

# Earnings Webcast & Conference Call

## First Quarter 2014



**Broadridge**<sup>®</sup>

© 2013 Broadridge Financial Solutions, Inc.  
Broadridge and the Broadridge logo are registered trademarks of Broadridge Financial Solutions, Inc.

November 7, 2013

## Forward-Looking Statements

This presentation and other written or oral statements made from time to time by representatives of Broadridge may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature, and which may be identified by the use of words such as “expects,” “assumes,” “projects,” “anticipates,” “estimates,” “we believe,” “could be” and other words of similar meaning, are forward-looking statements. In particular, information appearing in the “Fiscal Year 2014 Financial Guidance” section are forward-looking statements. These statements are based on management’s expectations and assumptions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed. These risks and uncertainties include those risk factors discussed in Part I, “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended June 30, 2013 (the “2013 Annual Report”), as they may be updated in any future reports filed with the Securities and Exchange Commission. All forward-looking statements speak only as of the date of this presentation and are expressly qualified in their entirety by reference to the factors discussed in the 2013 Annual Report. These risks include: the success of Broadridge in retaining and selling additional services to its existing clients and in obtaining new clients; Broadridge’s reliance on a relatively small number of clients, the continued financial health of those clients, and the continued use by such clients of Broadridge’s services with favorable pricing terms; changes in laws and regulations affecting Broadridge’s clients or the investor communication services provided by Broadridge; declines in participation and activity in the securities markets; any material breach of Broadridge security affecting its clients’ customer information; the failure of Broadridge’s outsourced data center services provider to provide the anticipated levels of service; a disaster or other significant slowdown or failure of Broadridge’s systems or error in the performance of Broadridge’s services; overall market and economic conditions and their impact on the securities markets; Broadridge’s failure to keep pace with changes in technology and demands of its clients; Broadridge’s ability to attract and retain key personnel; the impact of new acquisitions and divestitures; and competitive conditions. Broadridge disclaims any obligation to update or revise forward-looking statements that may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events, other than as required by law.

## Explanation of the Company’s Use of Non-GAAP Financial Measures

In certain circumstances, results have been presented that are not generally accepted accounting principles measures (“Non-GAAP”) and should be viewed in addition to, and not as a substitute for, the Company’s reported results. These Non-GAAP measures are indicators that management uses to provide additional meaningful comparisons between current results and prior reported results, and as a basis for planning and forecasting for future periods. In addition, Broadridge believes this Non-GAAP information helps investors understand the effect of these items on reported results and provides a better representation of the Company’s actual performance. Accompanying this presentation is a reconciliation of these Non-GAAP measures to the comparable GAAP measures.

## Use of Material Contained Herein

The information contained in this presentation is being provided for your convenience and information only. This information is accurate as of the date of its initial presentation. If you plan to use this information for any purpose, verification of its continued accuracy is your responsibility. Broadridge assumes no duty to update or revise the information contained in this presentation. You may reproduce information contained in this presentation provided you do not alter, edit, or delete any of the content and provided you identify the source of the information as Broadridge Financial Solutions, Inc., which owns the copyright.

# Today's Agenda

- Opening Remarks and Other Key Topics  
Rich Daly, CEO
- First Quarter 2014 Highlights and Segment Results  
Dan Sheldon, CFO
- Summary  
Rich Daly, CEO
- Q&A  
Rich Daly, CEO  
Dan Sheldon, CFO
- Closing Remarks  
Rich Daly, CEO

# Opening Remarks

## ➤ Key Topics:

- Financial Highlights
- Closed Sales Performance
- Key Updates

# Financial Highlights

- Very strong recurring revenue growth
  - Recurring and total revenues were up 11% and 10%, respectively
    - Recurring revenue performance was primarily due to Net New Business (closed sales less client losses), as expected, and by internal growth
    - Event-driven fees increased ~\$8M primarily from Mutual Fund proxy activities
- Record Non-GAAP diluted earnings per share (EPS) of \$0.39 was up 117%
  - Record GAAP diluted EPS of \$0.36 was up 157%
    - Primarily due to increased revenues and improved productivity from strategic initiatives
- Market-based activities were positive in first quarter across both segments
  - Our first two quarters' earnings results historically make the least significant contribution to full year results
  - Will have a clearer view of any ongoing full year impact of increased market-based activities after the end of our second quarter
- Reaffirming fiscal year 2014 guidance
  - 5-7% recurring revenue growth
  - \$2.00-2.10 Non-GAAP diluted EPS (\$1.89-1.99 GAAP diluted EPS)
  - Free cash flow of ~\$275M (at mid-point of range)

# Closed Sales Performance

- Recurring revenue closed sales for the quarter were up 10%
  - Recurring revenue closed sales were \$15M compared to ~\$14M the previous year
  - No large transactions of \$5M or greater
  - Usually, Q1 closed sales of less than \$5M contribute the smallest amount to the full year
- Pipeline remains robust with very strong momentum
  - Due to emerging and acquired products portfolio and the jointly launched Accenture Post-Trade Processing platform
- Reaffirming fiscal year 2014 recurring revenue closed sales guidance of \$110-150M
  - Achievement of this range requires closing \$20-40M of large transactions of \$5M or greater

# Key Updates

- SEC approved NYSE's proposal on proxy distribution fees and EBIP
  - Approval is a win for all constituents - investors, corporate issuers, broker-dealers, regulators and Broadridge
  - Approval of the Enhanced Broker Internet Platform (EBIP) is expected to add additional momentum to our growing digital solutions
  - Broadridge will implement all approved changes in an expeditious manner
  - Fee changes go into effect during fiscal year 2014
  - We believe the net financial impact of these approved fee changes on Broadridge would be neutral to slightly positive going forward
- Completed \$400M offering of senior fixed-rate notes at 3.95% per annum in August
  - Used proceeds to repay remaining \$400M outstanding under five-year term loan
  - Increased annual interest expense amount already reflected in guidance
- Disney live as Broadridge transfer agency client
  - One of the most significant in-house corporate stock transfer operations to outsource

# Key Financial Drivers

	1Q FY14	Actual FY13	FY14 Range
<i>Growth Drivers as a % of Recurring Revenues</i>			
<b>Closed Sales (Recurring)</b>	8%	6%	7-8%
<b><u>Client Losses</u></b>	<u>(2%)</u>	<u>(1%)</u>	<u>(3%)</u>
<b>Net New Business</b>	6%	5%	4-5%
<b><u>Internal Growth</u><sup>(a)</sup></b>	<u>4%</u>	<u>(1%)</u>	<u>0-1%</u>
<b>Organic Growth</b>	10%	4%	4-6%
<b>Acquisitions</b>	1%	0%	1%
<b>Total Recurring Revenue Growth</b>	<b>11%</b>	<b>4%</b>	<b>5-7%</b>
<i>Growth Drivers as a % of Total Revenues</i>			
<b>Recurring Revenue</b>	7%	3%	2-4%
<b>Event-Driven</b> <sup>(b)</sup>	2%	1%	~0%
<b>Distribution</b> <sup>(c)</sup>	2%	2%	~0%
<b>FX/Other</b>	(1%)	0%	0%
<b>Total Revenue Growth</b>	<b>10%</b>	<b>6%</b>	<b>2-4%</b>
<b>EBIT Margin (Non-GAAP)</b>	13.8%	14.8%	15.8 - 16.4%
<b>EPS (Non-GAAP)</b>	\$0.39	\$1.88	\$2.00-2.10
<i>(a) Internal Growth includes SPS Equity &amp; Fixed Income Trades, ICS Equity &amp; Mutual Fund Stock Record Growth, Transaction Reporting and Time &amp; Materials</i>			
<i>(b) Event-Driven includes ICS Proxy Contest/Specials, Mutual Fund Proxy and Marketing Communications</i>			
<i>(c) Distribution includes pass-through fees from Matrix</i>			



## Segment Results & Forecast – Investor Communication Solutions

	Recurring/Growth (Non-GAAP)	Revenue/Growth	EBIT/Growth (Non-GAAP)	Margin/Growth (Non-GAAP)
Q1:	\$175M / 11%	\$376M / 11%	\$41M / 50%	10.9% / 290 bps
FY14:	\$903 to \$921M / 6 to 8%	\$1,785 to \$1,812M / 1 to 3%	\$316 to \$328M / 5 to 9%	17.7% to 18.1% / 50 - 90 bps

- Q1 recurring fee growth of 11% influenced by higher than expected market-based activities (Post-Sale and Interims) and expected Net New Business
- Our client revenue retention rate maintained at 99% with no significant client losses anticipated
- Recurring closed sales of \$10M for Q1 and guidance of \$60-70M remains (range does not include large deals of \$5M or greater)
- Q1 margins benefited from higher recurring revenues and improved productivity from strategic initiatives
- Full year event-driven fee revenue guidance remains at ~\$145M, which was supported by the higher Q1 activity

# Segment Results & Forecast – Securities Processing Solutions

	Revenue/Growth	EBIT/Growth (Non-GAAP)	Margin/Growth (Non-GAAP)
Q1	\$169M / 10%	\$32M / 237%	18.8% / 1270 bps
FY14:	\$678M to \$695M / 3 to 5%	\$100M to \$117M / 18 to 38%	14.8% to 16.8% / 190 to 390 bps

- Total revenue was higher in Q1:
  - Net New Business contributed 8%
  - Internal growth was positively impacted by higher equity trade volumes
- Historically, trade volumes in Q1 are not indicative of the full year
- Achieving high or low end of FY14 guidance range dependent on trading volumes
- Margin increase was the result of revenue mix and improved productivity from strategic initiatives
- Recurring revenue closed sales were \$5M in Q1 and full year range remains \$30-40M, which does not include large deals of \$5M or greater

# Summary

- Great start to our fiscal year 2014
  - Recurring revenues continue to be strong
  - Recurring closed sales pipeline is robust and growing
  - Positive equity volume and mutual fund trends driving favorable market-based activities across Broadridge
  - Will have a clearer view of any ongoing full year impact of increased market-based activities after the end of our second quarter
- Strong client revenue retention rate of 98%
- Journey to drive top quartile stockholder returns
  - Growing top and bottom line in both ICS and SPS
  - Markets recognize Broadridge's unique value proposition to clients
  - The Service Profit Chain is the foundation of our success
  - Product solutions are aligned with growing needs of the industry and major macro-trends:
    - Digital transformation of investor communications
    - Cost mutualization
    - Intelligence created from our unique data
  - Our journey going forward will be focused on the activities we expect will enable us to create top quartile stockholder returns
- Reaffirming fiscal year 2014 guidance
  - 5-7% recurring revenue growth
  - \$2.00-2.10 Non-GAAP diluted EPS (\$1.89-1.99 GAAP diluted EPS)
  - Free cash flow of ~\$275M (at mid-point of range)

# Q&A

***There are no slides during this portion of the presentation***

# Closing Comments

***There are no slides during this portion of the presentation***

# Appendix

## Segment Results & Forecast – Other & Foreign Exchange (FX)

	1Q14	FY14 Range	
		Low	High
Corporate Expenses	\$(3)M	\$(39)M	\$(47)M
Interest Expense, net	\$(6)M	\$(26)M	\$(28)M
FX - P&L - Revenue	\$0M	\$10M	\$10M
- EBIT	\$5M	\$15M	\$15M
- Transaction Activity	\$1M	\$(1)M	\$(1)M

- **Corporate Expenses:** Q1 FY14 Corporate Expense results as expected. Includes a \$3M decrease in the fair value of our obligations under contingent acquisition consideration arrangements
- **Interest Expense, net:** FY14 reflects increased interest expense from refinancing of term loan with senior fixed-rate notes

# Broadridge Q1 FY14

Revenue	
FY13 Q1	FY14 Q1
\$339	\$376
8%	11%
\$154	\$169
-3%	10%
<b>\$493</b>	<b>\$545</b>
5%	10%
\$0	(\$0)
\$2	\$0
<b>\$496</b>	<b>\$545</b>
4%	10%

ICS  
◀ Growth % / Margin % ▶

SPS  
◀ Growth % / Margin % ▶

**Total Segments  
Margin %**

Other <sup>(a)</sup>  
FX <sup>(b)</sup>

**Total Broadridge (Non-GAAP) <sup>(a)</sup>**

◀ Growth % / Margin % ▶

Interest & Other

Acquisition Amortization and Other Costs <sup>(c)</sup>

**Total EBT (Non-GAAP) <sup>(d)</sup>**

**Margin %**

Income taxes

Tax Rate

**Total Net Earnings (Non-GAAP) <sup>(d)</sup>**

**Margin %**

Acquisition Amortization and Other Costs <sup>(c)</sup>

Restructuring Charges <sup>(e)</sup>

**Non-GAAP Items (Net of Taxes)**

**Total Net Earnings (GAAP)**

**Margin %**

**Diluted Shares**

**Diluted EPS (Non-GAAP) <sup>(d)</sup>**

**Diluted EPS (GAAP)**

Earnings	
FY13 Q1	FY14 Q1
\$27	\$41
8.0%	10.9%
\$9	\$32
6.1%	18.8%
<b>\$37</b>	<b>\$73</b>
7.4%	13.3%
(\$7)	(\$3)
\$3	\$6
<b>\$33</b>	<b>\$75</b>
6.6%	13.8%
(\$3)	(\$6)
\$6	\$6
<b>\$35</b>	<b>\$75</b>
7.0%	13.8%
(\$13)	(\$27)
36.0%	36.0%
<b>\$22</b>	<b>\$48</b>
4.5%	8.8%
(\$4)	(\$4)
(\$1)	\$0
<b>(\$4)</b>	<b>(\$4)</b>
<b>\$18</b>	<b>\$44</b>
3.7%	8.1%
127.1	123.1
\$0.18	\$0.39
\$0.14	\$0.36

(a) FY13 Q1 excludes Restructuring Charges of \$1M (after tax \$1M, or \$0.01 EPS impact).

(b) Includes impacts of FX P&L and FX transaction activity.

(c) Represents amortization charges associated with intangible asset values as well as other deal costs associated with the Company's acquisitions.

(d) FY13 Q1 excludes Restructuring Charges of \$1M (after tax \$1M, or \$0.01 EPS impact) and Acquisition Amortization and Other Costs of \$6M (after tax \$4M, or \$0.03 EPS impact).

FY14 Q1 excludes Acquisition Amortization and Other Costs of \$6M (after tax \$4M, or \$0.03 EPS impact).

(e) FY13 Q1 represents transition costs related to termination of the Pension agreement including shutdown costs.



# Broadridge FY14 Guidance

Revenue		
FY13 Actual	FY14 Range	
	Low	High
\$1,760	\$1,785	\$1,812
8%	1%	3%
\$661	\$678	\$695
1%	3%	5%
\$2,421	\$2,463	\$2,506
6%	2%	4%
\$0	\$0	\$0
\$10	\$10	\$10
\$2,431	\$2,473	\$2,517
6%	2%	4%

Recurring Closed Sales		
Segments	FY14 Range	
	Low	High
ICS (<\$5M)	\$60	\$70
SPS (<\$5M)	\$30	\$40
Large Deals (≥\$5M)	\$20	\$40
<b>Total</b>	<b>\$110</b>	<b>\$150</b>

(\$ in millions)

ICS  
◀ Growth % / Margin % ▶

SPS  
◀ Growth % / Margin % ▶

**Total Segments**  
**Margin %**

Other <sup>(a)</sup>  
FX <sup>(b)</sup>

**Total Broadridge (Non-GAAP) <sup>(a)</sup>**  
◀ Growth % / Margin % ▶

Interest & Other  
Acquisition Amortization and Other Costs <sup>(c)</sup>

**Total EBT (Non-GAAP) <sup>(d)</sup>**  
**Margin %**

Income taxes  
Tax Rate

**Total Net Earnings (Non-GAAP) <sup>(d)</sup>**  
**Margin %**

Acquisition Amortization and Other Costs <sup>(c)</sup>  
Restructuring Charges <sup>(e)</sup>  
**Non-GAAP Items (Net of Taxes)**

**Total Net Earnings (GAAP)**  
**Margin %**

**Diluted Shares**  
**Diluted EPS (Non-GAAP) <sup>(d)</sup>**  
**Diluted EPS (GAAP)**

Earnings		
FY13 Actual	FY14 Range	
	Low	High
\$302	\$316	\$328
17.2%	17.7%	18.1%
\$85	\$100	\$117
12.9%	14.8%	16.8%
\$387	\$416	\$445
16.0%	16.9%	17.8%
(\$44)	(\$39)	(\$47)
\$15	\$14	\$14
\$359	\$391	\$412
14.8%	15.8%	16.4%
(\$15)	(\$26)	(\$28)
\$24	\$22	\$22
\$367	\$387	\$406
15.1%	15.6%	16.1%
(\$131)	(\$139)	(\$146)
35.7%	36.0%	36.0%
\$236	\$248	\$260
9.7%	10.0%	10.3%
(\$15)	(\$14)	(\$14)
(\$9)	\$0	\$0
(\$24)	(\$14)	(\$14)
\$212	\$233	\$246
8.7%	9.4%	9.8%
125	124	124
\$1.88	\$2.00	\$2.10
\$1.69	\$1.89	\$1.99

(a) FY13 excludes Restructuring and Impairment Charges, net of \$20M (after tax \$13M, or \$0.10 EPS impact).

(b) Includes impacts of FX P&L and FX Transaction Activity.

(c) Represents amortization charges associated with intangible asset values as well as other deal costs associated with the Company's acquisitions.

(d) FY13 excludes Acquisition Amortization and Other Costs of \$24M (after tax \$15M or \$0.12 EPS impact), Restructuring Charges of \$20M (after tax \$13M, or \$0.10 EPS impact) and a one time tax credit of \$4M (or \$0.03 EPS impact). FY14 guidance excludes Acquisition Amortization and Other Costs of \$22M (after tax \$14M or \$0.11 EPS impact).

(e) FY13 represents transition costs related to termination of the Penson agreement including shutdown costs, a one-time cost to restructure and outsource certain processing related to our desktop applications and one-time tax credit.

\* Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases.

# Cash Flow –Q1 FY14 Results and FY14 Forecast

	Three Months Ending September 2013	Free Cash Flow - Non-GAAP Unaudited (\$ millions)	
		FY14 Range (a)	
		Low	High
<b>Free Cash Flow (Non-GAAP):</b>			
<b>Net earnings from operations (GAAP)</b>	\$ 44	\$ 233	\$ 246
Depreciation and amortization (includes other LT assets)	23	100	110
Stock-based compensation expense	5	33	35
Other	(2)	(5)	5
Subtotal	70	361	396
Working capital changes	(71)	(5)	5
Long-term assets & liabilities changes	(4)	(50)	(40)
<b>Net cash flow (used in) provided by operating activities</b>	<b>(5)</b>	<b>306</b>	<b>361</b>
Cash Flows From Investing Activities			
Capital expenditures and software purchases	(13)	(60)	(55)
<b>Free cash flow (Non-GAAP)</b>	<b>\$ (18)</b>	<b>\$ 246</b>	<b>\$ 306</b>
<b><u>Cash Flows From Other Investing and Financing Activities</u></b>			
Acquisitions	(38)	(38)	(38)
Stock repurchases net of options proceeds	(2)	(2)	(2)
Proceeds from borrowing net of debt repayments	(1)	(1)	(1)
Dividends paid	(22)	(96)	(96)
Other	(2)	(5)	5
Net change in cash and cash equivalents	(83)	104	174
Cash and cash equivalents, at the beginning of year	266	266	266
<b>Cash and cash equivalents, at the end of period</b>	<b>\$ 183</b>	<b>\$ 370</b>	<b>\$ 440</b>

(a) Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases.

# Recurring Revenue Closed Sales to Revenue Contribution

(\$ in millions)

	Closed Sales Forecast FY14	Revenue Contribution <sup>(a)</sup> Forecast FY14	Backlog <sup>(b)</sup> Forecast FY14
<b>ICS (less than \$5M deals)</b> <i>~Contribution to revenue growth</i>	\$60-70	~\$50-60 2-3%	~\$50-60
<b>SPS (less than \$5M deals)</b> <i>~Contribution to revenue growth</i>	\$30-40	~\$50-60 9-10%	~\$80-100
<b>Total deals (less than \$5M)</b> <i>~Contribution to revenue growth</i>	\$90-110	~\$100-120 4-5%	~\$130-160
<b>Large Deals (\$5M or greater)</b> <i>~Contribution to revenue growth</i>	\$20-40	\$0	~\$20-40
<b>Total Recurring Revenue Closed Sales</b> <i>~Contribution to revenue growth</i>	\$110-150	~\$100-120 4-5%	~\$150-200

<sup>(a)</sup> Revenue from current year and prior year Closed Sales.

<sup>(b)</sup> Closed Sales expected to convert to revenue in future years.

# Revenues and Closed Sales FY08-FY13

(\$ in millions)								CAGR	Forecast
Recurring Fee Revenues	FY08	FY09	FY10	FY11	FY12	FY13	FY08-FY13	FY14	
<b>ICS</b>	\$ 567	\$ 594	\$ 632	\$ 720	\$ 798	\$ 850	8%	\$903-921	
<i>Growth</i>	7%	5%	6%	14%	11%	7%		6-8%	
<b>SPS</b>	\$ 534	\$ 559	\$ 536	\$ 594	\$ 655	\$ 661	4%	\$678-695	
<i>Growth</i>	1%	5%	-4%	11%	10%	1%		3-5%	
<b>Total Recurring Fee Revenues</b>	<b>\$ 1,101</b>	<b>\$ 1,153</b>	<b>\$ 1,168</b>	<b>\$ 1,313</b>	<b>\$ 1,453</b>	<b>\$ 1,511</b>	<b>7%</b>	<b>\$1,581-1,616</b>	
<i>Growth</i>	4%	5%	1%	12%	11%	4%		5-7%	
<b>Event-Driven</b>	\$ 200	\$ 180	\$ 257	\$ 135	\$ 132	\$ 156	-5%	~\$146	
<i>Growth</i>	-1%	-10%	43%	-47%	-2%	18%		(6)%	
<b>Distribution</b>	\$ 808	\$ 757	\$ 781	\$ 704	\$ 704	\$ 755	-1%	\$736-745	
<i>Growth</i>	-2%	-6%	3%	-10%	0%	7%		(3)-(1)%	
<b>Other/FX</b>	\$ 22	\$ (17)	\$ 4	\$ 14	\$ 14	\$ 10		~\$10	
<b>Total Revenues</b>	<b>\$ 2,131</b>	<b>\$ 2,072</b>	<b>\$ 2,209</b>	<b>\$ 2,167</b>	<b>\$ 2,304</b>	<b>\$ 2,431</b>	<b>3%</b>	<b>\$2,473-2517</b>	
<i>Growth</i>	3%	-3%	7%	-2%	6%	6%		2-4%	
<b>Small (&lt;\$5M)</b>	\$ 65	\$ 80	\$ 66	\$ 66	\$ 108	\$ 103	10%	<b>\$90-110</b>	
<b>Large (=&gt;\$5M)</b>	\$ 17	\$ 15	\$ 53	\$ 47	\$ 12	\$ 18		<b>\$20-40</b>	
<b>Recurring Closed Sales</b>	\$ 82	\$ 95	\$ 119	\$ 113	\$ 120	\$ 121	8%	<b>\$110-150</b>	
<i>Growth</i>	30%	16%	25%	-5%	6%	0%		-9-+24%	

**ICS Segment  
Event-Driven Fee and Distribution Revenue Chart  
FY07-FY13**

(\$ in millions)								CAGR	Forecast
Event-Driven Fee Revenues <sup>(a)</sup>	FY08	FY09	FY10	FY11	FY12	FY13	FY08-FY13	FY14	
Mutual Fund Proxy	\$ 92	\$ 55	\$ 150	\$ 39	\$ 28	\$ 43	-14%	\$39	
Mutual Fund Supplemental	\$ 49	\$ 58	\$ 48	\$ 44	\$ 47	\$ 58	3%	\$53	
Contest/ Specials/ Other Communications	\$ 59	\$ 67	\$ 59	\$ 52	\$ 57	\$ 54	-2%	\$53	
<b>Total Event-Driven Fee Revenues</b>	<b>\$ 200</b>	<b>\$ 180</b>	<b>\$ 257</b>	<b>\$ 135</b>	<b>\$ 132</b>	<b>\$ 156</b>	<b>-5%</b>	<b>\$146</b>	
<i>Growth</i>	-1%	-10%	43%	-47%	-2%	18%		-6%	
<b>Recurring Distribution Revenues <sup>(b)</sup></b>	\$ 580	\$ 567	\$ 564	\$ 573	\$ 597	\$ 629	2%	\$620-629	
<i>Growth</i>	-2%	-2%	-1%	2%	4%	5%		(1)-0%	
<b>ED Distribution Revenues <sup>(b)</sup></b>	\$ 228	\$ 190	\$ 217	\$ 131	\$ 107	\$ 126	-11%	~\$115	
<i>Growth</i>	0%	-17%	14%	-39%	-18%	17%		(8)%	
<b>Total Distribution Revenues</b>	<b>\$ 808</b>	<b>\$ 757</b>	<b>\$ 781</b>	<b>\$ 704</b>	<b>\$ 704</b>	<b>\$ 755</b>	<b>-1%</b>	<b>~\$736-745</b>	
<i>Growth</i>	-2%	-6%	3%	-10%	0%	7%		(3) - (1)%	

(a) Includes reclassification of Pre-sale Fulfillment from event-driven revenues to recurring revenues.

(b) Includes reclassification of Pre-sale Fulfillment related distribution revenues and Matrix pass-through administrative services from event-driven revenues to recurring revenues.

# Reconciliation of Non-GAAP to GAAP Measures

Reconciliation of EPS Guidance		1Q13	1Q14	FY11	FY12	FY13	FY14 Range	
		Actual	Actual	Actual	Actual	Actual	Low	High
<b>Diluted EPS (Non-GAAP)</b>		<b>\$0.18</b>	<b>\$0.39</b>	<b>\$1.47</b>	<b>\$1.67</b>	<b>\$1.88</b>	<b>\$2.00</b>	<b>\$2.10</b>
Acquisition Amortization and Other Costs		(\$0.03)	(0.03)	(\$0.10)	(\$0.12)	(\$0.12)	(0.11)	(0.11)
Restructuring and Impairment Charges, net		(\$0.01)	0.00	\$0.00	(\$0.45)	(\$0.07)	0.00	0.00
IBM Migration costs		\$0.00	0.00	(\$0.03)	(\$0.12)	\$0.00	0.00	0.00
<b>Diluted EPS (GAAP)</b>		<b>\$0.14</b>	<b>\$0.36</b>	<b>\$1.34</b>	<b>\$0.98</b>	<b>\$1.69</b>	<b>\$1.89</b>	<b>\$1.99</b>

Reconciliation of EBT Guidance (a)		1Q13	1Q14	FY11	FY12	FY13	FY14 Range	
(\$ in millions)		Actual	Actual	Actual	Actual	Actual	Low	High
<b>Total EBT (Non-GAAP)</b>		<b>\$35</b>	<b>\$75</b>	<b>\$295</b>	<b>\$331</b>	<b>\$367</b>	<b>\$387</b>	<b>\$406</b>
<i>Margin %</i>		7.0%	13.8%	13.6%	14.4%	15.1%	15.6%	16.1%
Acquisition Amortization and Other Costs		(\$6)	(\$6)	(\$19)	(\$25)	(\$24)	(\$22)	(\$22)
Restructuring and Impairment Charges, net		(\$1)	\$0	\$0	(\$81)	(\$20)	\$0	\$0
IBM Migration costs		\$0	\$0	(\$6)	(\$25)	\$0	\$0	\$0
<b>Total EBT (GAAP)</b>		<b>\$29</b>	<b>\$69</b>	<b>\$270</b>	<b>\$201</b>	<b>\$323</b>	<b>\$365</b>	<b>\$384</b>
<i>Margin %</i>		5.8%	12.7%	12.4%	8.7%	13.3%	14.8%	15.3%

(a) Details may not sum to totals due to rounding

	Three Months Ending September 2013	Free Cash Flow - Non-GAAP Unaudited (\$ millions)	
		FY14 Range (a) Low	High
<b>Free Cash Flow (Non-GAAP) :</b>			
<b>Net earnings from operations (GAAP)</b>	\$ 44	\$ 233	\$ 246
Depreciation and amortization (includes other LT assets)	23	100	110
Stock-based compensation expense	5	33	35
Other	(2)	(5)	5
Subtotal	70	361	396
Working capital changes	(71)	(5)	5
Long-term assets & liabilities changes	(4)	(50)	(40)
<b>Net cash flow (used in) provided by operating activities</b>	<b>(5)</b>	<b>306</b>	<b>361</b>
Cash Flows From Investing Activities			
Capital expenditures and software purchases	(13)	(60)	(55)
<b>Free cash flow (Non-GAAP)</b>	<b>\$ (18)</b>	<b>\$ 246</b>	<b>\$ 306</b>

(a) Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases.

# ICS Key Segment Revenue Stats

RC= Recurring  
ED= Event-Driven  
In millions

Proxy	Fee Revenues	1Q13	1Q14	Type
	<b>Equities</b>	\$ 25.6	\$ 26.0	RC
	Stock Record Position Growth	-4%	1%	
	Pieces	20.3	21.5	
	<b>Mutual Funds</b>	\$ 6.5	\$ 15.8	ED
	Pieces	8.2	20.4	
	<b>Contests/Specials</b>	\$ 3.0	\$ 4.2	ED
	Pieces	2.7	4.4	
	<b>Total Proxy</b>	\$ 35.1	\$ 46.0	
	Total Pieces	31.2	46.3	
	Notice and Access Opt-in %	48%	57%	
Suppression %	56%	57%		
<b>Interims</b>	<b>Mutual Funds (Annual/Semi-Annual Reports/Annual Prospectus)</b>	\$ 31.8	\$ 38.8	RC
	Position Growth	9%	12%	
	Pieces	150.7	173.5	
	<b>Mutual Funds (Supplemental Prospectuses) &amp; Other</b>	\$ 14.7	\$ 12.2	ED
Pieces	75.4	71.8		
<b>Total Interims</b>	\$ 46.5	\$ 51.0		
Total Pieces	226.1	245.3		
<b>Transaction Reporting</b>	<b>Transaction Reporting/Customer Communications</b>	\$ 40.6	\$ 36.1	RC
<b>Fulfillment</b>	<b>Fulfillment</b>	\$ 33.2	\$ 39.9	RC
<b>Emerging/Acquired and Other</b>	<b>Emerging/Acquired (a)</b>	\$ 25.8	\$ 34.2	RC
	<b>Other (b)</b>	\$ 8.1	\$ 8.4	ED
	<b>Total Acquired, Emerging and Other</b>	\$ 33.9	\$ 42.6	
	<b>Total Fee Revenues</b>	\$ 189.3	\$ 215.6	
	<b>Total Distribution Revenues (c)</b>	\$ 150.2	\$ 160.6	
	<b>Total Revenues as reported - GAAP</b>	\$ 339.5	\$ 376.2	
	<b>Total RC Fees</b>	\$ 157.0	\$ 175.0	
	% RC Growth	9%	11%	
	<b>Total ED Fees</b>	\$ 32.3	\$ 40.6	
<b>Key Revenue Drivers (Recurring)</b>	Sales	7%	6%	
	Losses	-2%	-2%	
	<b>Net New Business</b>	5%	4%	
	Internal growth	4%	6%	
	<b>Recurring (Excluding Acquisitions)</b>	9%	10%	
	Acquisitions	0%	1%	
	<b>Total Recurring</b>	9%	11%	
<b>Revenue Drivers (Total)</b>	Recurring Net (d)	4%	5%	
	Event-Driven	2%	3%	
	Distribution	2%	3%	
	<b>TOTAL</b>	8%	11%	

FY14 Ranges	
Low	High
\$ 903	\$ 921
6%	8%
\$ 146	\$ 146

Low	High
6%	7%
-2%	-2%
4%	5%
1%	2%
5%	7%
1%	1%
6%	8%

Low	High
2%	4%
-1%	-1%
0%	0%
1%	3%

(a) Emerging and Acquired includes fee revenues from acquisitions (i.e. Access Data, New River, Matrix, Transfer Agency, Forefield, and Bonaire) and the portfolio of emerging products (i.e. Tax Services, Vote Recommendations, and Class Actions).  
 (b) Other includes other event-driven fee revenues such as corporate actions and development.  
 (c) Total Distribution Revenues primarily include pass-through revenues related to the physical mailing of Proxy, Interims, Transaction Reporting, and Fulfillment as well as Matrix administrative services.  
 (d) Recurring, Net includes contribution from Net New Business, Internal Growth, and Acquisitions

# SPS Key Segment Revenue Stats

RC= Recurring  
ED= Event-Driven  
In millions

		1Q13	1Q14	Type
<b><u>Equity</u></b>				
<b>Transaction-Based</b>	<b>Equity Trades</b>	\$ 30.0	\$ 32.4	RC
	<i>Internal Trade Volume</i>	780	891	
	<i>Internal Trade Growth</i>	-19%	14%	
	<i>Trade Volume (Average Trades per Day in '000)</i>	828	908	
<b>Non-Transaction</b>	<b>Other Equity Services</b>	98.6	107.9	RC
<b>Total Equity</b>		<b>\$ 128.6</b>	<b>\$ 140.4</b>	
<b><u>Fixed Income</u></b>				
<b>Transaction-Based</b>	<b>Fixed Income Trades (a)</b>	\$ 13.9	\$ 14.7	RC
	<i>Internal Trade Volume</i>	295	299	
	<i>Internal Trade Growth</i>	0%	1%	
	<i>Trade Volume (Average Trades per Day in '000)</i>	295	302	
<b>Non-Transaction</b>	<b>Other Fixed Income Services</b>	\$ 11.5	\$ 13.6	RC
<b>Total Fixed Income</b>		<b>\$ 25.4</b>	<b>\$ 28.3</b>	
<b>Total Net Revenue as reported - GAAP</b>		<b>\$ 153.9</b>	<b>\$ 168.7</b>	
<b>Key</b>	Sales	3%	11%	
	Losses	-1%	-3%	
	<b>Net New Business</b>	<b>2%</b>	<b>8%</b>	
	<b>Internal growth</b>	<b>-8%</b>	<b>2%</b>	
	Acquisitions	3%	0%	
	<b>TOTAL</b>	<b>-3%</b>	<b>10%</b>	

FY14 Ranges	
Low	High
9%	10%
-4%	-4%
5%	6%
-2%	-1%
0%	0%
3%	5%

Note: Outsourcing is now included in Other Equity Services

# Broadridge ICS Definitions

## Proxy

**Equities** - Refers to the proxy services we provide in connection with annual stockholder meetings for publicly traded corporate issuers. Annual meetings of public companies include shares held in "street name" (meaning that they are held of record by brokers or banks, which in turn hold the shares on behalf of their clients, the ultimate beneficial owners) and shares held in "registered name" (shares registered directly in the names of their owners).

**Mutual Funds** - Refers to the proxy services we provide for funds, classes or trusts of an investment company. Open-ended mutual funds are not required to have annual meetings. As a result, mutual fund proxy services provided to open-ended mutual funds are driven by a "triggering event." These triggering events can be a change in directors, fee structures, investment restrictions, or mergers of funds.

**Contests** - Refers to the proxy services we provide when a separate agenda is put forth by one or more stockholders that is in opposition to the proposals presented by management of the company which is separately distributed and tabulated from the company's proxy materials.

**Specials** - Refers to the proxy services we provide in connection with stockholder meetings held outside of the normal annual meeting cycle and are primarily driven by special events (e.g., business combinations in which the company being acquired is a public company and needs to solicit the approval of its stockholders).

## Interims

**Mutual Funds (Annual/Semi-Annual Reports/Annual Prospectuses)** – Refers to the services we provide investment companies in connection with information they are required by regulation to distribute periodically to their investors. These reports contain pertinent information such as holdings, fund performance, and other required disclosure.

**Mutual Funds (Supplemental Prospectuses)** – Refers primarily to information required to be provided by mutual funds to supplement information previously provided in an annual mutual fund prospectus (e.g., change in portfolio managers, closing funds or class of shares to investors, or restating or clarifying items in the original prospectus). The events could occur at any time throughout the year.

**Other** – Refers to communications provided by corporate issuers and investment companies to investors including newsletters, notices, tax information, marketing materials and other information not required to be distributed by regulation.

## Transaction Reporting

**Transaction Reporting**– Refers primarily to the printing and distribution of account statements, trade confirmations and tax reporting documents to account holders, including electronic delivery and archival services.

## Fulfillment

**Post-Sale Fulfillment** – Refers primarily to the distribution of prospectuses, offering documents, and required regulatory disclosure information to investors in connection with purchases of securities.

**Pre-Sale Fulfillment** – Refers to the distribution of marketing literature, welcome kits, enrollment kits, and investor information to prospective investors, existing stockholders and other targeted recipients on behalf of broker-dealers, mutual fund companies and 401(k) administrators.

## Emerging, Acquired and Other Communications

**Emerging** – Refers to the services provided by our emerging products portfolio (i.e. Tax Services, Vote Recommendations, and Class Actions).

**Acquired** – Refers to the services provided by our acquisitions portfolio (i.e. Access Data, NewRiver, Matrix, Transfer Agency, Forefield, and Bonaire).

**Other** – Refers primarily to the services we provide in connection with the distribution of communications material not included in the above definitions such as non-objecting beneficial owner (NOBO) lists, and corporate actions such as tender offer transactions.