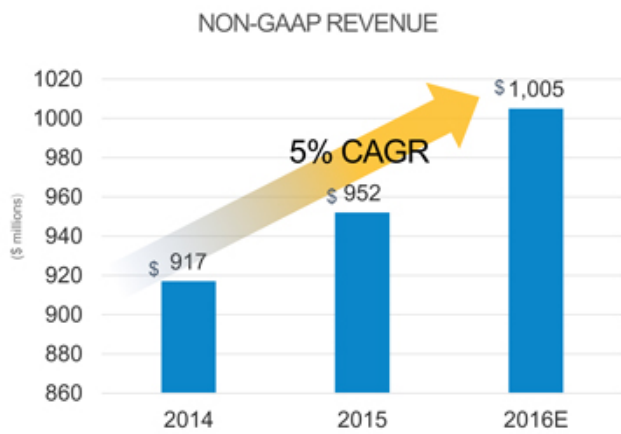
- Sale of CFS business
- Sale of Yodlee stake

- ReD: 35% growth
- PAY.ON: upper teens growth

- Net new bookings growth improves nearly 300 bps
- Revenue growth improves nearly 100 bps
- Net EBITDA margin improves nearly 200 bps

*Represents 2015 pro forma versus 2015 as reported and growth over 2014

NEW TREND LINE

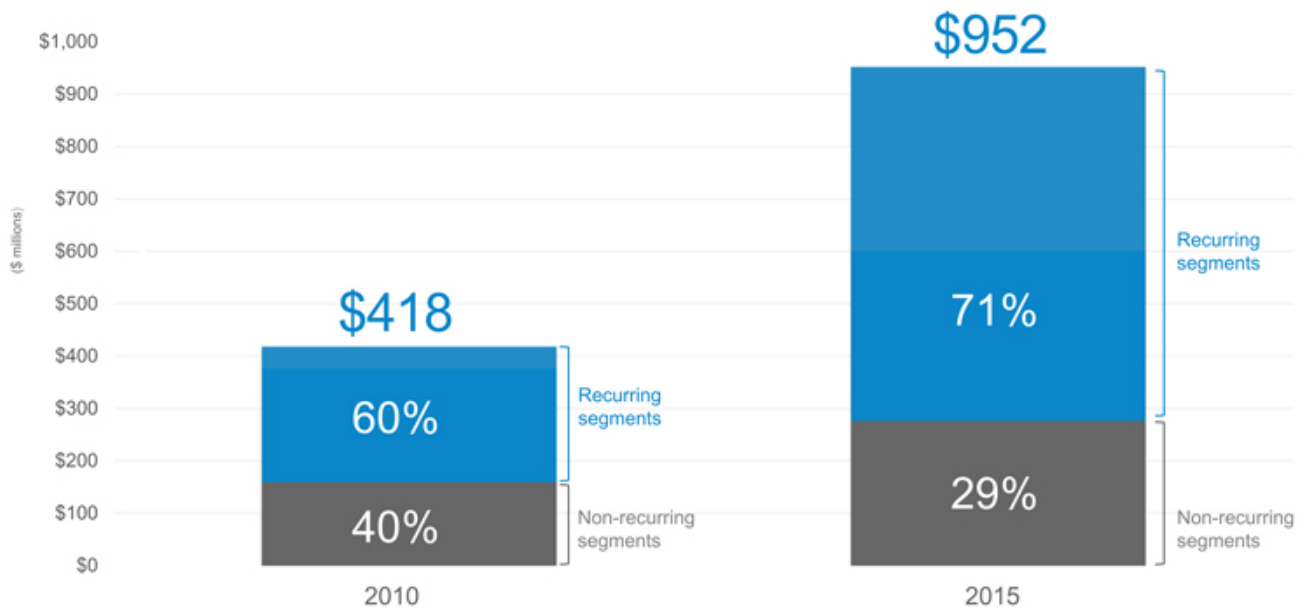


Notes:

- Represents results adjusted for the divestiture of the CFS business
- 2016 numbers based on the mid-point of company guidance

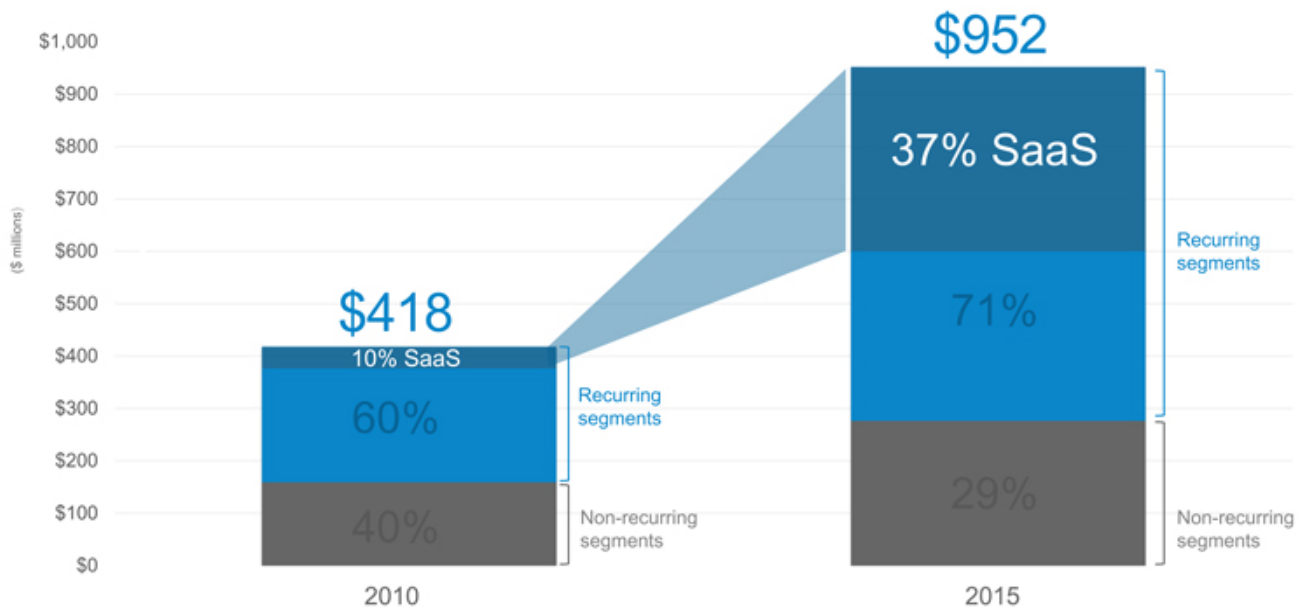
RECURRING REVENUE GROWTH DRIVES STABILITY

Overall monthly recurring revenues now exceed 70%

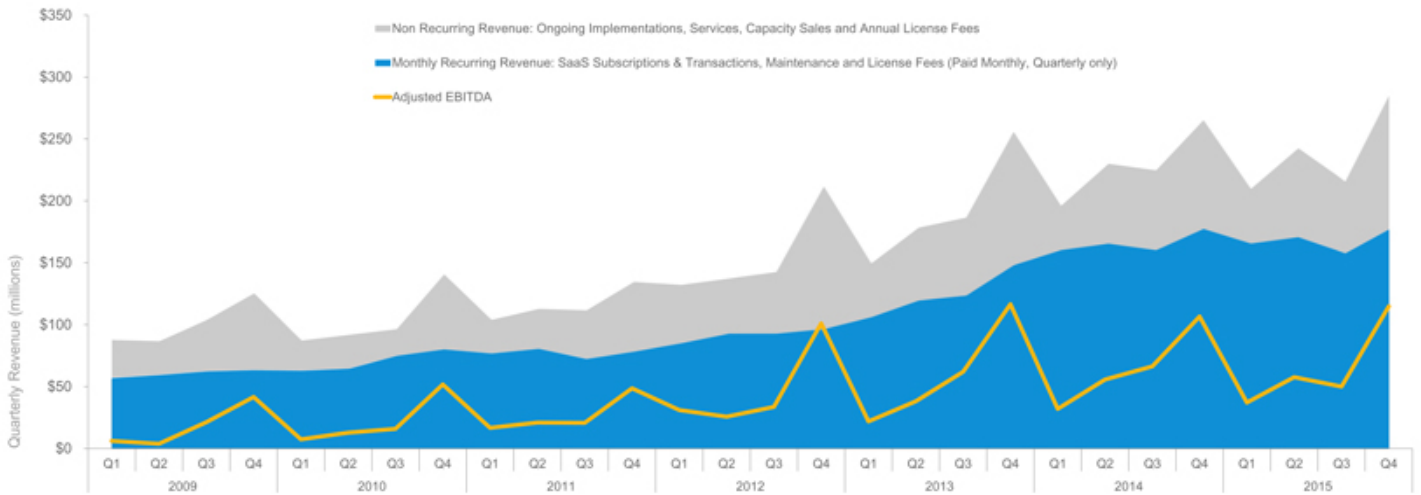


RECURRING REVENUE GROWTH DRIVES STABILITY

Strong growth in SaaS - 10% to nearly 40%



FIXED COSTS PROVIDE LEVERAGE IN MODEL

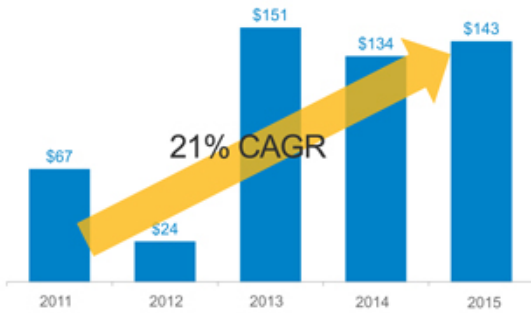


- Monthly recurring revenue is predictable and growing: 2015 >70% of total revenue, 2016E ~75%
- Non-recurring revenue is strongest in Q4
- EBITDA margin spikes follow revenue

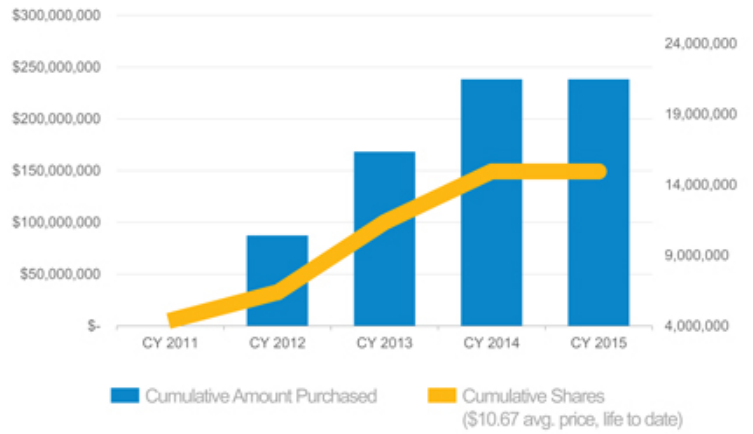
STRONG CASH FLOW PROVIDES FINANCIAL FLEXIBILITY

- Disciplined use of leverage drives growth – debt repayment follows acquisitions
 - Current net debt ratio ~2.5x*
 - Target ratio ~2.5x
- Strong OFCF yield ~6%
- \$138 million remaining on stock repurchase agreement (2/25/16)

OPERATING FREE CASH FLOW
(\$ millions)



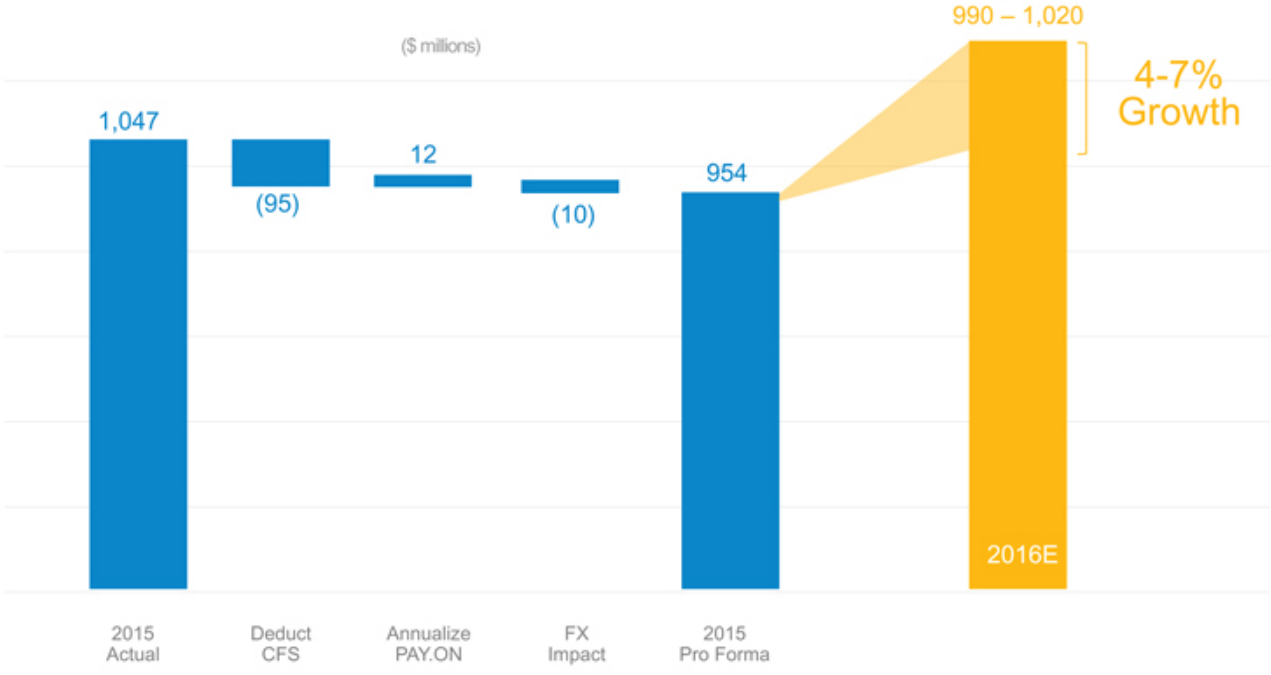
STOCK REPURCHASE ACTIVITY



* Includes proceeds from CFS and assumes midpoint of 2016 EBITDA guidance

NEW STARTING POINT: REVENUE WALK

Non-GAAP revenue



2016 GUIDANCE

12-month backlog of \$838 million = 85% of guidance

	2015 Actual	Deduct CFS	Annualize PAY.ON	FX Impact	2015 Pro Forma	2016 Non-GAAP (Low)	2016 Non-GAAP (High)	Implied Growth Rate
Non-GAAP Revenue	\$1047	(95)	12	(10)	954	990	1020	4-7%
Adjusted EBITDA	\$260	(13)	-	-	247	265	275	7-11%
Adjusted EBITDA %	28.4%	13.7%	-	-	30.0%	31.0%	31.2%	100-120 bps

EBITDA% computed net of interchange of \$140 and \$130 for 2016 and 2015, respectively

GUIDANCE

- 2015 pro forma adjusted to exclude CFS and reflect a full-year impact of PAY.ON acquisition and FX rate changes
- Total sales growth expected to be in the high single digits
- Revenue and margin phasing by quarter consistent with seasonal history
- Q1 non-GAAP revenue expected to represent \$205 to \$215 million, excluding CFS
- CFS closed on 3/3/2016 and is expected to contribute an incremental \$15 million to full-year revenue

FINANCIAL SUMMARY: FIVE-YEAR TARGETS

- **ORGANIC REVENUE GROWTH:** Mid-to-upper single digits
- **ADJUSTED EBITDA MARGIN:** 100 bps expansion per year
- **OPERATING FREE CASH FLOW:** Track adjusted EBITDA growth
- **SALES NET OF TERM EXTENSION GROWTH:** High single digits

HIGH QUALITY SOFTWARE MODEL

The Advantage

- Leading market position
- High retention and renewal rates
- Significant recurring revenue
- Scalable, fixed-cost model with improving margin
- Pricing power and large barriers to entry

Q&A

A financial candlestick chart with a dark blue background. The chart features several blue candlesticks representing price movements. Two white moving average lines are overlaid on the chart, one above the other. The text 'ANALYST DAY 2016' is centered in the middle of the chart area in a white, italicized font.

ANALYST DAY 2016



REINVENTION OF PAYMENTS: ACI OPPORTUNITY

PHIL HEASLEY
PRESIDENT & CEO





ANALYST DAY 2016



SOLUTIONS FOR A CHANGING WORLD OF PAYMENTS

CRAIG SAKS

GROUP PRESIDENT, STRATEGIC PRODUCTS





ACI UNIVERSAL
PAYMENTS.

THE REINVENTION OF PAYMENTS

The payments industry is in the midst
of a decade of disruption...



THE REINVENTION OF PAYMENTS

The payments world as we know it is changing forever

- The center of power is shifting back to the merchant and the consumer
- The historical pricing models that have funded the system are being challenged
- The distribution problem has been solved, undermining the traditional purpose of intermediaries and third-party brands
- Technology advances have overcome the limitations of the past and are leading to a new breed of competitors
- Desire for speed, reach and integration are driving innovation

THE REINVENTION OF PAYMENTS

ACI has the solutions, reach and business model to emerge as a leader by delivering on our vision of real-time, any-to-any payments.



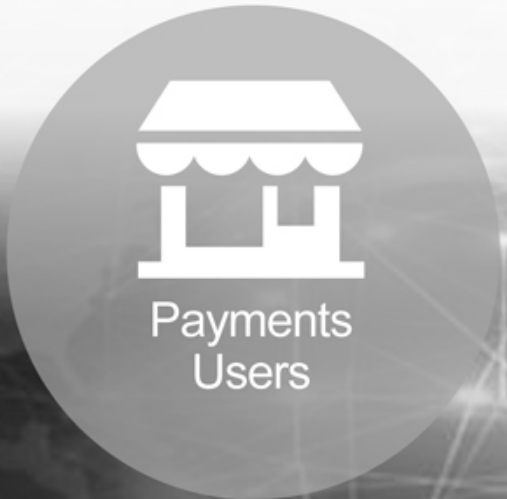
GLOBAL SOLUTIONS PROVIDER



GLOBAL SOLUTIONS PROVIDER



GLOBAL SOLUTIONS PROVIDER

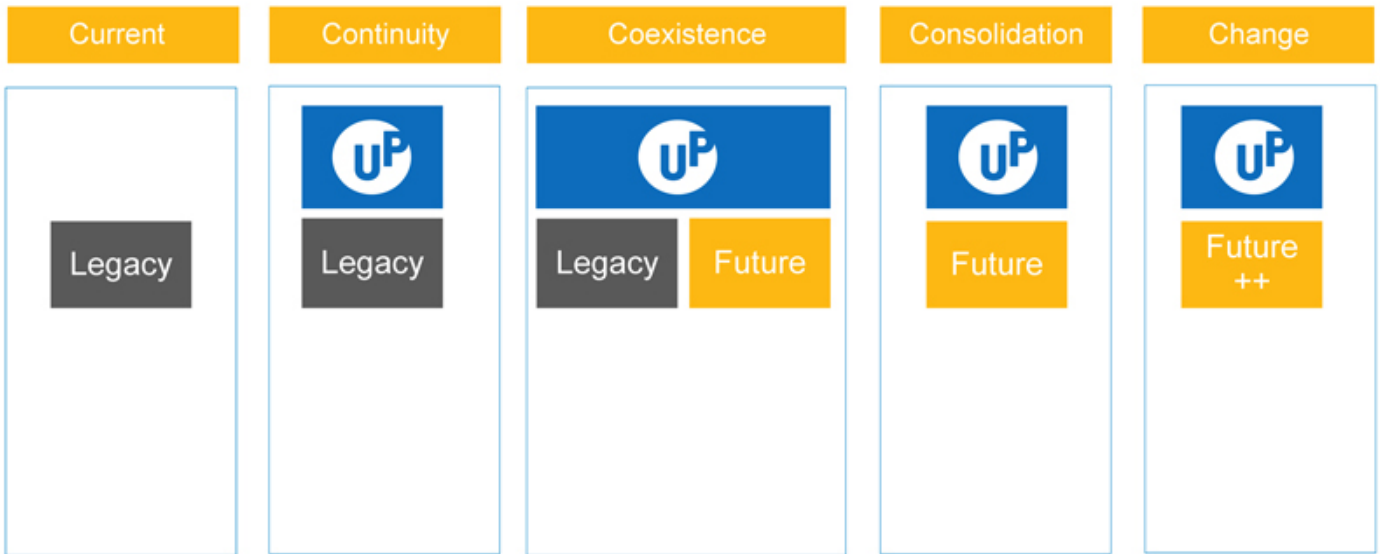


GLOBAL SOLUTIONS PROVIDER



OVERCOMING THE FEAR OF CHANGE

Navigating the five Cs: a path to the future



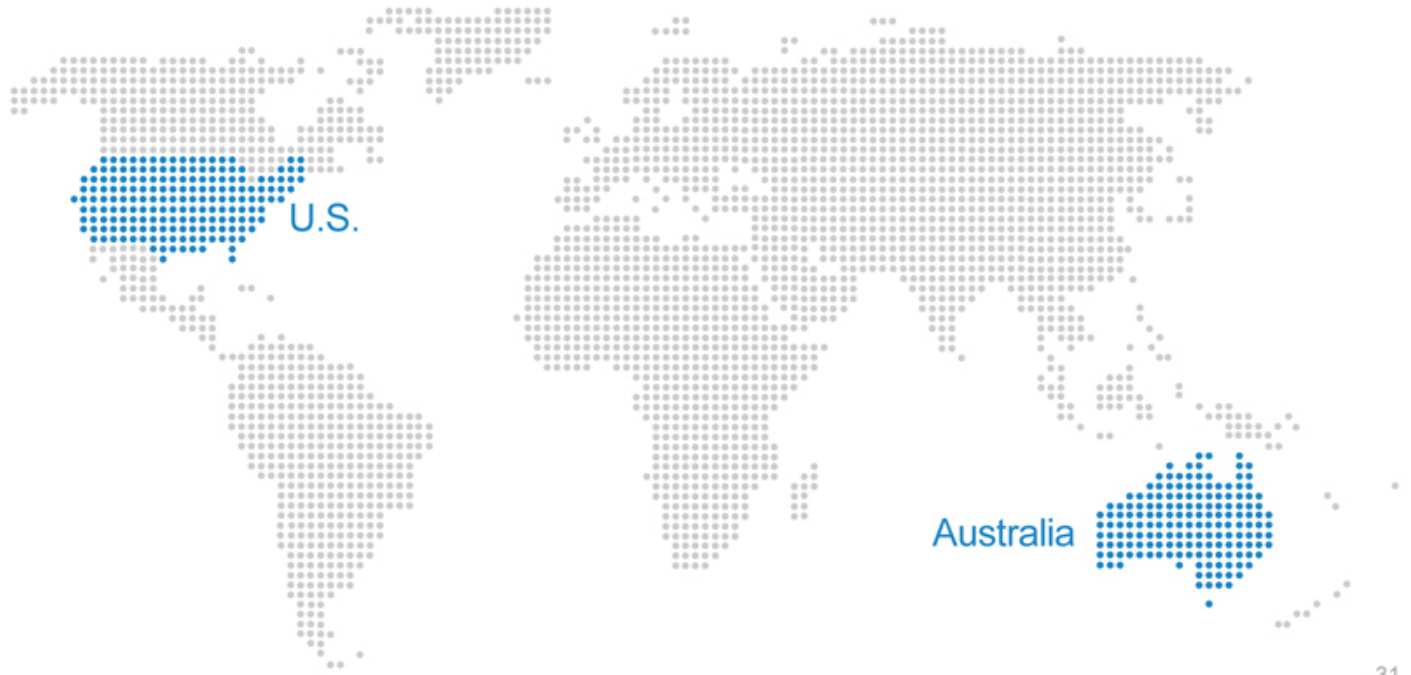
SOLUTION SUCCESSSES AROUND THE GLOBE

Faster payments initiatives: propelling a very large investment cycle



SOLUTION SUCCESSSES AROUND THE GLOBE

Payments transformation initiatives: a response to the changing environment



SOLUTION SUCCESSSES AROUND THE GLOBE

Enterprise risk management: protecting more complex payment environments



SOLUTION SUCCESSSES AROUND THE GLOBE

Low operating cost environments: reinforcing the RPS value proposition



SOLUTION SUCCESSSES AROUND THE GLOBE

Cross-border eCommerce: adding 350+ connections to ACI's solutions



SOLUTION SUCCESSSES AROUND THE GLOBE

Card-not-present risk management: a large, global opportunity



SOLUTION SUCCESSSES AROUND THE GLOBE

Merchant omni-channel: covering all customer touch points, during and after the sale



DISTRIBUTION ORGANIZED FOR SUCCESS

Large markets, specified by customer segment, focused on cross sell and new logos



DISTRIBUTION ORGANIZED FOR SUCCESS

Growth markets: strong drivers of future value



DISTRIBUTION ORGANIZED FOR SUCCESS

Growth markets: strong drivers of future value



DISTRIBUTION ORGANIZED FOR SUCCESS

Growth markets: strong drivers of future value



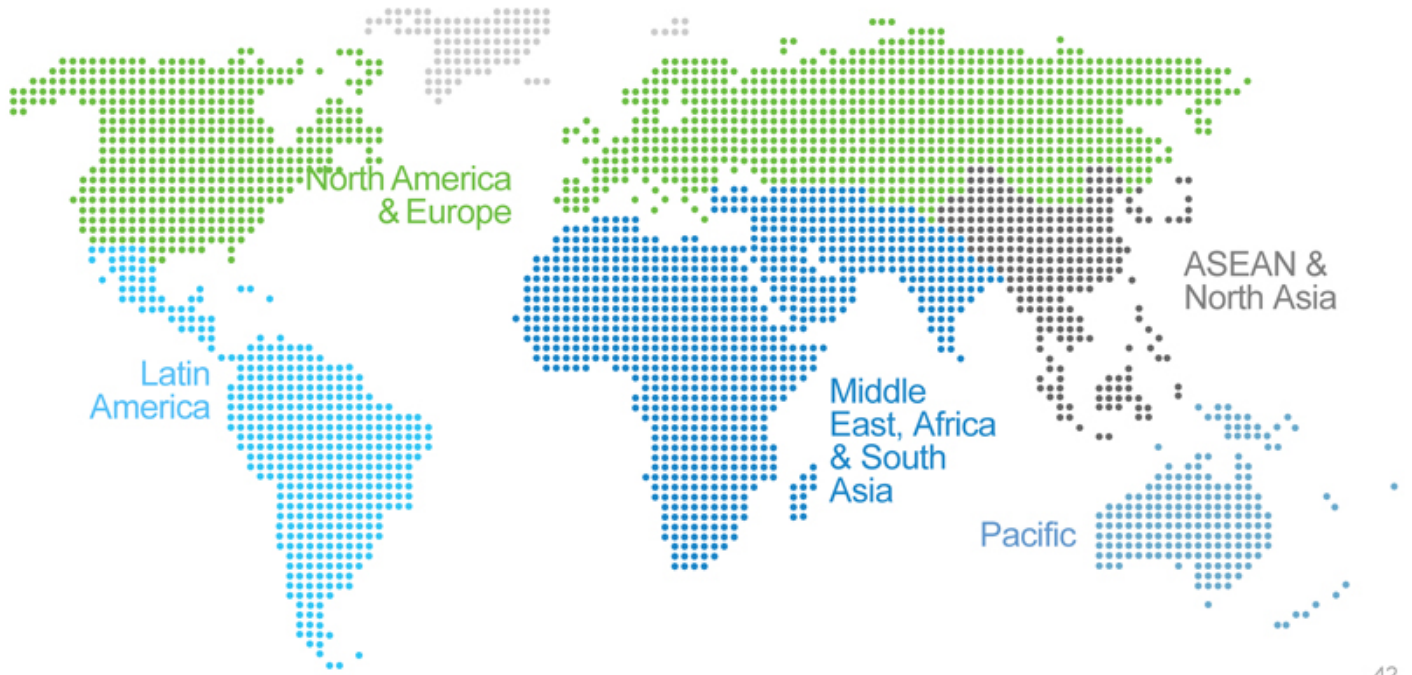
DISTRIBUTION ORGANIZED FOR SUCCESS

Growth markets: strong drivers of future value



GLOBAL REACH

Covering the world in-country, in-language but as 1ACI



GLOBAL REACH

Multinationals are ideally served by ACI's reach



POSITIONED TO WIN IN THE DECADE OF DISRUPTION

ACI is unique in the industry

- ACI has enriched its future with the addition of a strong, global merchant franchise
- ACI solutions enable more use cases in more markets
- ACI's technology is more advanced, scalable and integrated
- ACI has the approach to evolve from the old to the new elegantly
- Business model allows ACI to uniquely benefit in a disrupted market

POSITIONED TO WIN IN THE DECADE OF DISRUPTION

ACI is delivering the future through
real-time, any-to-any payments



A financial candlestick chart with a dark blue background. The chart features several blue candlesticks representing price movements, overlaid with two white moving average lines. The text 'ANALYST DAY 2016' is centered in the middle of the chart area.

ANALYST DAY 2016

BREAK


A financial candlestick chart with a dark blue background. The chart features several blue candlesticks of varying heights and colors (some light blue, some dark blue) representing price movements. Two white moving average lines are overlaid on the chart, showing an overall upward trend. The text 'ANALYST DAY 2016' is centered in the middle of the chart area.

ANALYST DAY 2016



ACI SOFTWARE AS A SERVICE OPPORTUNITY

CAROLYN HOMBERGER
GROUP PRESIDENT, ACI ON DEMAND



ACI SOFTWARE AS A SERVICE OPPORTUNITY

Key drivers of payments to the cloud



Security and
Compliance



Speed
to Market



Focus

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Diversity of solutions and clients



Electronic Bill Payment and Presentment

- Financial institutions
- IRS and government
- Higher education
- Insurance
- Multi-tenant



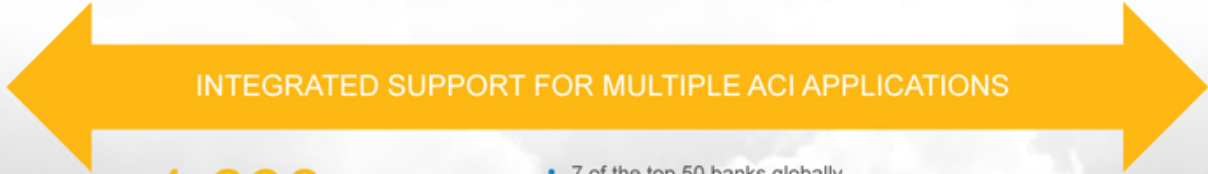
Merchant Retail

- Retail and grocery
- Fuel and transportation
- Quick service restaurants
- Omni-channel solutions – card present and card not present
- Fraud management
- Multi-tenant, global



Large Financial Institutions and Financial Intermediaries

- Retail and transaction banking
- Processors
- Complete suite of ACI omni-channel payment solutions
- Global



INTEGRATED SUPPORT FOR MULTIPLE ACI APPLICATIONS

4,600+

FINANCIAL INSTITUTIONS,
RETAILERS AND BILLERS

- 7 of the top 50 banks globally
- 3 of the top 10 brands globally
- 5 of the top 10 banks in the U.S.

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Merchants

Growth Drivers

Today

- EMV, point-to-point encryption
- Legacy systems

2016+

- eCommerce, card-not-present fraud
- Big data and changes in consumer shopping behaviors



Merchants

ACI Investments

Today

- Additional technical resources to keep pace with growth
- Globalization through European data center

2016+

- Scale affords vertical specialization in sales and technology

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Billers

Growth Drivers

Today

- Biller direct leads
- Legacy systems

2016+

- Consumer payment experience expectations
- Affordable Care Act compliance



Billers

ACI Investments

Today

- Data center migration
- Tran\$act platform consolidation

2016+

- Globalization
- Cross sell to merchants and large financial institutions

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Financial institutions and intermediaries

Growth Drivers

Today

- Mandates and compliance
- Legacy systems

2016+

- Immediate Payments
- UP Retail Payments Solution



Financial Institutions
and Intermediaries

ACI Investments

Today

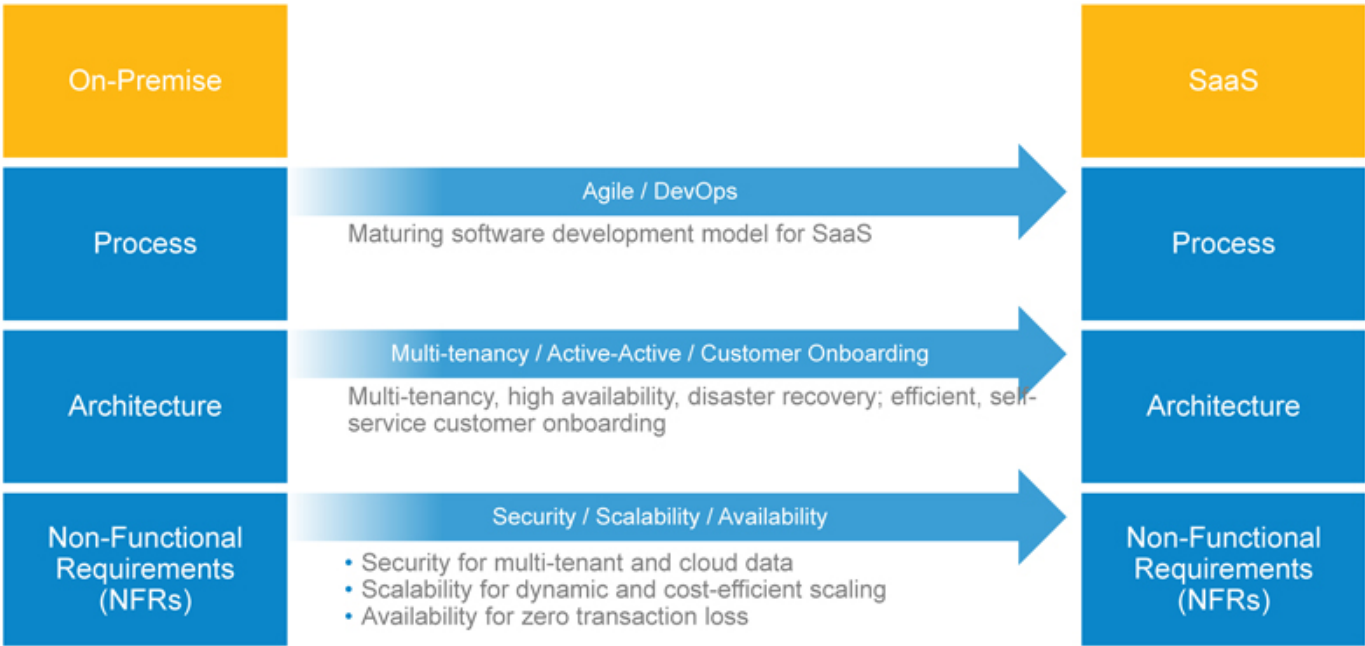
- Value proposition tools to demonstrate business value of ACI solutions
- Globalization through European data center

2016+

- Modernization of payments infrastructure for clients

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Technology



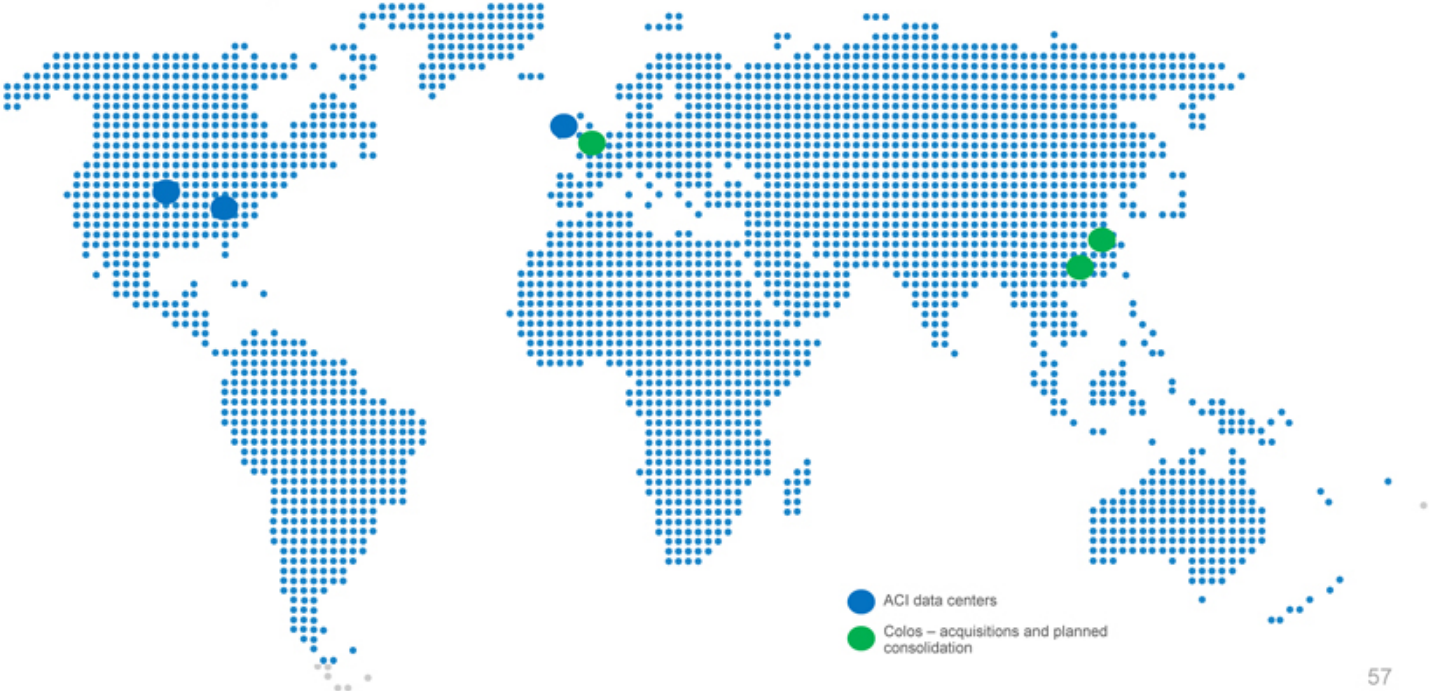
ACI SOFTWARE AS A SERVICE OPPORTUNITY

Data center footprint - today



ACI SOFTWARE AS A SERVICE OPPORTUNITY

Data center footprint - 2017



ACI SOFTWARE AS A SERVICE OPPORTUNITY

AOD customer experience and operations



Implementation and Onboarding



Service Delivery Management



Audits and Operational Compliance



Payment Services Capabilities

ACI SOFTWARE AS A SERVICE OPPORTUNITY

Conclusion

Accelerating
double-digit
sales and revenue
growth

Value-added
security,
compliance and
NFRs

2.5X+
deal size

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ANALYST DAY 2016

EXECUTIVE Q&A

PHIL HEASLEY

PRESIDENT & CEO

SCOTT BEHRENS

SENIOR EXECUTIVE VICE PRESIDENT, CHIEF FINANCIAL OFFICER

CRAIG SAKS

GROUP PRESIDENT, STRATEGIC PRODUCTS

CAROLYN HOMBERGER

GROUP PRESIDENT, ACI ON DEMAND

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ANALYST DAY 2016

PAYMENTS PERSPECTIVES ROUNDTABLE

PAUL THOMALLA

MODERATOR

SVP, CORPORATE RELATIONS
AND DEVELOPMENT
ACI WORLDWIDE

ROB HOPPER

DIRECTOR, INDIVIDUAL BUSINESS OPERATIONS
BLUE CROSS BLUE SHIELD OF MICHIGAN

ROBERT FLYNN

MANAGING DIRECTOR
ACCENTURE PAYMENT SERVICES, NORTH AMERICA

BYRON SNIDER

CIO
SCHEELS

LUNCH

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ANALYST DAY 2016



SEGMENT UPDATE: MERCHANT, BILLER AND PAYMENTS RISK

MIKE BRAATZ

SENIOR VICE PRESIDENT, CHIEF PRODUCT OFFICER



ACI SOLUTION FOOTPRINT

Merchant, biller and payments risk



- Payments *users*
- Consumer experience is key
- Payments are not core
- Payments are expensive
- Fear of breaches
- Fraud liability shift

MERCHANTS EMBRACE PAYMENTS INNOVATION

Consumer engagement



Margin growth

- Elegant consumer experience
- Consistency
- Rewards and offers
- Single or no-click payments
- Mobility
- Robust security

- Higher conversion rates
- Increased loyalty
- More revenue



THE IMPORTANCE OF ALTERNATIVE PAYMENTS

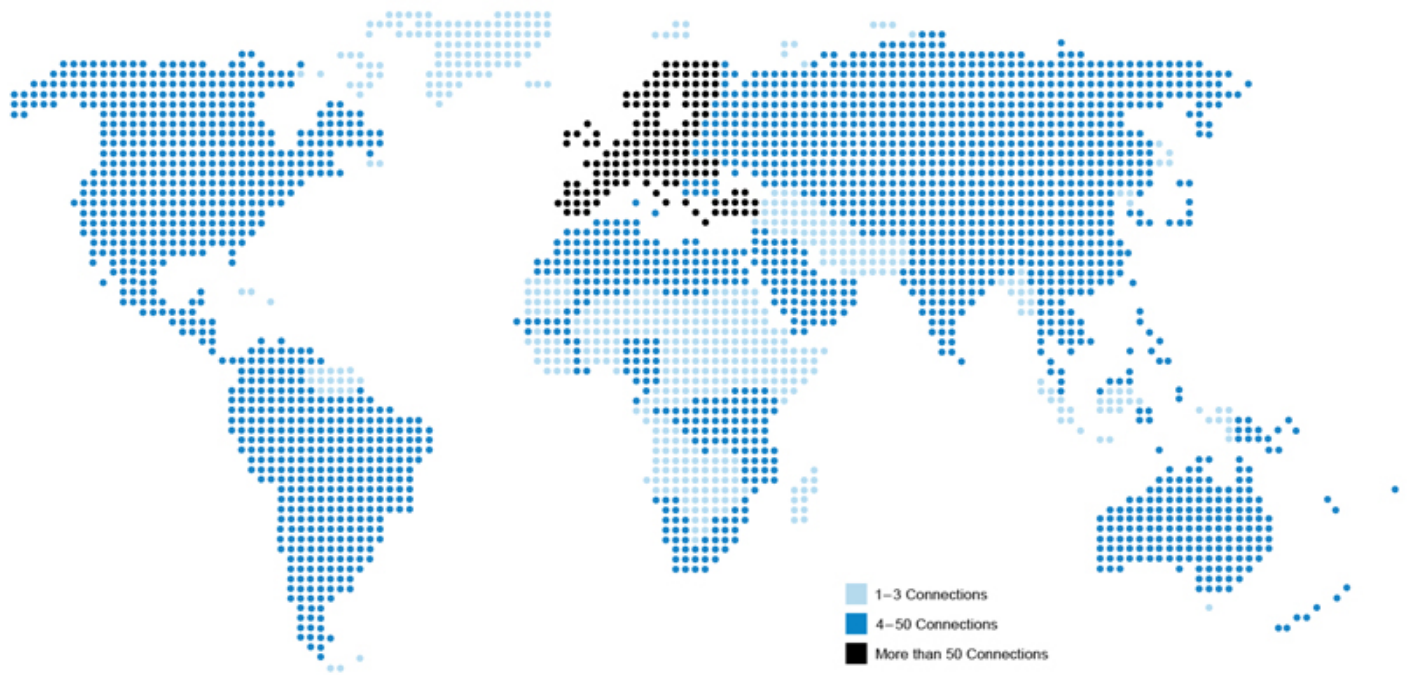
- It's not all about credit cards...
- Emerging payment types
- Local payment methods



- Higher conversion rates
- Cross-border opportunity
- Stronger security



GLOBAL COVERAGE



HOW MERCHANTS WANT TO BUY

Large Global Merchants

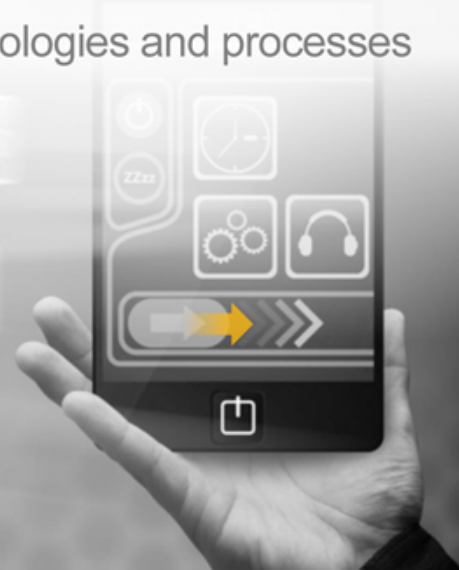
- Omni-channel vision
- Bespoke consumer experience
- Flexibility and choice
- Global acceptance
- Hosted/SaaS
- Direct relationship with solution provider

Medium and Small Merchants

- Multiple channels
- Feature-rich
- Modern, consistent consumer experience
- Turnkey payment solution
- SaaS
- Payment service providers (PSPs) and acquirers

BILLER AND MERCHANT SYNERGIES

- Online bill payment looks increasingly like eCommerce
- Billers embrace consumer engagement in the bill payment process
- Merchants are billers \leftrightarrow billers are merchants
- ACI core competencies in common technologies and processes



OPPORTUNITIES IN BIG DATA AND ANALYTICS



- Vast amounts of data flowing through payment systems
- Large investments in big data management, analytics and data science
- Fraud management is our starting point
- Additional opportunities in payments cost optimization and merchant/biller offers and rewards



SEGMENT UPDATE: GLOBAL OMNI-CHANNEL PAYMENTS

MARKUS RINDERER

SENIOR VICE PRESIDENT, PRODUCT LINE MANAGER
MERCHANT PAYMENT SOLUTIONS



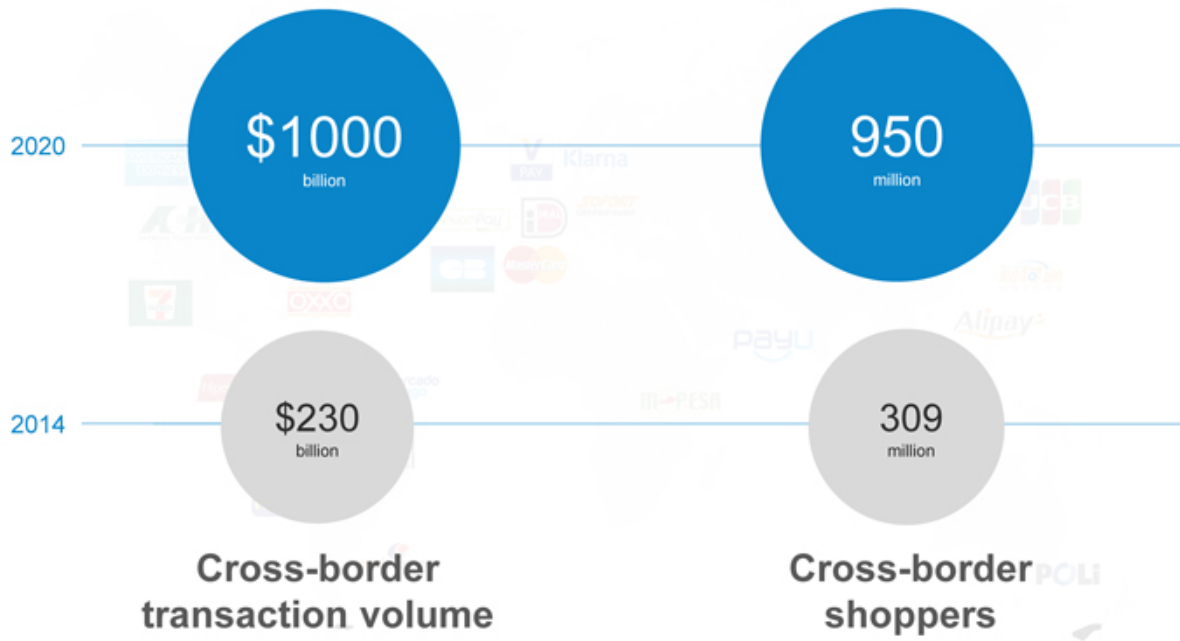
GLOBAL OMNI-CHANNEL PAYMENTS

Shoppers expect localized solutions, payment methods and currencies



CROSS-BORDER PAYMENTS

Cross-border commerce is growing at an accelerated pace



GLOBAL OMNI-CHANNEL PAYMENTS

Enabling merchants to accept payments from all channels globally



GLOBAL NETWORK EXPANSION

Connecting existing platforms to 350+ new endpoints



Q&A

MIKE BRAATZ

SENIOR VICE PRESIDENT, CHIEF PRODUCT OFFICER
MERCHANT, BILLER AND PAYMENTS RISK MANAGEMENT SOLUTIONS

MARKUS RINDERER

SENIOR VICE PRESIDENT, PRODUCT LINE MANAGER
MERCHANT PAYMENT SOLUTIONS

ANDREW SAJESKI

DIRECTOR, SOLUTION CONSULTING
BILLER SOLUTIONS

ANDREAS SUMA

VICE PRESIDENT, PRODUCT LINE MANAGER
PAYMENTS RISK MANAGEMENT AND BIG DATA SOLUTIONS

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ANALYST DAY 2016

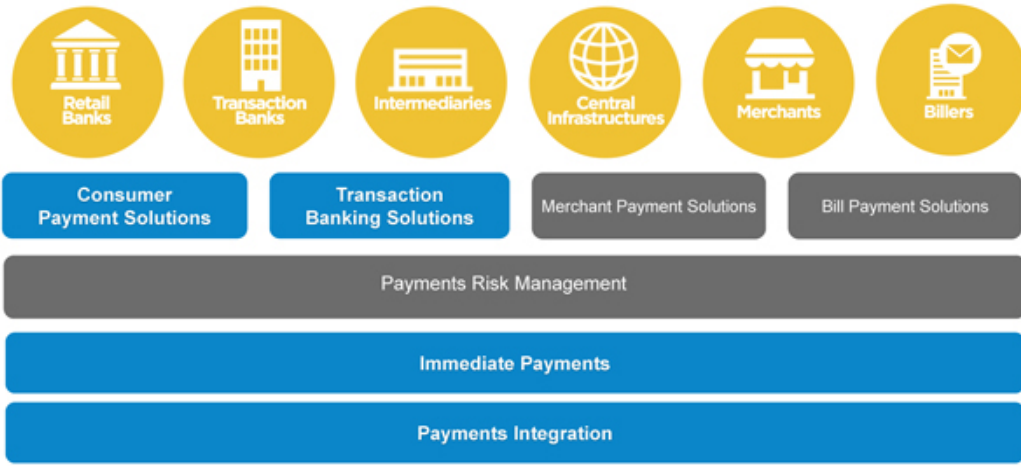
SEGMENT UPDATE: BANKS AND FINANCIAL INTERMEDIARIES

BILL HERNANDEZ

SENIOR VICE PRESIDENT, CHIEF PRODUCT OFFICER

ACI SOLUTION FOOTPRINT

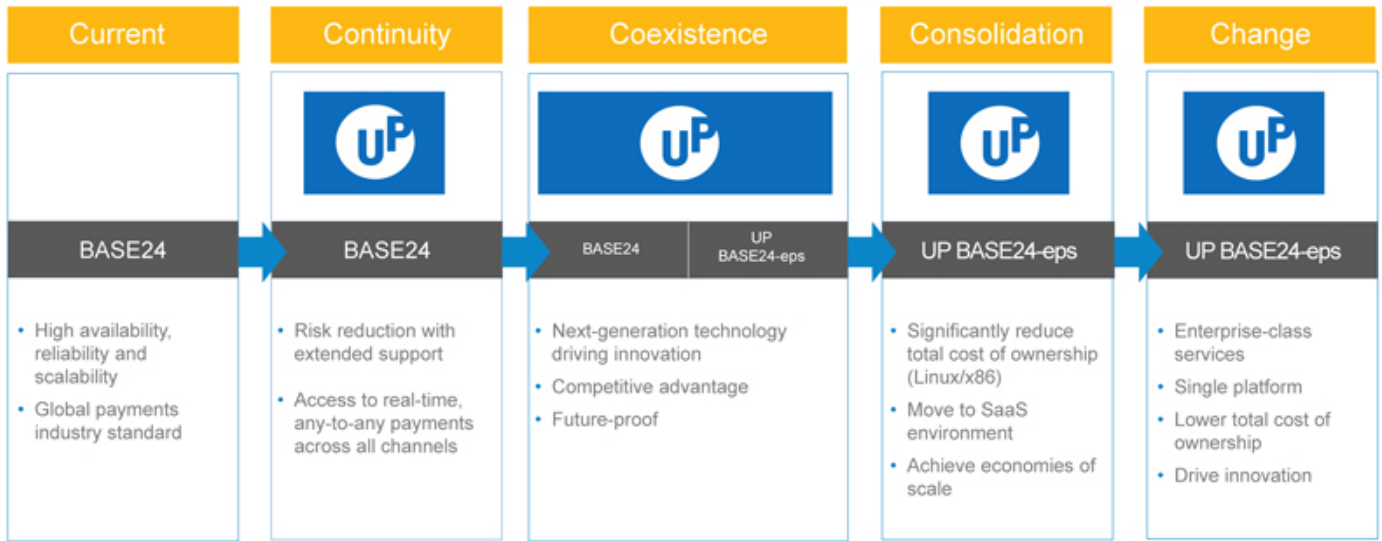
Retail banking, transaction banking and immediate payments



- Payments operators
- Retail banks, commercial banks and financial intermediaries
- Struggle to operate existing legacy systems
- Must change and innovate to be competitive
- Move slowly, but continue to be dominant spenders on payments

OVERCOMING THE FEAR OF CHANGE

Navigating the five Cs: a path to the future



UP RETAIL PAYMENTS SOLUTION BENEFITS

Improve top-line revenue

Increase transaction volume and revenue through cross selling and upselling

Grow market share through innovation

Rapidly add new payment types, devices and channels with less effort and cost to stay ahead of the competition

Strengthen customer loyalty

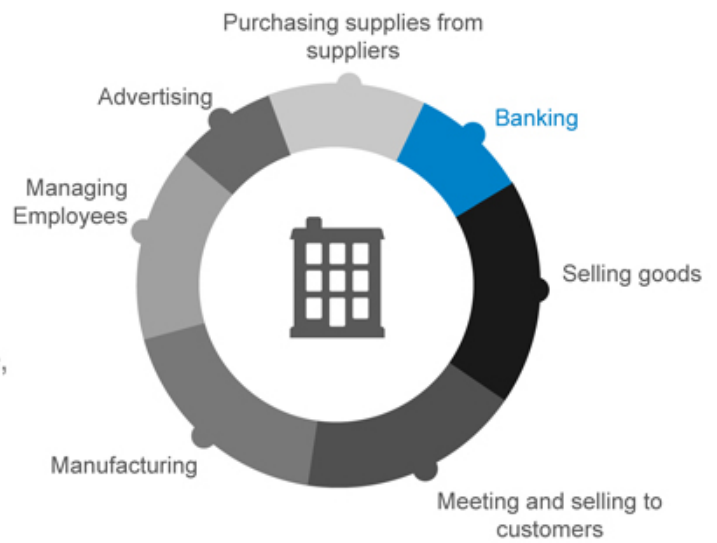
Deliver any-to-any, real-time payments (P2P, cardless) across all channels, in a secure, omni-channel environment

Lower TCO

Move to less expensive platforms (Linux/x86) to reduce operating costs

TRANSACTION BANKING CORPORATE CUSTOMERS: BANKING NEEDS

- Banking functions need to be simple and efficient to gain control and provide flexibility
- Expand global reach
- Information needs to be up to date with immediate accessibility
- Access must be channel agnostic (mobile, tablet, PC, etc.)
- Deliver multinational capabilities



WHAT BANKS MUST DO NOW

- Deliver differentiated and value-added products and services that are accessible across all channels
- Migrate from siloed and legacy systems to create a more flexible solution that is more responsive to customers' expectations
- Expand solutions to include immediate payments
- Leverage economies of scale and cost reduction by moving to SaaS environment



HOW ACI DELIVERS

Providing highest straight-through processing and proven reliability

- Large U.S. bank depends on Universal Online Banker for global payments origination
- Global bank processes SEPA, Target2 and FedWire transactions for U.K. and U.S. branches using Money Transfer System
- U.S. software company sells products and services to mortgage processors to facilitate movement of funds associated with mortgages



IMMEDIATE PAYMENTS

Situation and opportunity

SITUATION

Legacy payment systems provide a solid foundation for payment services; however, most of these systems rely on paper-based and/or batch processes, which are not universally fast or efficient, while others are fast and efficient but inconvenient and costly.

OPPORTUNITY

Near-term opportunity for the industry is to provide a payment system that combines the valued attributes of legacy payment systems with the advancement of new technology, enabling faster processing, easy access to funds, convenience and enhanced risk capabilities.

Longer-term opportunity is to build upon our current solution and deliver real-time, flexible, cross-border settlement and reconciliation.

BUSINESS CASE FOR IMMEDIATE PAYMENTS

Situation and opportunity

WHY CHANGE, WHY NOW?

Real-time, any-to-any experience has become the expected norm

Many relevant use cases across retail and commercial to support business case

- P2P, P2B, B2B, B2P, etc.

Market factors driving adoption

- Speed
- Accessibility
- Efficiency
- Flexibility
- Convenience
- Need for ubiquity



BUSINESS CASE

Retail

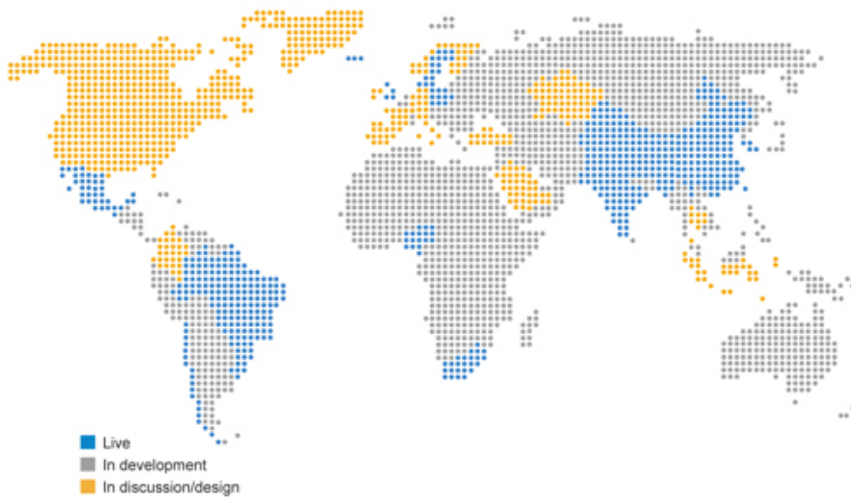
- Just-in-time stock control
- Informal services
- P2P – dinner, consumer use
- Expedited bill payments
- Cardless transactions instead of physical cards

Commercial

- Improved inventory terms
- Discounts for expedited payment
- Enhanced cash management
- Improved reconciliation
- e-Invoicing/EBPP
- Payroll – hourly wages
- Insurance payments

GLOBAL PICTURE OF IMMEDIATE PAYMENTS

UP Framework for Immediate Payments: a global solution



Over 30 countries are undertaking or have undertaken efforts to enhance the speed, efficiency and effectiveness of clearing and/or settlement systems.
Source: McKinsey research

Exploratory

- Canada
- European Union
- Finland
- Kazakhstan
- Indonesia
- Thailand



Design

- Netherlands
- Norway
- Turkey
- Colombia
- Spain
- Portugal
- Bahrain
- U.S.



Build

- Australia



Live

- U.K.
- Brazil
- Poland
- Singapore
- South Africa
- Mexico
- Chile
- China
- India
- Korea
- Japan
- Switzerland
- Denmark
- Sweden
- Czech Republic
- Taiwan
- Nigeria



ACI EXPERIENCE ACROSS THE GLOBE

VocaLink FPS-UK



- ACI software serves 60% of U.K. members
- Payment gateway for both central infrastructure and bank connectivity solutions
- Multi-tenant central access gateway service
- Direct Corporate Access (DCA)
- Batch Service UP Framework used in central infrastructure
- Live since 2008

FAST-Singapore

- Payment services, risk liability, acceptance services, currency conversion, etc.
- Reconciliation and settlement
- Provisioning for accounts, mandates, etc.
- Real-time and file/batch processing
- Legacy integration with offline processing
- Live since 2014

NPP-Australia



- High-volume batch files
- Payment services
- Payment, payment with document, request and pay
- First-, second- and third-order payment and product services support
- Credit and debit
- Legacy integration
- Live soon

DELIVERING THE PATH TO THE FUTURE



- Integrating the power of UP Framework across all of ACI payment solutions
- Single enterprise platform for on-premise and SaaS customers
- Plug-in solutions to meet global customers' unique and innovative needs
- Single integrated payments platform with all data, in one place, in real time
- Path for customers to mitigate risk, deliver product innovation and drive business and revenue forward

Q&A

BILL HERNANDEZ

SENIOR VICE PRESIDENT, CHIEF PRODUCT OFFICER
FINANCIAL INSTITUTIONS AND FINANCIAL INTERMEDIARIES

NICK BARNES

SENIOR VICE PRESIDENT, PRODUCT LINE MANAGER
RETAIL BANKING AND FINANCIAL INTERMEDIARY SOLUTIONS

JEN HOLTON

VICE PRESIDENT, PRODUCT LINE MANAGER
TRANSACTION BANKING SOLUTIONS

W.A. PROCTOR

VICE PRESIDENT, PRODUCT LINE MANAGER
IMMEDIATE PAYMENTS SOLUTIONS

A financial candlestick chart with a dark blue background. The chart features several blue candlesticks representing price movements. Two white moving average lines are overlaid on the chart, showing an overall upward trend. The text 'ANALYST DAY 2016' is centered in the middle of the chart area.

ANALYST DAY 2016

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 certain business combination accounting entries related to the acquisition of Online Resources Corporation and 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:

- Non-GAAP revenue: revenue plus deferred revenue that would have been recognized in the normal course of business by Online Resources if not for GAAP purchase accounting requirements and less estimated revenue from the CFS product line. Non-GAAP revenue should be considered in addition to, rather than as a substitute for, revenue.
- Adjusted EBITDA: net income plus income tax expense, net interest income (expense), net other income (expense), depreciation, amortization, and non-cash compensation, as well as deferred revenue that would have been recognized in the normal course of business by Online Resources if not for GAAP purchase accounting requirements and significant transaction related expenses and the estimated impact of the CFS divestiture. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, operating income.

Non-GAAP Financial Measures

Non-GAAP Revenue (millions)	2010	2011	2012	2013	2014	2015
Revenue	\$ 418	\$ 465	\$ 667	\$ 865	\$1,016	\$ 1,046
Deferred revenue fair value adjustment	-	-	22	6	2	1
Non-GAAP revenue	\$ 418	\$ 465	\$ 689	\$ 871	\$1,018	\$ 1,047
	418	465	689	871	1018	1047
Adjusted EBITDA (millions)	2010	2011	2012	2013	2014	2015
Net income (loss)	\$ 27	\$ 46	\$ 49	\$ 64	\$ 68	\$ 85
Plus:						
Income tax expense (benefit)	22	18	16	29	31	28
Net interest expense	1	1	10	27	39	41
Net other expense	4	1	-	3	-	(26)
Depreciation expense	6	8	13	19	21	22
Amortization expense	20	21	38	51	66	76
Non-cash compensation expense	8	11	15	14	11	18
Adjusted EBITDA	88	106	141	207	236	244
Deferred revenue fair value adjustment	-	-	22	6	2	1
Employee related actions	-	-	11	11	10	6
Facility closure costs	-	-	5	2	-	-
IT exit costs	-	-	3	-	-	-
Other significant transaction related expenses	-	7	9	13	13	9
Adjusted EBITDA excluding significant transaction related expenses	\$ 88	\$ 113	\$ 191	\$ 239	\$ 261	\$ 260

Non-GAAP Financial Measures

ACI is also presenting operating free cash flow, which is defined as net cash provided by operating activities, plus payments associated with the cash settlement of acquisition related options and significant acquired opening balance sheet liabilities, plus net after-tax payments associated with employee-related actions and facility closures, net after-tax payments associated with significant transaction related expenses, net after-tax payments associated with IBM IT outsourcing transition and termination, and less capital expenditures. Operating free cash flow is considered a non-GAAP financial measure as defined by SEC Regulation G. 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 should be considered in addition to, rather than as a substitute for, net cash provided 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. 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.

Reconciliation of Operating Free Cash Flow (millions)	2010	2011	2012	2013	2014	2015
Net cash provided (used) by operating activities	\$ 81	\$ 83	\$ (9)	\$ 138	\$ 149	\$ 183
Net after-tax payments associated with employee-related actions	-	-	6	10	6	5
Net after-tax payments associated with facility closures	-	-	3	1	1	1
Net after-tax payments associated with significant transaction related expenses	-	4	9	18	8	3
Net after-tax payments associated with cash settlement of acquisition related options	-	-	10	10	-	-
Payments associated with acquired opening balance sheet liabilities	-	-	-	5	5	-
Net after-tax payments associated with IBM IT Outsourcing Transition	1	1	1	2	-	-
Plus IBM Alliance liability repayment	-	-	21	-	-	-
Less capital expenditures	(13)	(19)	(17)	(33)	(35)	(49)
Less IBM Alliance technical enablement expenditures	(6)	(2)	-	-	-	-
Operating Free Cash Flow	\$ 63	\$ 67	\$ 24	\$ 151	\$ 134	\$ 143

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 2016 financial guidance related to revenue and adjusted EBITDA;
- Expectations regarding net new sales bookings;
- Expectations regarding Q1 2016 revenue;
- Expectations regarding CFS contribution and pro forma impact of excluding CFS;
- Expectations regarding five year targets, including future increases in organic revenue, adjusted EBITDA margin, operating free cash flow, and sales net of term extension.

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 performance of our strategic product, UP, BASE24-eps, 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, ratable or deferred recognition of certain revenue associated with customer migrations and the maturity of certain of our 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, risks related to the expected benefits to be achieved in the transaction with PAY.ON, 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 compliance with privacy regulations, the protection of our intellectual property in intellectual property litigation, 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, and volatility in our stock price. 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.



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