

# Continued Market Leadership through Execution and Innovation

## Investor Presentation



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May 2014

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# Broadridge Overview



# Broadridge's Strategic Vision and Journey to Drive Top Quartile Stockholder Returns

***Leading provider of Investor Communications and Technology-Driven Solutions to banks, broker-dealers, mutual funds, and corporate issuers globally***

- We have strong positions in large and attractive markets with lots of room to grow
- We have a balanced and diverse product portfolio across related businesses:
  - ✓ Bank/Broker-Dealer Communications and Issuer Services
  - ✓ Mutual Fund and Retirement Solutions
  - ✓ Bank/Broker-Dealer Technology and Operations
- We will grow this portfolio by capitalizing on three disruptive market macro trends:
  - ✓ Digitalization of Investor Communications - digital technologies that enable lower cost, higher touch interactions
  - ✓ Cost/Capability Mutualization - tremendous industry drive to standardize duplicative, non-differentiating industry costs
  - ✓ Intelligence created from our unique Data - enables us to provide clients unrivaled intelligence and create unique value through our network and data
- We will do so with a combination of organic growth, partnerships and acquisitions
- This balanced approach, including a meaningful dividend and opportunistic share repurchases, expected to drive top quartile total stockholder returns

***As we move to the next phase of our journey we will target our opportunities across our related businesses as follows...***

# Broadridge's Business Unit Strategy

*Leading provider of Investor Communications and Technology-Driven Solutions to banks, broker-dealers, mutual funds, and corporate issuers globally*

## Bank/Broker-Dealer Communications and Issuer Services

**Today**

We enable the global financial services industry to communicate private and significant information securely and cost effectively

**Focus of the Journey's next phase**

We will lead the adoption of digital and "big data" capabilities to enhance investors', brokers' and corporate issuers' efficiency and decision making and expand our offerings to provide other communications of equal significance

**ICS-BBDI**

## Mutual Fund and Retirement Solutions

We are a rapidly growing provider of data-driven reporting, trade processing, compliance, 401k, and marketing solutions to the mutual fund, retirement and insurance industries across the entire transaction lifecycle

We will add new data-driven capabilities to enable deeper linkages between mutual funds and their broker-dealer distribution partners by fully leveraging our unique network serving the brokerage industry, which continues to lead mutual fund distribution

**ICS-Mutual Funds**

## Bank/Broker-Dealer Technology and Operations

We are a scalable technology services provider of equity and fixed income processing to North American sell side institutions with a growing international and buy side presence

We will leverage the jointly launched post-trade processing platform with Accenture to scale our unique 50-market platform globally while continuing to drive our core solutions and addressing new needs in adjacent markets (e.g. fixed income, buy-side, derivatives)

**SPS**

# We are a Leader in a Number of Large and Attractive Markets

## Investor Communication Solutions

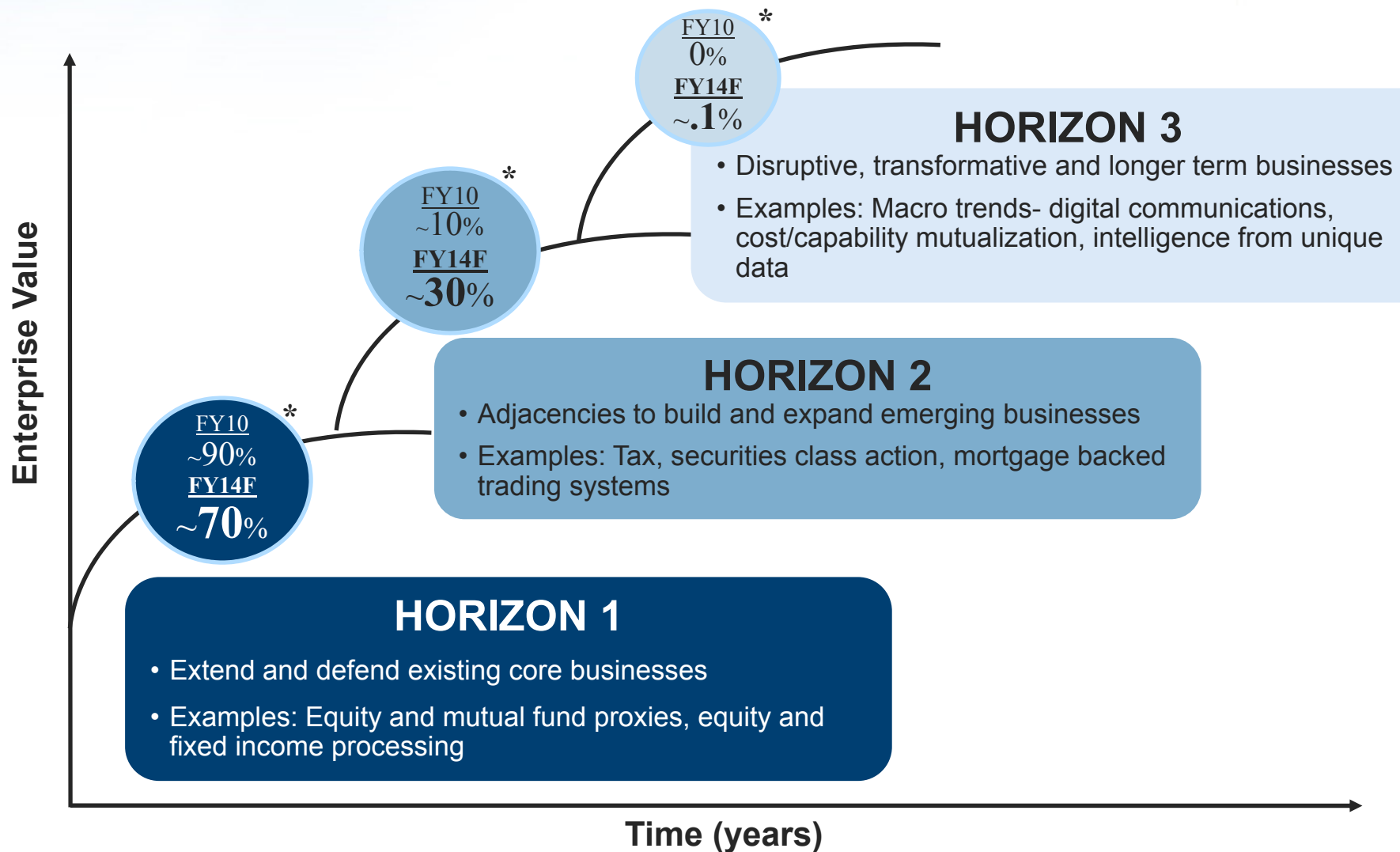
- ✓ U.S. and Global Banks/Broker-Dealers Regulatory Communications
- ✓ U.S. Banks/Broker-Dealers Transactional Communications
- ✓ U.S. Corporate Issuer Regulatory Communications

## Securities Processing Solutions

- ✓ U.S. Brokerage Processing
- ✓ U.S. Fixed Income Processing
- ✓ Canadian Brokerage Processing
- ✓ International Brokerage Processing

**Our leadership positions contribute to our growing recurring fee revenues**

# Throughout our Journey, we will Continue to Enhance our Capabilities to Drive Growth



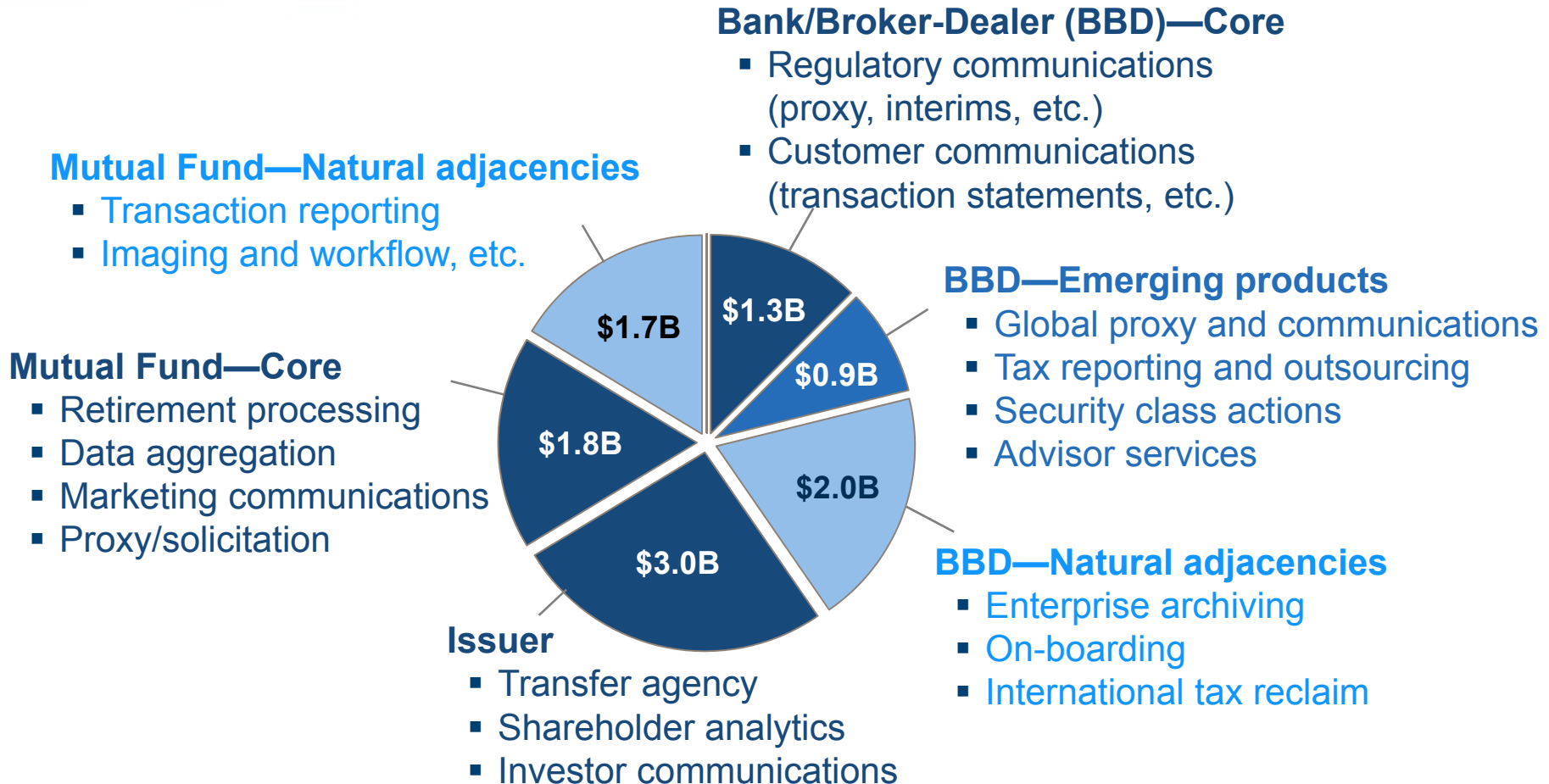
\* Percentage of Recurring Fee Revenue by Growth Horizon from FY10 to FY14 Forecast

# Investor Communication Solutions (ICS)



# Large and attractive markets – Investor Communications is a \$10B+ market

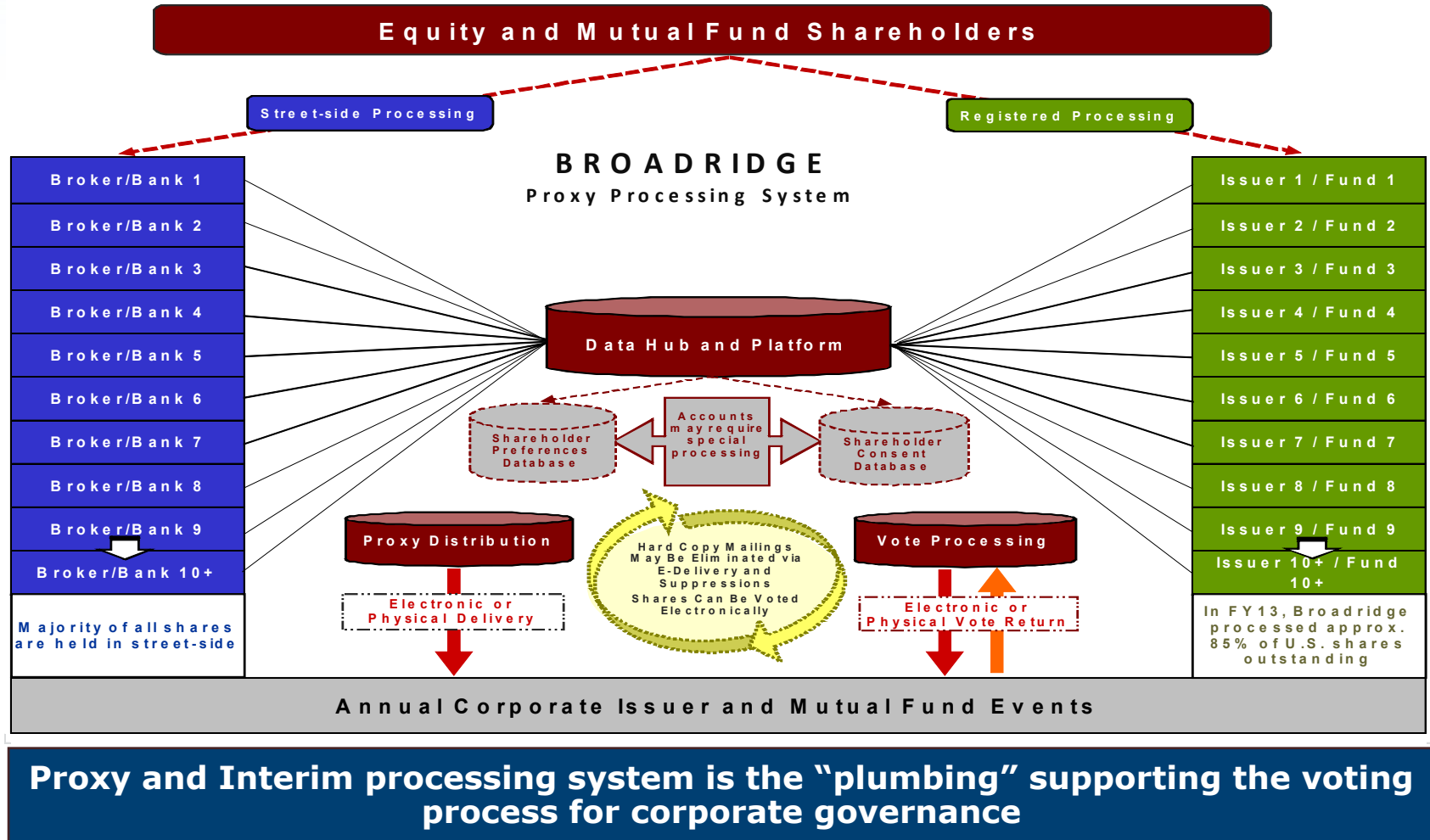
## Total addressable market \$10B+ fee revenue



Sources: BCG, Bain, Patpatia, Broadridge estimates

# ICS Operates a Unique Business Systems Processing Model

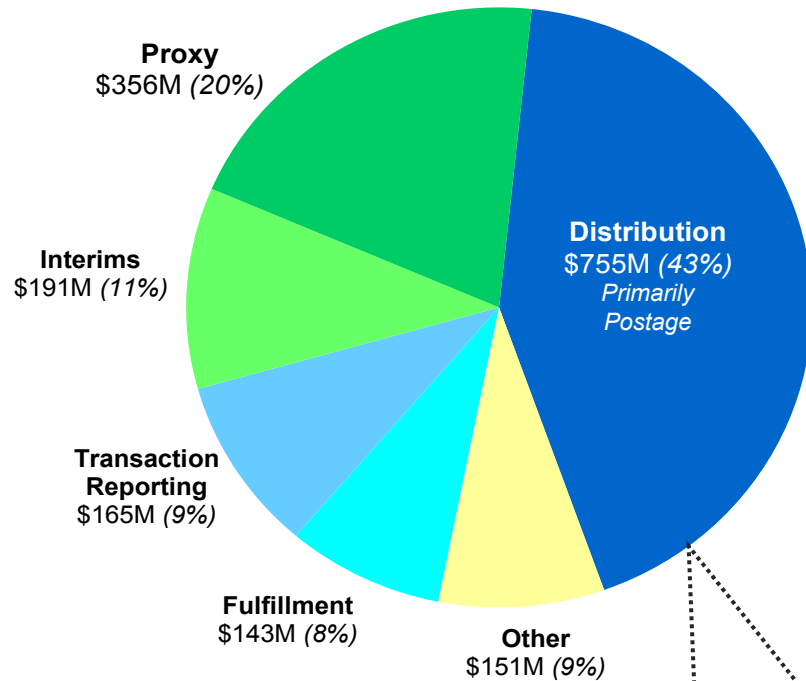
PROXY & INTERIMS PROCESSING OVERVIEW  
"THE PLUMBING"



# ICS has a Diversified Revenue Base

## By product<sup>1</sup>

## Broad client base



Increase in electronic distribution reduces postage revenue and increases profits

- ✓ Banks
- ✓ Broker-Dealers
- ✓ Mutual Funds
- ✓ Corporate Issuers

**ICS is highly resilient due to our deep customer relationships with our Bank/Broker-Dealer clients**

<sup>1</sup> Financial metrics and statistics are for FY13 ended 6/30/13

# ICS-Bank/Broker-Dealer Communications

## What We Do:

### **Regulatory communications**

- Beneficial proxy and interims for equities
- Beneficial mutual fund compliance communications

### **Customer communications**

- Transaction statements, trade confirmations and other reporting

### **Global and emerging products**

- Advisor services
- Global proxy and communications
- Tax reporting and outsourcing
- Securities class actions

## Competitive Advantages:

**Indispensible data hub with established relationships with majority of BBDs**

**Strong market position and innovative leadership**

- First/only certified voting results
- First e-delivery, phone, web and mobile voting platform

**Proprietary systems, network and databases**

- ProxyEdge® – institutional voting and record keeping platform
- Preference and consent database

**Unmatched scale with highest level data security (ISO 27001)**

# ICS-Issuer Services

## What We Do:

### **Beneficial proxy service**

### **Registered shareholder communications**

- Registered proxy services
- Interim communications

### **Transfer agency (TA)**

- Stock share registry, ownership transfers and dividend calculation

### **Enhanced issuer solutions**

- Shareholder analytics
- Virtual shareholder meetings
- Shareholder Forums
- Global proxy services

## Competitive Advantages:

**Market Position** – only full service provider of shareholder communications to all types of shareholders

**Unmatched Scale** – able to leverage one billion plus shareholder communications annually as well as record-keeping, corporate actions and other shareholder account servicing

**Unmatched Data** – unique dataset of investors and positions allows Issuers to more effectively reach their shareholders

**Thought Leadership** – unmatched expertise to innovate the proxy process and help guide Issuers through a complex regulatory environment

# ICS-Mutual Fund and Retirement Solutions

## What We Do:

**Mutual Fund trade processing in the defined contribution/trust space (Matrix)**

**Data aggregation and analytics (Access Data)**

**Marketing/Regulatory communications including content (NewRiver)**

**Registered proxy and solicitation services**

## Competitive Advantages:

**Long-standing relationships across industry**

- Serve every mutual fund and majority of banks/broker-dealers

**Unique data capabilities**

- Proprietary platform to allow mutual funds to understand their clients
- Innovative business applications that address unique industry issues such as compliance and distribution payments
- Largest electronic repository for mutual fund regulatory data

**Industry-leading ICS products with unmatched scale**

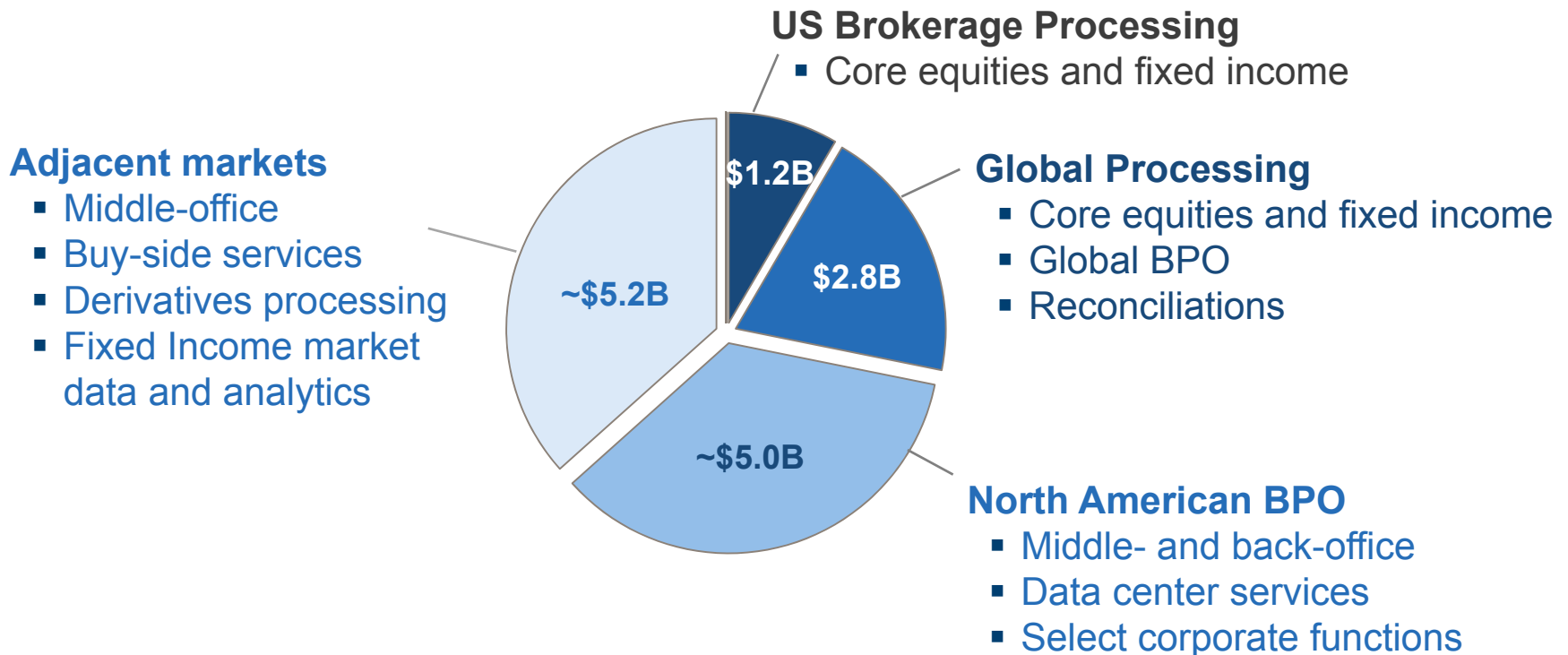
- Leverage to create cost-effective products for mutual funds

# Securities Processing Solutions (SPS)

# Technology and Operations spend adds ~\$14B to our SPS addressable market

*Securities and investment firms' overall technology and operations spend is over \$100 billion and growing at 5%*

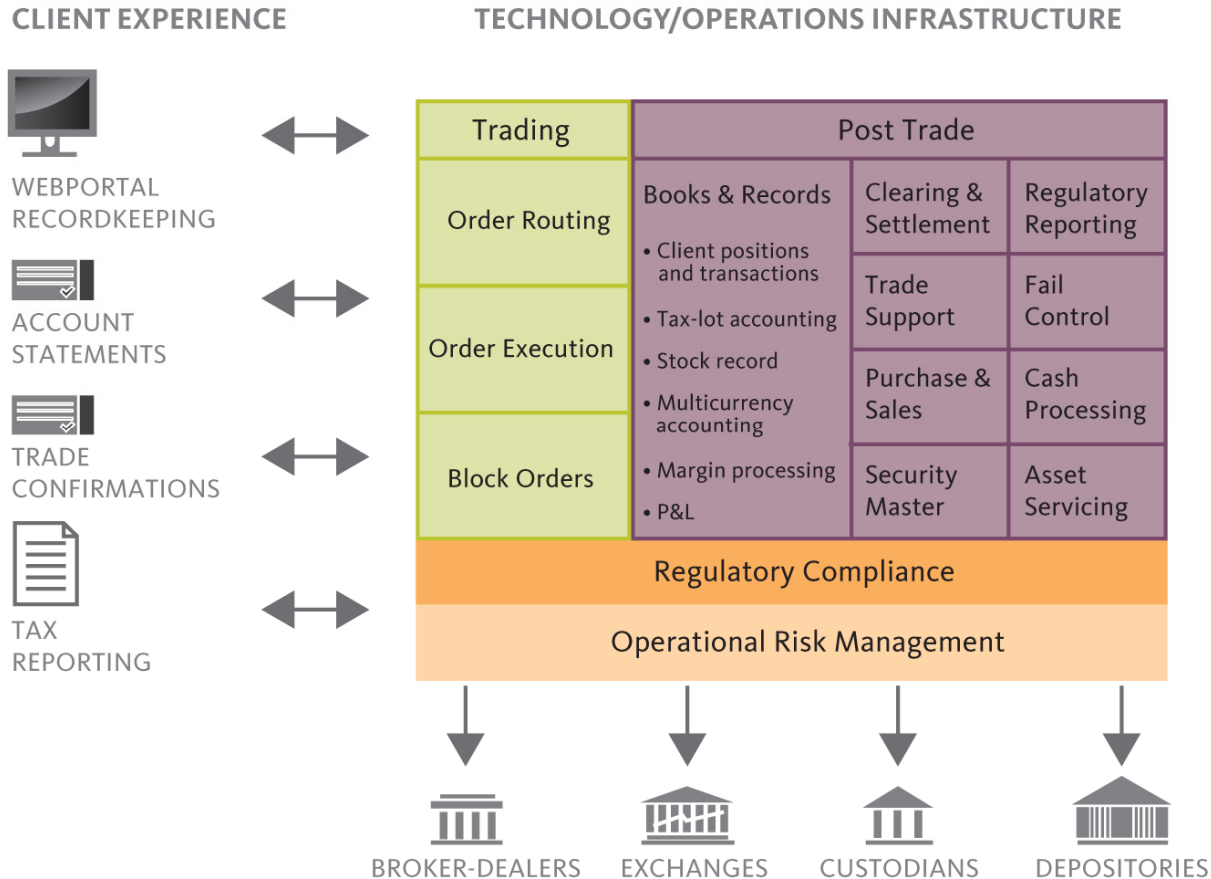
## Total addressable market ~ \$14B fee revenue



Sources: Tower Group, Chartis, Aite, IM2, Broadridge internal estimates



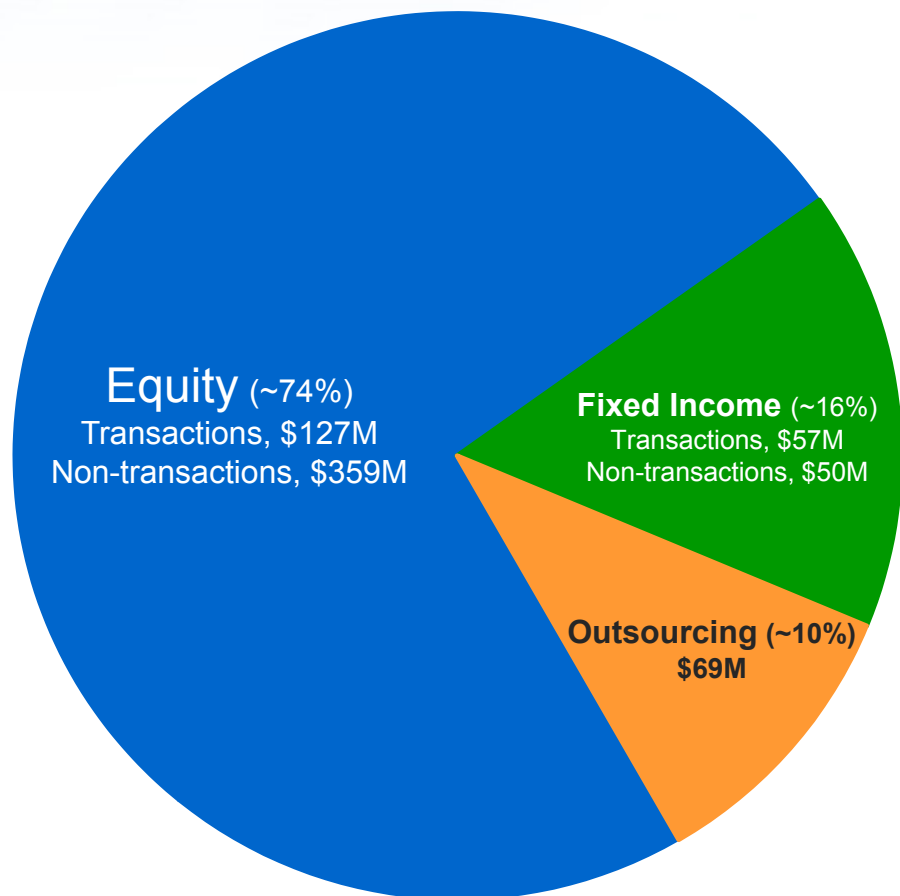
# Broadridge global processing behind the scenes



**Broadridge simplifies complex processes**

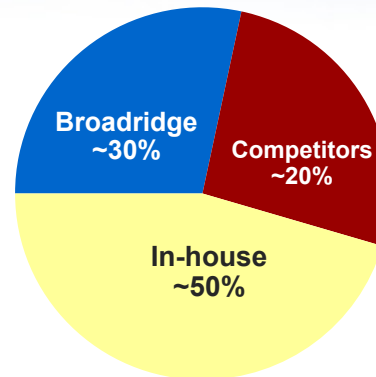
# Securities Processing North America Market Share Overview<sup>1</sup>

## FY13 Product Revenues

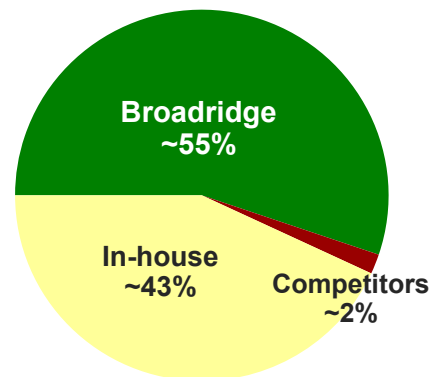


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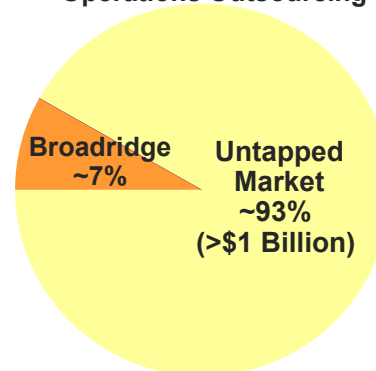
## Equity Processing Client Volume



## U.S. \$ Fixed Income Client Volume



## Operations Outsourcing



1. All market share information is based on management's estimates and is part of much larger market. No attempt has been made to size such market

# SPS's Client Base is Diversified Across Large Financial Institutions

Top Clients	Equity Processing		Fixed Income Processing	Outsourcing
	Retail	Institutional		
Apex Clearing	✓	✓	✓	✓
Bank of America/Merrill Lynch			✓	
Barclays Capital Services	✓	✓	✓	
BMO Nesbitt Burns	✓	✓	✓	
CIBC World Markets		✓	✓	✓
Deutsche Bank		✓	✓	
E*Trade Group	✓			✓
Edward Jones	✓		✓	
Jefferies & Company		✓	✓	
JP Morgan Chase	✓	✓	✓	
Nomura			✓	
Royal Bank of Canada	✓	✓	✓	
Scotia Capital	✓	✓	✓	✓
Societe Generale		✓	✓	✓
UBS Securities		✓	✓	

**SPS client relationships are stable in volatile markets**

Note: The above schedule is an alphabetical listing of the top 15 clients (measured by revenue), which represented approximately 60% of Securities Processing Solutions revenues in FY13

# SPS-Technology and Operations

## What We Do:

### **Best-of-breed processing solutions**

- Leading global platform
- Broad asset class coverage

### **Broad suite of add-on or point solutions**

- Desk top applications used by brokers and traders
- Workflow and reconciliation applications
- Data aggregation and warehousing tools

### **Industry-leading global business process outsourcing (BPO) solutions**

## Competitive Advantages:

**Unique global technology platform provides processing access to over 50 countries**

**Breadth of asset classes on single “platform”**

**Leading market position and scale**

**Flexible business model that can be tailored to unique client needs**

**Trusted brand**

# Financial Strategy

# Our Financial Strategy is a key part of our value creation strategy

Priority

- **Target paying out 40% of net earnings in dividends, but expect no less than 84 cents per share annually** (subject to quarterly Board approval)
- **Organic growth with limited financial risk**
  - Avoid significant balance sheet risk
  - Invest in projects delivering at least 20% IRR
- **Tuck-in acquisitions with clear growth profile and returns**
  - Accretive to growth, margins, and earnings
  - >20% IRR in conservative business case
- **Long-term investment-grade debt rating**
  - Adjusted Debt/EBITDAR ratio<sup>1</sup> target is 2:1
- **Excess cash used opportunistically to offset dilution and reduce share count through buybacks**

1. Adjusted Debt/EBITDAR ratio calculated as (Debt + 8x Rent Expense) / (EBITDA + Rent Expense)

# Appendix



# Key Financial Drivers

	3Q FY14	3Q YTD FY14	Actual FY13	FY14 Range
<i>Growth Drivers as a % of Recurring Revenue</i>				
<b>Closed Sales (Recurring)</b>	7%	7%	6%	7%
<b>Client Losses</b>	<u>(3%)</u>	<u>(3%)</u>	<u>(1%)</u>	<u>(3%)</u>
<b>Net New Business</b>	4%	4%	5%	4%
<b>Internal Growth<sup>(a)</sup></b>	<u>4%</u>	<u>4%</u>	<u>(1%)</u>	<u>2-3%</u>
<b>Organic Growth</b>	8%	8%	4%	6-7%
<b>Acquisitions</b>	1%	1%	0%	1%
<b>Total Recurring Revenue Growth</b>	<b>9%</b>	<b>9%</b>	<b>4%</b>	<b>7-8%</b>
<i>Growth Drivers as a % of Total Revenue</i>				
<b>Recurring Revenue</b>	6%	6%	3%	4-5%
<b>Event-Driven<sup>(b)</sup></b>	0%	1%	1%	0%
<b>Distribution<sup>(c)</sup></b>	0%	1%	2%	0%
<b>FX/Other</b>	(1%)	(1%)	0%	0%
<b>Total Revenue Growth</b>	<b>5%</b>	<b>7%</b>	<b>6%</b>	<b>4-5%</b>
<b>EBIT Margin (Non-GAAP)</b>	13.7%	12.4%	14.8%	16.5-17.1%
<b>EPS (Non-GAAP)</b>	\$0.44	\$1.08	\$1.88	\$2.15-2.25

(a) Internal Growth includes SPS Equity & Fixed Income Trades, ICS Equity & Mutual Fund Stock Record Growth, Transaction Reporting, Fulfillment, and Time & Materials

(b) Event-Driven includes ICS Proxy Contest/Specials, Mutual Fund Proxy and Interim Communications

(c) Distribution includes pass-through fees from Matrix



# Broadridge Q3 and YTD FY14

Revenue			
FY13 Q3	FY14 Q3	FY13 Q3 YTD	FY14 Q3 YTD
\$404	\$430	\$1,071	\$1,152
8%	6%	7%	8%
\$170	\$178	\$487	\$521
0%	5%	0%	7%
<b>\$574</b>	<b>\$608</b>	<b>\$1,558</b>	<b>\$1,673</b>
6%	6%	4%	7%
\$0	(\$0)	\$0	(\$0)
\$3	(\$2)	\$8	(\$1)
<b>\$577</b>	<b>\$606</b>	<b>\$1,566</b>	<b>\$1,672</b>
5%	5%	4%	7%

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 Q3	FY14 Q3	FY13 Q3 YTD	FY14 Q3 YTD
\$51	\$56	\$95	\$117
12.6%	12.9%	8.8%	10.2%
\$29	\$38	\$58	\$104
16.9%	21.2%	11.9%	20.0%
<b>\$80</b>	<b>\$93</b>	<b>\$153</b>	<b>\$221</b>
13.9%	15.4%	9.8%	13.2%
(\$8)	(\$14)	(\$23)	(\$28)
\$4	\$4	\$10	\$14
<b>\$75</b>	<b>\$83</b>	<b>\$140</b>	<b>\$207</b>
13.0%	13.7%	8.9%	12.4%
(\$4)	(\$6)	(\$11)	(\$18)
\$6	\$6	\$17	\$18
<b>\$77</b>	<b>\$83</b>	<b>\$146</b>	<b>\$207</b>
13.4%	13.7%	9.3%	12.4%
(\$28)	(\$28)	(\$53)	(\$72)
35.9%	33.9%	36.0%	35.0%
<b>\$50</b>	<b>\$55</b>	<b>\$94</b>	<b>\$134</b>
8.6%	9.1%	6.0%	8.0%
(\$4)	(\$4)	(\$11)	(\$12)
(\$2)	\$0	(\$5)	\$0
<b>(\$6)</b>	<b>(\$4)</b>	<b>(\$16)</b>	<b>(\$12)</b>
<b>\$43</b>	<b>\$51</b>	<b>\$78</b>	<b>\$123</b>
7.5%	8.4%	5.0%	7.3%
125.0	124.8	125.9	124.0
\$0.39	\$0.44	\$0.74	\$1.08
\$0.35	\$0.41	\$0.62	\$0.99

(a) FY13 Q3 excludes Restructuring Charges of \$4M (after tax \$2M, or \$0.02 EPS impact). FY13 Q3 YTD excludes Restructuring Charges of \$8M (after tax \$5M, or \$0.04 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 Q3 excludes Restructuring Charges of \$4M (after tax \$2M, or \$0.02 EPS impact) and Acquisition Amortization and Other Costs of \$6M (after tax \$4M, or \$0.02 EPS impact).

FY13 Q3 YTD excludes Restructuring Charges of \$8M (after tax \$5M, or \$0.04 EPS impact) and Acquisition Amortization and Other Costs of \$17M (after tax \$11M, or \$0.08 EPS impact).

FY14 Q3 excludes Acquisition Amortization and Other Costs of \$6M (after tax \$4M, or \$0.03 EPS impact) and FY14 Q3 YTD excludes Acquisition Amortization and Other Costs of \$18M (after tax \$12M, or \$0.09 EPS impact)

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

# Broadridge FY14 Guidance

Revenue		
FY13 Actual	FY14 Range	
	Low	High
\$1,760	\$1,832	\$1,848
8%	4%	5%
\$661	\$687	\$695
1%	4%	5%
<b>\$2,421</b>	<b>\$2,519</b>	<b>\$2,544</b>
6%	4%	5%
\$0	\$0	\$0
\$10	\$10	\$10
<b>\$2,431</b>	<b>\$2,529</b>	<b>\$2,554</b>
6%	4%	5%

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	\$335	\$344
17.2%	18.3%	18.6%
\$85	\$117	\$125
12.9%	17.0%	18.0%
<b>\$387</b>	<b>\$452</b>	<b>\$470</b>
16.0%	17.9%	18.5%
(\$44)	(\$51)	(\$49)
\$15	\$17	\$17
<b>\$359</b>	<b>\$417</b>	<b>\$437</b>
14.8%	16.5%	17.1%
(\$15)	(\$25)	(\$25)
\$24	\$23	\$23
<b>\$367</b>	<b>\$414</b>	<b>\$434</b>
15.1%	16.4%	17.0%
(\$131)	(\$148)	(\$155)
35.7%	35.7%	35.7%
<b>\$236</b>	<b>\$266</b>	<b>\$279</b>
9.7%	10.5%	10.9%
(\$15)	(\$15)	(\$15)
(\$9)	\$0	\$0
<b>(\$24)</b>	<b>(\$15)</b>	<b>(\$15)</b>
<b>\$212</b>	<b>\$252</b>	<b>\$265</b>
8.7%	10.0%	10.4%
125	124	124
\$1.88	\$2.15	\$2.25
\$1.69	\$2.03	\$2.13

(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 \$23M (after tax \$15M or \$0.12 EPS impact).

(e) FY13 represents transition costs related to termination of the Person 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 –YTD FY14 Results and FY14 Forecast

	Nine Months Ending March 2014	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>	\$ 123	\$ 252	\$ 265
Depreciation and amortization (includes other LT assets)	72	100	110
Stock-based compensation expense	25	33	35
Other	(17)	(5)	5
Subtotal	203	380	415
Working capital changes	(6)	(5)	5
Long-term assets & liabilities changes	(10)	(35)	(35)
<b>Net cash flow (used in) provided by operating activities</b>	<b>187</b>	<b>340</b>	<b>385</b>
Cash Flows From Investing Activities			
Capital expenditures and software purchases	(44)	(65)	(60)
<b>Free cash flow (Non-GAAP)</b>	<b>\$ 143</b>	<b>\$ 275</b>	<b>\$ 325</b>
<b><u>Cash Flows From Other Investing and Financing Activities</u></b>			
Acquisitions	(97)	(97)	(97)
Stock repurchases net of options proceeds	(1)	(2)	(2)
Proceeds from borrowing net of debt repayments	(1)	(1)	(1)
Dividends paid	(72)	(96)	(96)
Other	5	(5)	5
Net change in cash and cash equivalents	(22)	74	134
Cash and cash equivalents, at the beginning of year	266	266	266
<b>Cash and cash equivalents, at the end of period</b>	<b>\$ 244</b>	<b>\$ 340</b>	<b>\$ 400</b>

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

# Revenues and Closed Sales FY08-FY13

(\$ in millions)							CAGR	Forecast
	FY08	FY09	FY10	FY11	FY12	FY13	FY08-FY13	FY14
<b>Recurring Fee Revenues</b>								
<b>ICS</b>	\$ 567	\$ 594	\$ 632	\$ 720	\$ 798	\$ 850	8%	\$923-931
<i>Growth</i>	7%	5%	6%	14%	11%	7%		8-9%
<b>SPS</b>	\$ 534	\$ 559	\$ 536	\$ 594	\$ 655	\$ 661	4%	\$687-695
<i>Growth</i>	1%	5%	-4%	11%	10%	1%		4-5%
<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>\$1,609-1,626</b>
<i>Growth</i>	4%	5%	1%	12%	11%	4%		7-8%
<b>Event-Driven</b>	\$ 200	\$ 180	\$ 257	\$ 135	\$ 132	\$ 156	-5%	\$154-157
<i>Growth</i>	-1%	-10%	43%	-47%	-2%	18%		(1)-1%
<b>Distribution</b>	\$ 808	\$ 757	\$ 781	\$ 704	\$ 704	\$ 755	-1%	\$755-760
<i>Growth</i>	-2%	-6%	3%	-10%	0%	7%		0-1%
<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>\$2,529-2,554</b>
<i>Growth</i>	3%	-3%	7%	-2%	6%	6%		4-5%
<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%

(\$ in millions)							CAGR	Forecast
	FY08	FY09	FY10	FY11	FY12	FY13	FY08-FY13	FY14
<b>Event-Driven Fee Revenues <sup>(a)</sup></b>								
Mutual Fund Proxy	\$ 92	\$ 55	\$ 150	\$ 39	\$ 28	\$ 43	-14%	\$50-53
Mutual Fund Supplemental	\$ 49	\$ 58	\$ 48	\$ 44	\$ 47	\$ 58	3%	\$49
Contest/ Specials/ Other Communications	\$ 59	\$ 67	\$ 59	\$ 52	\$ 57	\$ 54	-2%	\$55
<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>\$154-157</b>
<i>Growth</i>	-1%	-10%	43%	-47%	-2%	18%		1%
<b>Recurring Distribution Revenues <sup>(b)</sup></b>	\$ 580	\$ 567	\$ 564	\$ 573	\$ 597	\$ 629	2%	\$639-645
<i>Growth</i>	-2%	-2%	-1%	2%	4%	5%		2-3%
<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>~\$755-760</b>
<i>Growth</i>	-2%	-6%	3%	-10%	0%	7%		0-1%

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

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

# Reconciliation of Non-GAAP to GAAP Measures

Reconciliation of EPS Guidance	3Q13	3Q14	YTD13	YTD14	FY11	FY12	FY13	FY14 Range	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Low	High
<b>Diluted EPS (Non-GAAP)</b>	<b>\$0.39</b>	<b>\$0.44</b>	<b>\$0.74</b>	<b>\$1.08</b>	<b>\$1.47</b>	<b>\$1.67</b>	<b>\$1.88</b>	<b>\$2.15</b>	<b>\$2.25</b>
Acquisition Amortization and Other Costs	(\$0.02)	(\$0.03)	(\$0.08)	(\$0.09)	(\$0.10)	(\$0.12)	(\$0.12)	(\$0.12)	(\$0.12)
Restructuring and Impairment Charges, net	(\$0.02)	\$0.00	(\$0.04)	\$0.00	\$0.00	(\$0.45)	(\$0.07)	\$0.00	\$0.00
IBM Migration costs	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.03)	(\$0.12)	\$0.00	\$0.00	\$0.00
<b>Diluted EPS (GAAP)</b>	<b>\$0.35</b>	<b>\$0.41</b>	<b>\$0.62</b>	<b>\$0.99</b>	<b>\$1.34</b>	<b>\$0.98</b>	<b>\$1.69</b>	<b>\$2.03</b>	<b>\$2.13</b>

Reconciliation of EBT Guidance (a) (\$ in millions)	3Q13	3Q14	YTD13	YTD14	FY11	FY12	FY13	FY14 Range	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Low	High
<b>Total EBT (Non-GAAP)</b>	<b>\$77</b>	<b>\$83</b>	<b>\$146</b>	<b>\$207</b>	<b>\$295</b>	<b>\$331</b>	<b>\$367</b>	<b>\$414</b>	<b>\$434</b>
Margin %	13.4%	13.7%	9.3%	12.4%	13.6%	14.4%	15.1%	16.4%	17.0%
Acquisition Amortization and Other Costs	(\$6)	(\$6)	(\$17)	(\$18)	(\$19)	(\$25)	(\$24)	(\$23)	(\$23)
Restructuring and Impairment Charges, net	(\$4)	\$0	(\$8)	\$0	\$0	(\$81)	(\$20)	\$0	\$0
IBM Migration costs	\$0	\$0	\$0	\$0	(\$6)	(\$25)	\$0	\$0	\$0
<b>Total EBT (GAAP)</b>	<b>\$68</b>	<b>\$77</b>	<b>\$121</b>	<b>\$189</b>	<b>\$270</b>	<b>\$201</b>	<b>\$323</b>	<b>\$392</b>	<b>\$412</b>
Margin %	11.7%	12.7%	7.7%	11.3%	12.4%	8.7%	13.3%	15.5%	16.1%

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

Free Cash Flow (Non-GAAP) :	Nine Months Ending March 2014	Free Cash Flow - Non-GAAP Unaudited (\$ millions)	
		Low	High
<b>Net earnings from operations (GAAP)</b>	\$ 123	\$ 252	\$ 265
Depreciation and amortization (includes other LT assets)	72	100	110
Stock-based compensation expense	25	33	35
Other	(17)	(5)	5
Subtotal	203	380	415
Working capital changes	(6)	(5)	5
Long-term assets & liabilities changes	(10)	(35)	(35)
<b>Net cash flow (used in) provided by operating activities</b>	<b>187</b>	<b>340</b>	<b>385</b>
Cash Flows From Investing Activities			
Capital expenditures and software purchases	(44)	(65)	(60)
<b>Free cash flow (Non-GAAP)</b>	<b>\$ 143</b>	<b>\$ 275</b>	<b>\$ 325</b>

(b) 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

	3Q13	3Q14	YTD FY13	YTD FY14	Type	
<b>Proxy</b>	<b>Equities</b>	\$ 34.0	\$ 37.9	\$ 84.8	\$ 88.3	RC
	Stock Record Position Growth	7%	7%	3%	3%	
	Pieces	27.1	30.6	68.1	72.1	
	<b>Mutual Funds</b>	\$ 7.1	\$ 9.5	\$ 22.7	\$ 36.0	ED
	Pieces	13.0	12.1	36.7	48.0	
	<b>Contests/Specials</b>	\$ 2.3	\$ 4.3	\$ 7.3	\$ 10.9	ED
	Pieces	2.2	5.4	6.7	12.2	
	<b>Total Proxy</b>	\$ 43.4	\$ 51.7	\$ 114.8	\$ 135.2	
	Total Pieces	42.3	48.1	111.5	132.3	
	Notice and Access Opt-in %	70%	75%	64%	70%	
Suppression %	59%	60%	60%	59%		
<b>Interims</b>	<b>Mutual Funds (Annual/Semi-Annual Reports/Annual Prospectuses)</b>	\$ 36.6	\$ 48.9	\$ 99.9	\$ 126.7	RC
	Position Growth	9%	10%	10%	12%	
	Pieces	166.9	225.2	470.8	586.2	
	<b>Mutual Funds (Supplemental Prospectuses) &amp; Other</b>	\$ 20.2	\$ 12.8	\$ 44.0	\$ 32.8	ED
Pieces	107.0	66.2	228.6	173.7		
<b>Total Interims</b>	\$ 56.8	\$ 61.7	\$ 143.9	\$ 159.5		
Total Pieces	273.9	291.4	699.4	759.9		
<b>Transaction Reporting</b>	\$ 50.8	\$ 47.6	\$ 129.4	\$ 119.5	RC	
<b>Fulfillment</b>	\$ 36.0	\$ 32.9	\$ 101.1	\$ 109.0	RC	
<b>Emerging, Acquired and Other</b>	<b>Emerging/Acquired (a)</b>	\$ 28.5	\$ 42.0	\$ 80.8	\$ 111.1	RC
	<b>Other (b)</b>	\$ 8.1	\$ 11.6	\$ 23.6	\$ 27.1	ED
	<b>Total Emerging, Acquired and Other</b>	\$ 36.6	\$ 53.6	\$ 104.4	\$ 138.2	
<b>Total Fee Revenues</b>	\$ 223.6	\$ 247.5	\$ 593.6	\$ 661.4		
<b>Total Distribution Revenues (c)</b>	\$ 180.6	\$ 182.8	\$ 476.9	\$ 491.0		
<b>Total Revenues as reported - GAAP</b>	\$ 404.2	\$ 430.3	\$ 1,070.5	\$ 1,152.4		
<b>Total RC Fees</b>	\$ 185.9	\$ 209.3	\$ 496.0	\$ 554.6		
% RC Growth	9%	13%	8%	12%		
<b>Total ED Fees</b>	\$ 37.7	\$ 38.2	\$ 97.6	\$ 106.8		
<b>Key Revenue Drivers (Recurring)</b>	Sales	12%	7%	8%	6%	
	Losses	-1%	-1%	-1%	-2%	
	<b>Net New Business</b>	11%	6%	7%	4%	
	Internal growth	-2%	5%	1%	6%	
	<b>Recurring (Excluding Acquisitions)</b>	9%	11%	8%	10%	
	Acquisitions	0%	2%	0%	2%	
	<b>Total Recurring</b>	9%	13%	8%	12%	
<b>Key Revenue Drivers (Total)</b>	<b>Recurring, Net (d)</b>	4%	6%	4%	6%	
	Event-Driven	1%	0%	0%	1%	
	Distribution	3%	0%	3%	1%	
	<b>TOTAL</b>	8%	6%	7%	8%	

FY14 Forecast Ranges	
Low	High
\$ 923	\$ 931
8%	9%
- \$ 156	

Low	High
6%	6%
-2%	-2%
4%	4%
3%	4%
7%	8%
1%	1%
8%	9%

Low	High
4%	5%
0%	0%
0%	0%
4%	5%

(a) Emerging and Acquired includes fee revenues from acquisitions (i.e. Access Data, NewRiver, Matrix, Transfer Agency, Forefield, Bonaire and Emerald Connect) and the portfolio of emerging products (i.e. Tax Managed 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

		3Q13	3Q14	YTD FY13	YTD FY14	Type
<b>Equity</b>						
<b>Transaction-Based</b>	<b>Equity Trades</b>	\$ 33.8	\$ 35.5	\$ 94.9	\$ 101.4	RC
	<i>Internal Trade Volume</i>	917	1,053	828	959	
	<i>Internal Trade Growth</i>	-2%	15%	-9%	16%	
	<i>Trade Volume (Average Trades per Day in '000)</i>	979	1,076	888	978	
<b>Non-Transaction</b>	<b>Other Equity Services</b>	109.6	114.4	\$ 315.2	\$ 333.8	RC
	<b>Total Equity</b>	\$ 143.4	\$ 149.9	\$ 410.1	\$ 435.2	
<b>Fixed Income</b>						
<b>Transaction-Based</b>	<b>Fixed Income Trades (a)</b>	\$ 14.0	\$ 14.0	\$ 41.5	\$ 43.3	RC
	<i>Internal Trade Volume</i>	307	301	298	298	
	<i>Internal Trade Growth</i>	0%	-2%	0%	0%	
	<i>Trade Volume (Average Trades per Day in '000)</i>	308	298	299	299	
<b>Non-Transaction</b>	<b>Other Fixed Income Services</b>	\$ 12.3	\$ 14.0	\$ 35.8	\$ 42.3	RC
	<b>Total Fixed Income</b>	\$ 26.2	\$ 28.0	\$ 77.2	\$ 85.5	
<b>Total Net Revenue as reported - GAAP</b>		\$ 169.6	\$ 177.9	\$ 487.3	\$ 520.7	
<b>Key Revenue Drivers</b>	Sales	7%	8%	5%	9%	
	Losses	-2%	-4%	-2%	-3%	
	<b>Net New Business</b>	5%	4%	3%	6%	
	<b>Internal growth</b>	-5%	1%	-4%	1%	
	Acquisitions	0%	0%	1%	0%	
	<b>TOTAL</b>	0%	5%	0%	7%	

FY14 Ranges	
Low	High
8%	8%
-4%	-3%
4%	5%
0%	0%
0%	0%
4%	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 (e.g. Tax Services, Vote Recommendations, and Class Actions).

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

**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.