

# Continued Market Leadership through Execution and Innovation

## Investor Presentation



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March 2012

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## 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. Net earnings excluding the Pension “other-than-temporary impairment” charge (the “Pension OTTI charge”) and the IBM Migration costs, diluted earnings per share excluding the Pension OTTI charge and the IBM Migration costs, and pre-tax earnings margins excluding the Pension OTTI charge and the IBM Migration costs are Non-GAAP measures. These measures are adjusted to exclude costs to be incurred in connection with the Pension OTTI charge and the IBM Migration as Broadridge believes this information helps investors understand the effect of the Pension OTTI charge and the IBM Migration on reported results and provides a better representation of our actual performance. Free cash flow is a Non-GAAP measure and is defined as cash flow from operating activities, less capital expenditures and purchases of intangibles. Management believes such Non-GAAP measures provide investors with a more complete understanding of Broadridge’s underlying operational 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. Accompanying this presentation is a reconciliation of Non-GAAP measures to the comparable GAAP measures.

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## Pre-Spin financial information

Financial information presented for periods prior to the March 30, 2007 spin-off of Broadridge from Automatic Data Processing, Inc. (“ADP”) represents the operations of the brokerage services business which were operated as part of ADP. Broadridge’s financial results for periods before the spin-off from ADP may not be indicative of our future performance and do not necessarily reflect what our results would have been had Broadridge operated as a separate, stand-alone entity during the periods presented, including changes in our operations and capitalization as a result of the spin-off from ADP.

# Broadridge Overview



# Broadridge is a strong, resilient business with significant growth potential

## ■ History of market leadership

- Proven ability to address increasingly complex customer needs through technology
- Innovation and thought leader in industry for >40 years

## ■ Strong position in large and attractive markets

- Leader in investor communications and global securities processing
- Resilient through financial crisis due to mission-critical nature of services
- Deeply respected by industry and regulators
- Room for expansion into naturally adjacent markets

## ■ Excellent team

- Results-driven and deeply experienced management team aligned with long-term interests of shareholders
- Highly engaged associates - one of the best large companies to work for in NY<sup>1</sup> for 5<sup>th</sup> consecutive year

1. As recognized by the NY Society of Human Resources in 2008-2012

# Broadridge Strategy Statement

- **Our vision is to be the leading provider of Investor Communications and Technology and Operations Solutions to Banks/Broker-Dealers, Mutual Funds, and Corporate Issuers globally**
  - Our mission is to drive the industry we serve to higher levels of efficiency and compliance; to partner with financial institutions and public companies to enable their growth; and to provide innovative outsourcing solutions for mission-critical activities
  - We will grow our businesses by leveraging our unique network, our market position, and our brand/service reputation
  - We will do so with a combination of organic growth and M&A
  - We anticipate that this approach will drive 6-9% revenue growth and low-to-mid-teens earnings growth
  - We expect to pay a meaningful dividend and to opportunistically buy back shares

# Our market position is differentiated and sustainable

## Investor Communication Services



**ProxyEdge**®

- Proxy services for **>85%** of outstanding shares in US
- Processed **>600 billion** shares in 2011
- Used by **>4,000** institutional investors globally
- Eliminates **>50%** of physical mailings
- **>500K** votes through mobile apps since launch

## Securities Processing Services



Processes **>\$4 trillion** in FI trades per day



Enable clients to process in **>50** countries

THE  
BLACK BOOK  
OF  
OUTSOURCING

Ranked **#1** Brokerage Service Outsourcing Provider (2010)

## New businesses

Tuck-in acquisitions

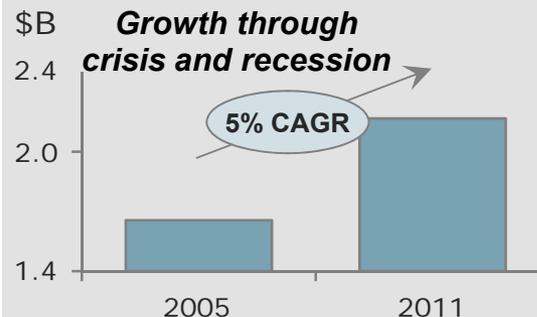


City Networks

ACCESS DATA



## Revenue growth



**Broadridge is well positioned to accelerate growth and continue driving strong free cash flow**

# We are the leader in several markets

## Investor Communication Services

## Securities Processing Services

<i>Market</i>	<i>Rank<sup>1</sup></i>
Bank/Broker-Dealer Regulatory Communications	#1
Broker-Dealer Transactional Communications	#1
Corporate Issuer Regulatory Communications	#1
Mutual Fund Proxy Mail and Tabulation	#1

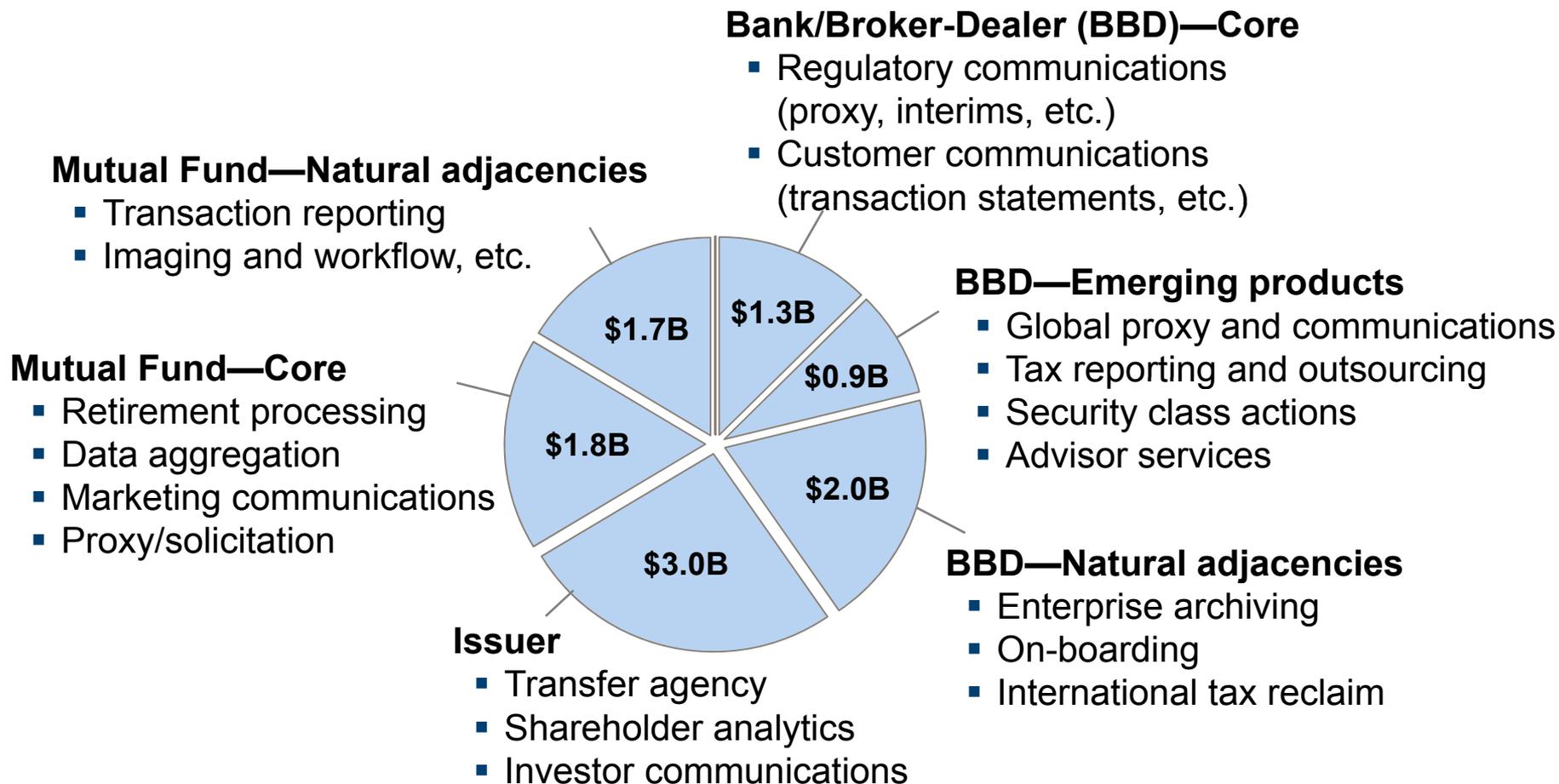
<i>Market</i>	<i>Rank<sup>1</sup></i>
US Brokerage Processing	#1
US Fixed Income Processing	#1
Canadian Brokerage Processing	#1

1. Rank by market share

# Investor Communication Solutions (ICS)

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

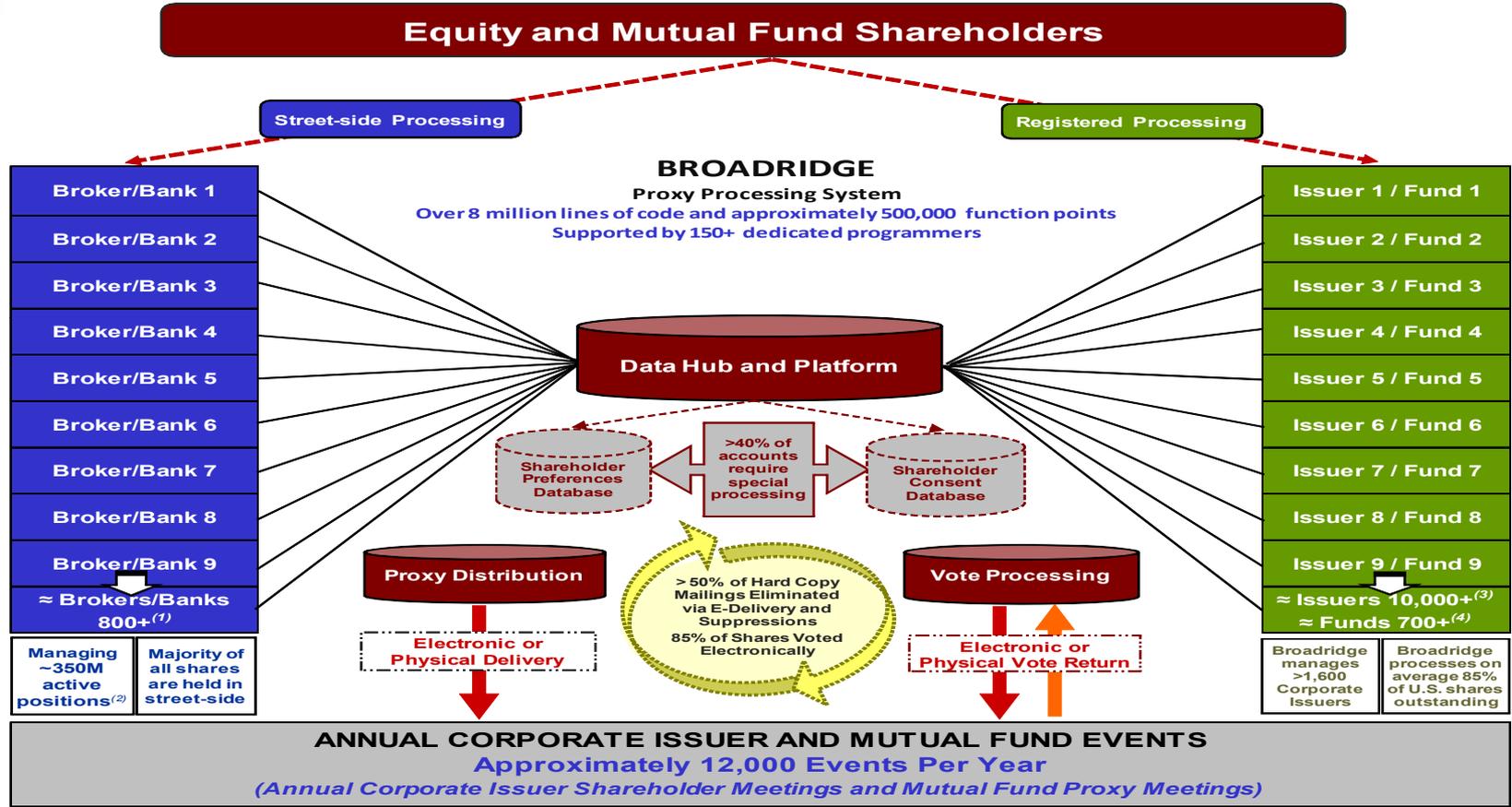
## Total addressable market \$10B+ fee revenue



Sources: BCG, Bain, Patpatia, Broadridge estimates

# ICS Unique Business Systems Processing Model

## PROXY & INTERIMS PROCESSING OVERVIEW "THE PLUMBING"



**Proxy and Interim processing system is the “plumbing” supporting the voting process for corporate governance**

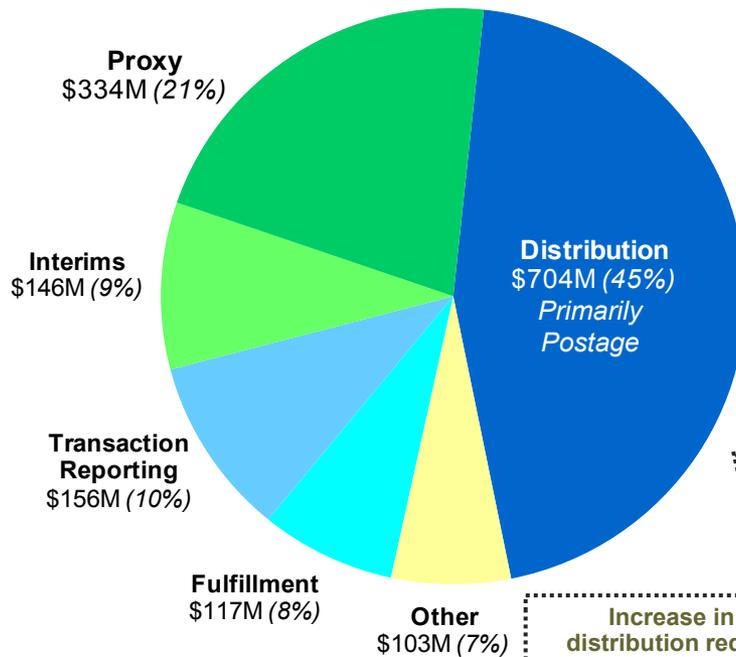
- (1) Represents Broadridge’s estimated total number of brokerage firms and banks in the U.S. and international markets
- (2) Represents Broadridge’s estimated total number of positions managed by U.S. brokers and banks
- (3) Represents Broadridge’s estimated total number of corporate issuers in the U.S.
- (4) Represents total number of Fund Sponsors in the U.S. who manage over 16,000 funds including Mutual Funds, Closed-end Funds, ETFs and UITs, according to the Investment Company Institute’s 2009 Investment Company Year Book

# ICS Product and Client Revenue Overview

We have a strong and diverse product offering...

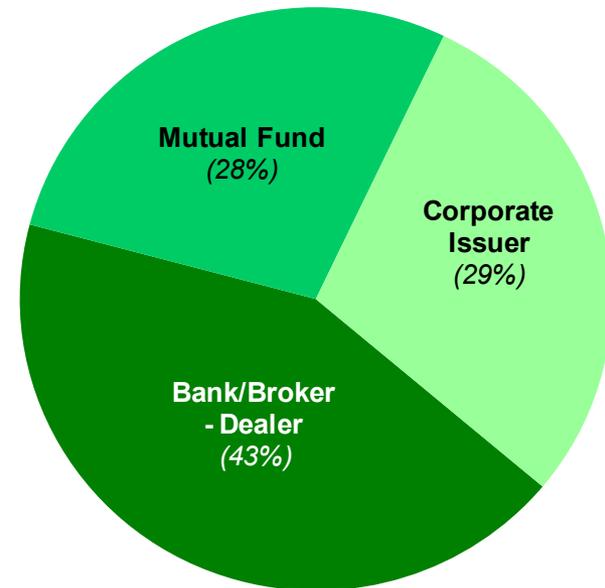
...and we have deep and longstanding client relationships

FY11 Product Revenues



Increase in electronic distribution reduces postage revenue and increases profits

FY11 Client Revenues  
(Based on who pays BR as agent)



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

# ICS-Bank/Broker-Dealer

## 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-Mutual Funds

## 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**

## 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

# ICS-Issuers

## What We Do:

### **Beneficial proxy service**

### **Registered shareholder communications**

- Registered proxy
- 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

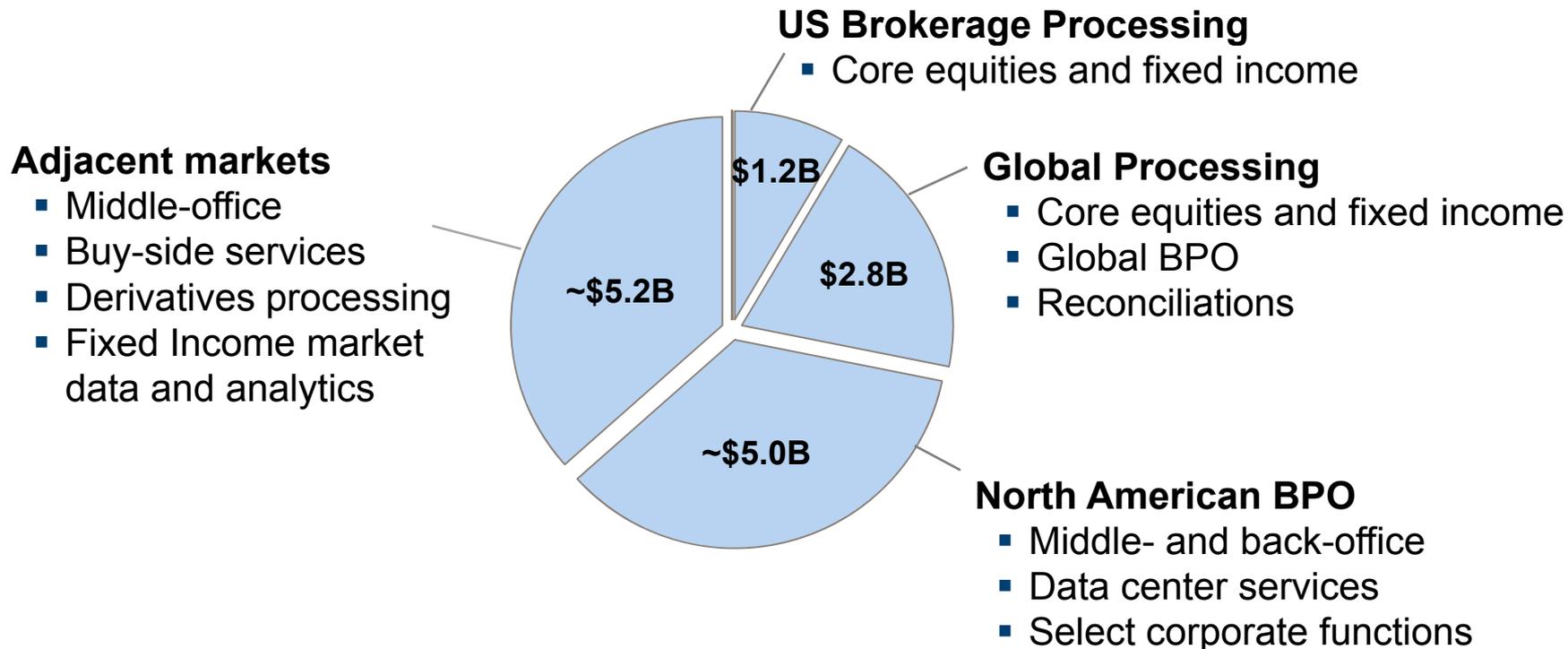
# Securities Processing Solutions (SPS)



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

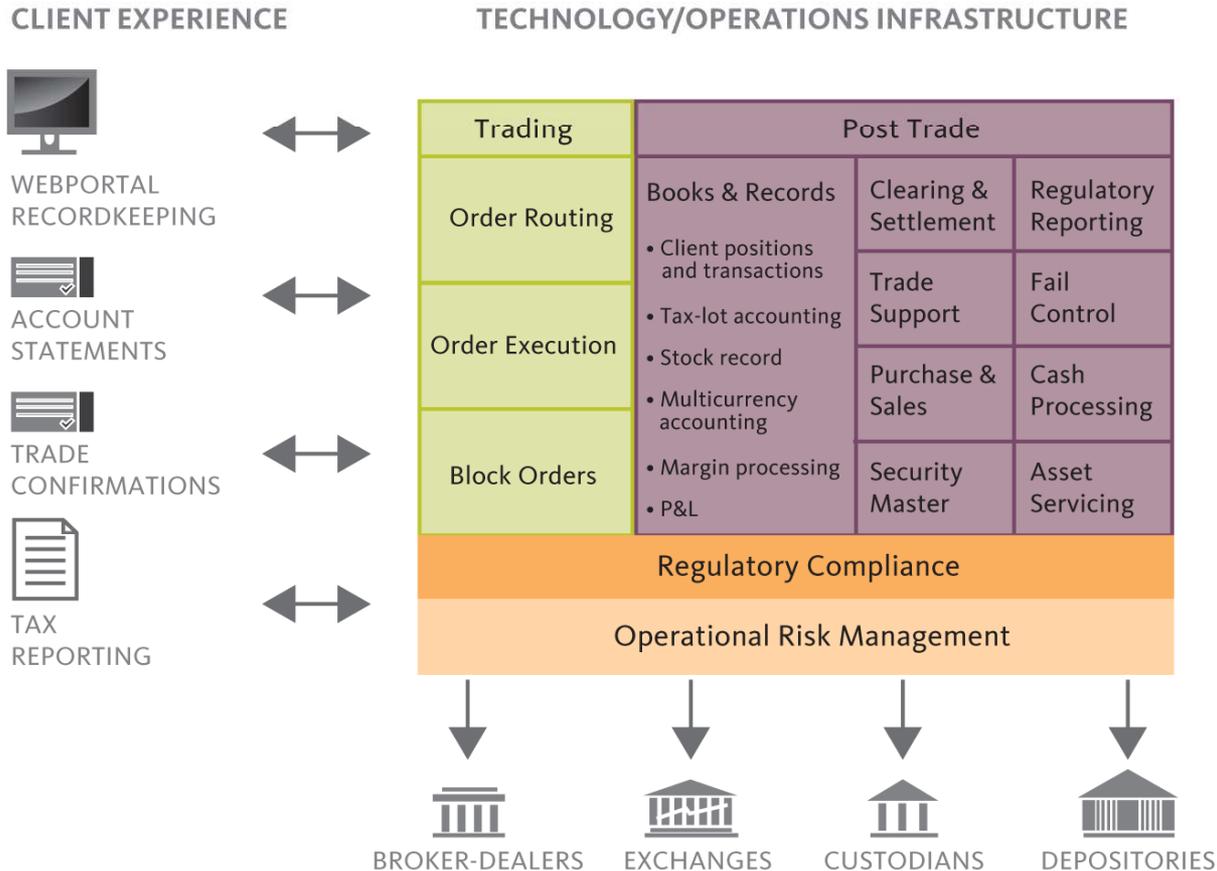
***Securities and investment firms' overall technology and operations spend is over \$100 billion and growing at 5%***

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



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

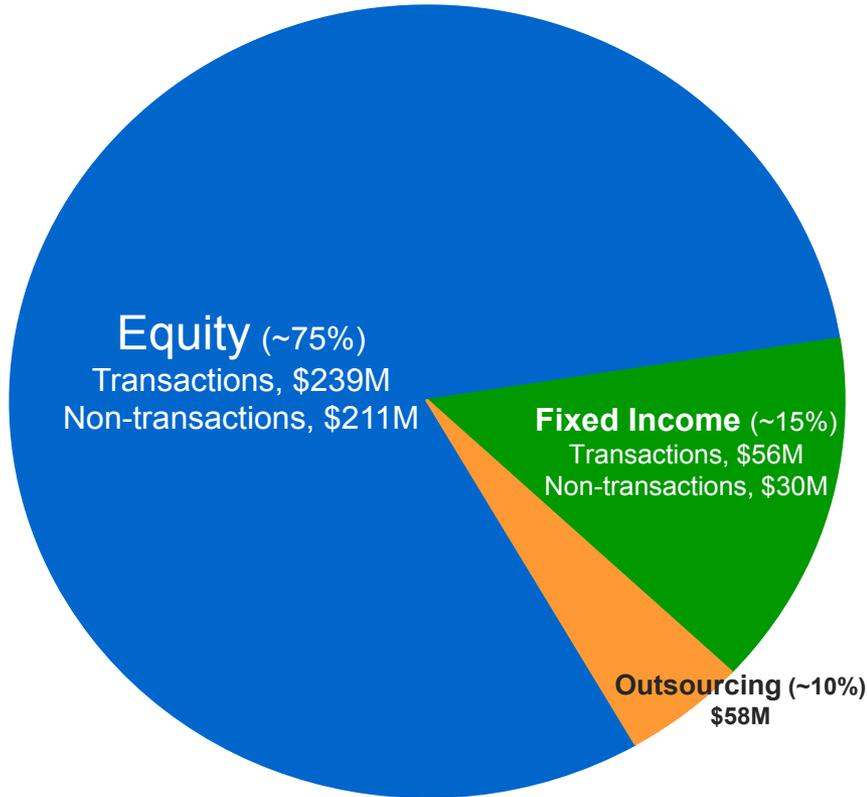
# Broadridge global processing behind the scenes



**Broadridge simplifies complex processes**

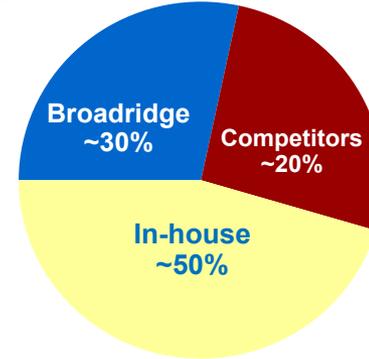
# Securities Processing North America Market Share Overview<sup>1</sup>

## FY11 Product Revenues

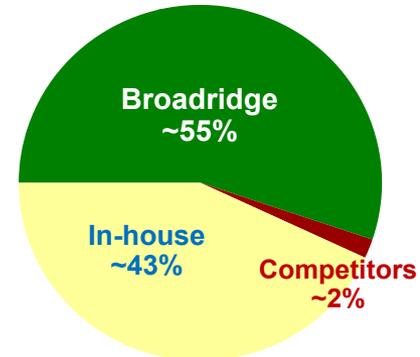


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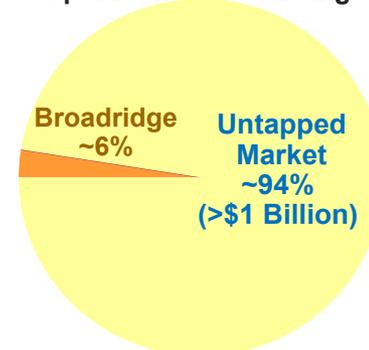
## Equity Processing Client Volume



## 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 Top 15 Clients for FY11

Top Clients	Equity Processing		Fixed Income Processing	Outsourcing
	Retail	Institutional		
Alliance Bernstein	✓	✓	✓	
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	✓	✓	✓	
Mizuho Securities USA		✓	✓	
Penson	✓	✓	✓	✓
Royal Bank of Canada	✓	✓	✓	
Scotia Capital	✓	✓	✓	
UBS Securities		✓	✓	

Note: The above schedule is an alphabetical listing of the top 15 SPS clients which represent ~70% of SPS revenues as of June 30, 2011.

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

# 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**

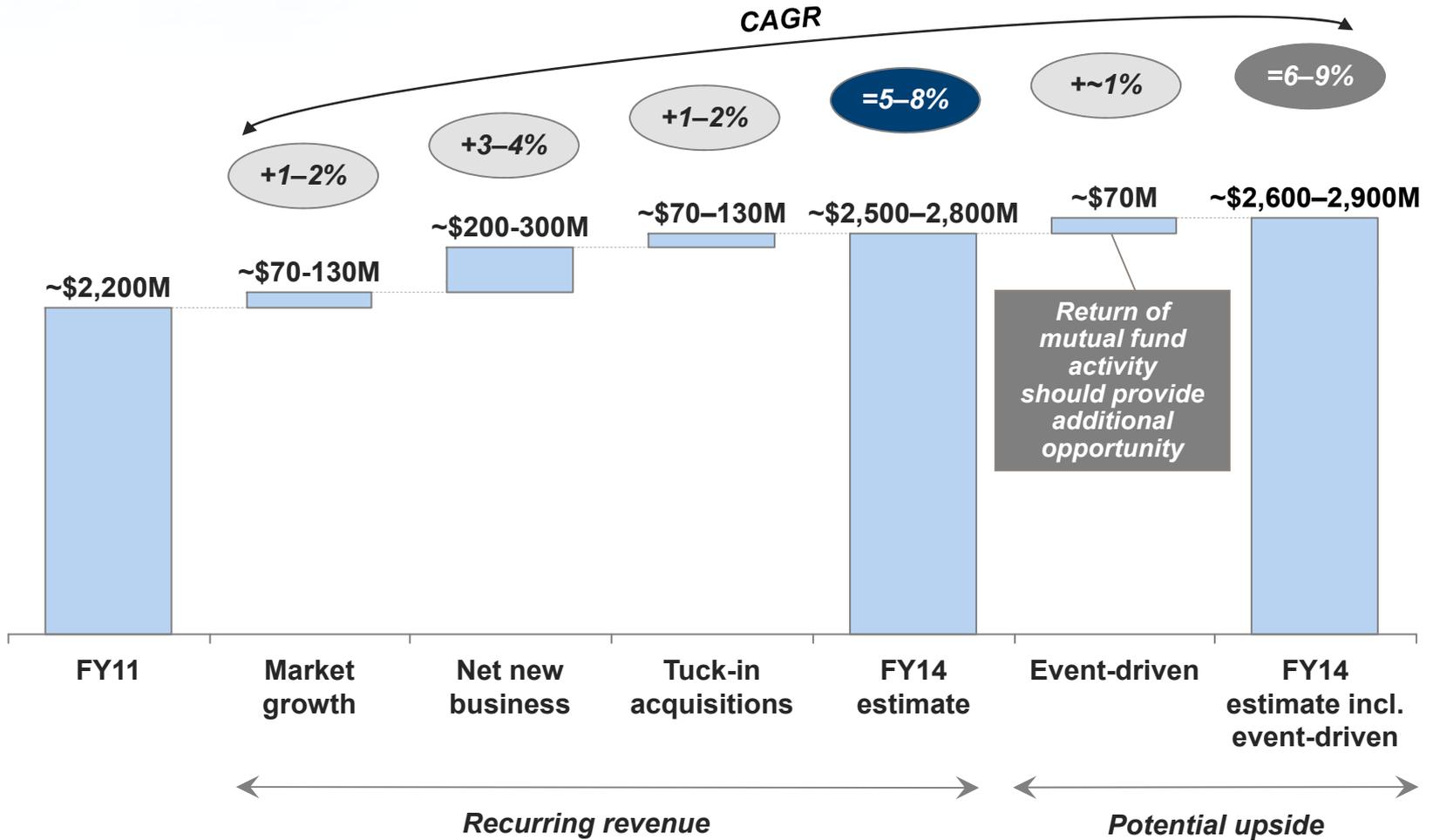
**Flexible business model that can be tailored to unique client needs**

**Trusted brand**

# Financial Overview

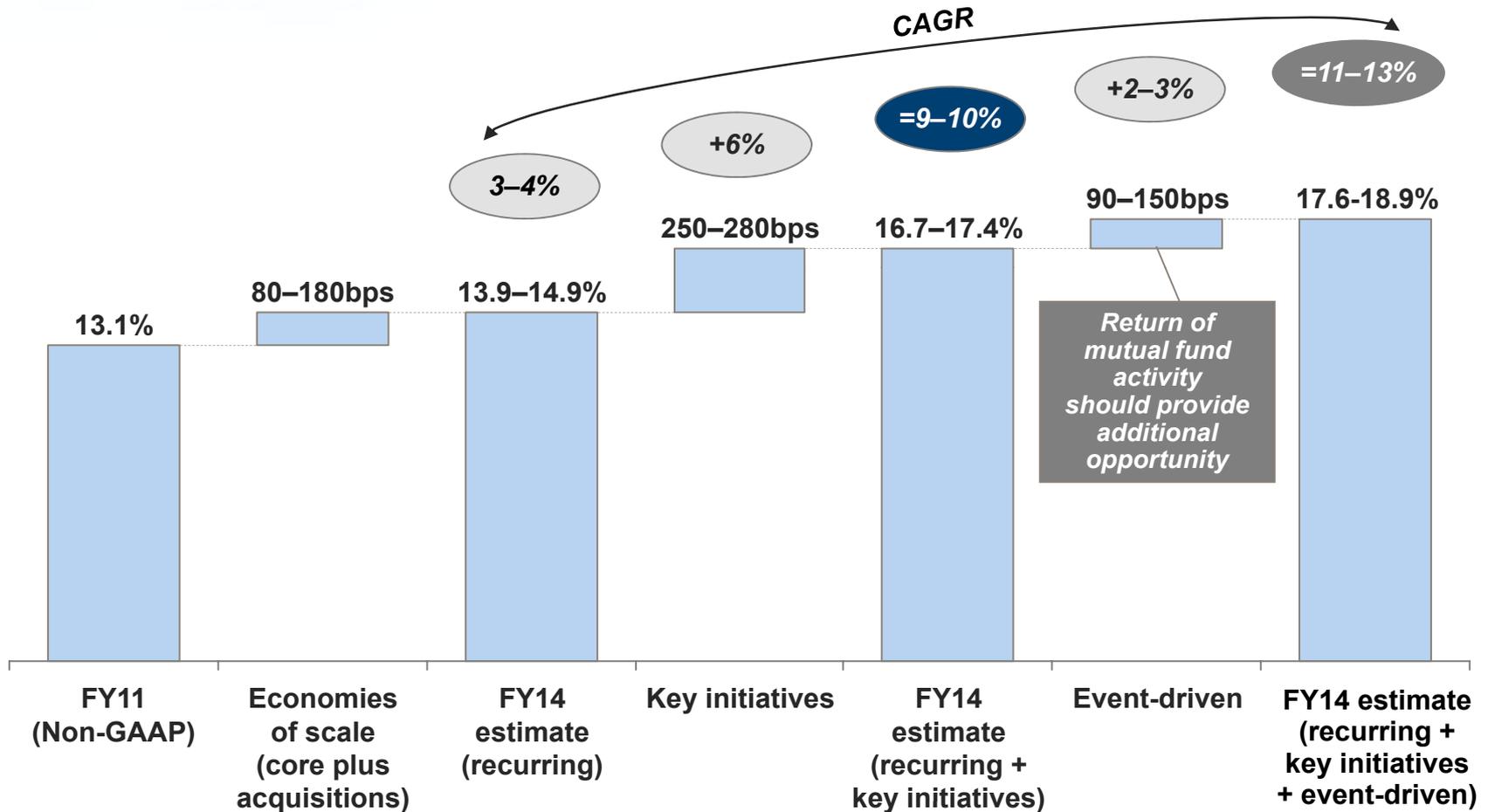


# Total expected annual growth of 5-8% through FY14 from recurring revenue

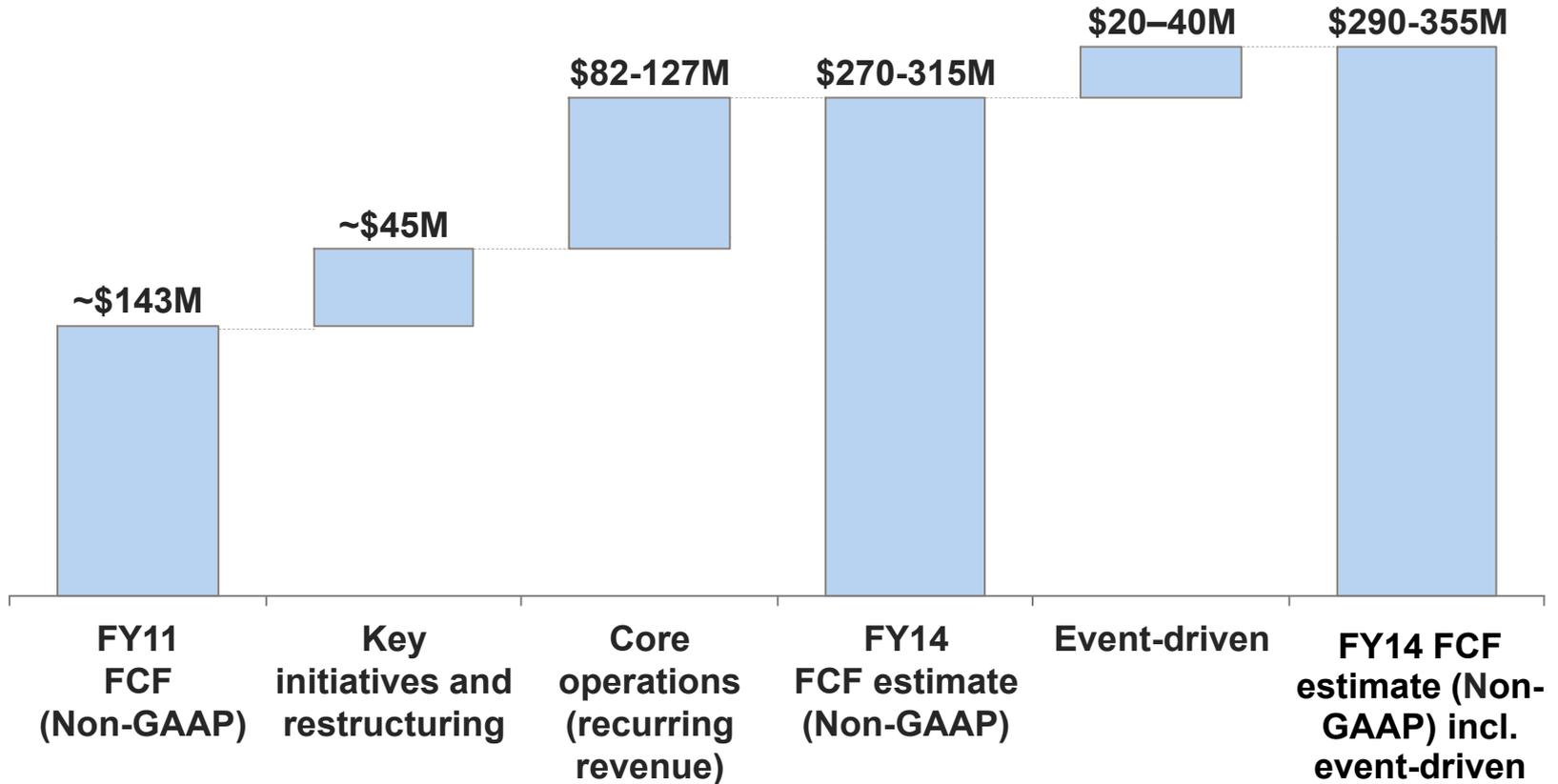


Note: New closed sales offset by increased e-deliveries. Numbers may not add up due to rounding.

# Total EBIT margin improvement of ~400bps by FY14 before event-driven revenue

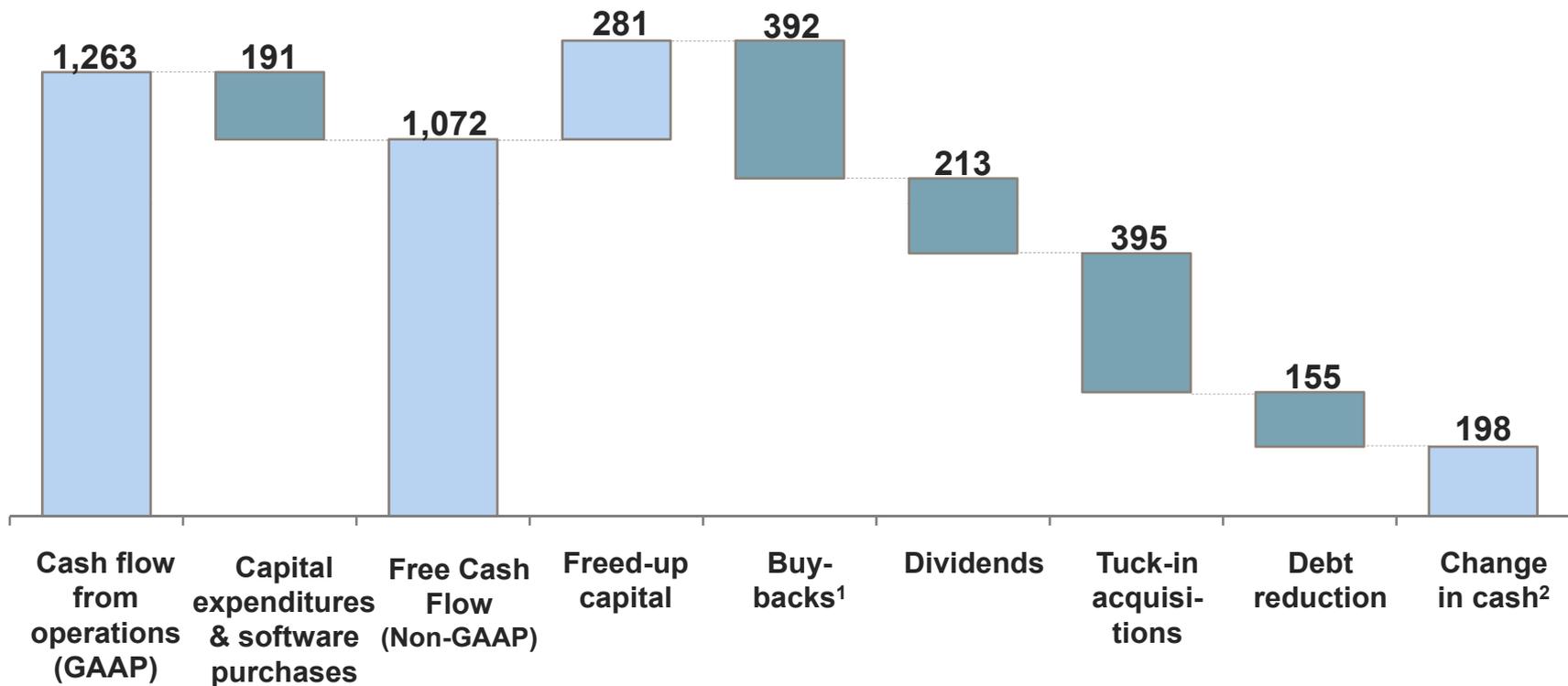


# By FY14 cash generation planned to expand to \$270-315M, plus \$20-40M event-driven



# Since spin-off, we have reduced “spin debt” and returned capital

Use of cash FY07–11, \$M



**Focus on prudent capital stewardship**

1. Gross buy-backs of \$509 less proceeds from stock option exercises of \$115
2. FY11 ending cash of \$241 less beginning cash of \$43

# Our financial strategy is a key part of our value creation strategy

Priority

- **35% dividend payout, but expect no less than 64 cents per share annually subject to 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 + 5x Rent Expense) / (EBITDA + Rent Expense)

# Appendix



# Revenue Growth Drivers

<u>Historical CAGR (FY05-FY10)</u>	<u>Actual FY11</u>		<u>2Q FY12</u>	<u>2Q YTD FY12</u>	<b>Forecast FY12</b>
6%	(2)%	<b>Total Revenue Growth</b>	8%	11%	8-9%
4%	3%	<b>Closed Sales (Recurring)</b>	4%	3%	4-5%
<u>(2)%</u>	<u>(1)%</u>	<b>Client Losses</b>	<u>(1)%</u>	<u>(1)%</u>	<u>(1)%</u>
2%	2%	<b>Net New Business</b>	3%	2%	3-4%
3%	1%	<b>Internal Growth<sup>(a)</sup></b>	1%	2%	~1%
0%	4%	<b>Acquisitions</b>	5%	5%	~3%
<b>5%</b>	<b>7%</b>	<b>Total Recurring</b>	<b>9%</b>	<b>9%</b>	<b>7-8%</b>
1%	(6)%	<b>Event-Driven<sup>(b)</sup></b>	(1)%	(1)%	0%
0%	(4)%	<b>Distribution<sup>(c)</sup></b>	1%	2%	~1%
0%	1%	<b>FX/Other</b>	(1)%	1%	0%
	<b>13.1%</b>	<b>EBIT Margin (Non-GAAP)</b>	5.8%	6.2%	~14%

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

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

(c) Distribution includes pass-through fees from Matrix

# Broadridge 2Q and YTD from Continuing Operations

Revenue			
FY11 Q2	FY12 Q2	FY11 YTD Q2	FY12 YTD Q2
\$294	\$317	\$574	\$630
-25%	8%	-18%	10%
\$146	\$161	\$288	\$319
9%	10%	9%	11%
<b>\$440</b>	<b>\$478</b>	<b>\$861</b>	<b>\$949</b>
-16%	9%	-11%	10%
\$0	\$0	\$0	\$0
\$2	\$2	\$2	\$7
<b>\$442</b>	<b>\$480</b>	<b>\$864</b>	<b>\$956</b>
-16%	8%	-11%	11%

(\$ in millions)

ICS	◀ Growth % / Margin % ▶
SPS	◀ Growth % / Margin % ▶
<b>Total Segments</b>	<b>Margin %</b>
Other <sup>(a)</sup>	
FX <sup>(b)</sup>	
<b>Total Broadridge (Non-GAAP) <sup>(a)</sup></b>	<b>◀ Growth % / Margin % ▶</b>
Interest & Other	
<b>Total EBT (Non-GAAP) <sup>(a)</sup></b>	<b>Margin %</b>
Income taxes <sup>(a)</sup>	
Tax Rate	
<b>Total Net Earnings (Non-GAAP) <sup>(a)</sup></b>	<b>Margin %</b>
IBM Migration costs	
Penson OTTI charge	
<b>Non-GAAP Items (Net of Taxes)</b>	
<b>Total Net Earnings (GAAP)</b>	<b>Margin %</b>
<b>Diluted Shares</b>	
<b>Diluted EPS (Non-GAAP) <sup>(a)</sup></b>	
<b>Diluted EPS (GAAP)</b>	

Earnings			
FY11 Q2	FY12 Q2	FY11 YTD Q2	FY12 YTD Q2
\$3	\$11	\$9	\$19
0.9%	3.3%	1.6%	3.0%
\$19	\$20	\$40	\$48
13.2%	12.5%	14.0%	15.0%
<b>\$22</b>	<b>\$31</b>	<b>\$49</b>	<b>\$67</b>
5.0%	6.4%	5.7%	7.1%
(\$5)	(\$6)	(\$10)	(\$13)
\$2	\$3	\$3	\$5
<b>\$19</b>	<b>\$28</b>	<b>\$42</b>	<b>\$59</b>
4.2%	5.8%	4.8%	6.2%
(\$2)	(\$4)	(\$4)	(\$6)
<b>\$17</b>	<b>\$24</b>	<b>\$37</b>	<b>\$53</b>
3.7%	5.0%	4.3%	5.6%
(\$6)	(\$9)	(\$14)	(\$19)
35.8%	35.8%	36.1%	36.1%
<b>\$11</b>	<b>\$15</b>	<b>\$24</b>	<b>\$34</b>
2.4%	3.2%	2.8%	3.6%
\$0	(\$2)	\$0	(\$4)
\$0	(\$6)	\$0	(\$6)
<b>\$0</b>	<b>(\$8)</b>	<b>\$0</b>	<b>(\$10)</b>
<b>\$11</b>	<b>\$7</b>	<b>\$24</b>	<b>\$24</b>
2.4%	1.4%	2.8%	2.5%
128	127	129	127
\$0.08	\$0.12	\$0.19	\$0.27
\$0.08	\$0.05	\$0.18	\$0.19

(a) FY12 Q2 excludes the IBM Migration costs of \$4M (after tax \$2M, or \$0.02 EPS impact) and Penson OTTI charge of \$10M (after tax \$6M, or \$0.05 EPS impact). FY12 YTD Q2 excludes the IBM Migration costs of \$7M (after tax \$4M, or \$0.03 EPS impact) and Penson OTTI charge of \$10M (after tax \$6M, or \$0.05 EPS impact).

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

# Broadridge FY12 Guidance from Continuing Operations

Revenue		
FY11 Actual	FY12 Range	
	Low	High
\$1,559	\$1,677	\$1,688
-7%	7%	8%
\$594	\$656	\$672
11%	10%	13%
<b>\$2,153</b>	<b>\$2,333</b>	<b>\$2,360</b>
-2%	8%	10%
\$0	\$0	\$0
\$14	\$9	\$12
<b>\$2,167</b>	<b>\$2,342</b>	<b>\$2,372</b>
-2%	8%	9%

Recurring Closed Sales		
Segments	FY12 Range	
	Low	High
ICS	\$65	\$85
SPS	\$45	\$65
<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

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

**Margin %**

Income taxes <sup>(a)</sup>

Tax Rate

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

**Margin %**

IBM Migration costs

Penson OTTI charge

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

**Total Net Earnings (GAAP)**

**Margin %**

**Diluted Shares**

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

**Diluted EPS (GAAP)**

Earnings		
FY11 Actual	FY12 Range	
	Low	High
\$213	\$247	\$257
13.7%	14.7%	15.2%
\$87	\$96	\$112
14.7%	14.7%	16.6%
<b>\$301</b>	<b>\$343</b>	<b>\$369</b>
14.0%	14.7%	15.6%
(\$25)	(\$30)	(\$36)
\$9	\$6	\$8
<b>\$285</b>	<b>\$319</b>	<b>\$341</b>
13.1%	13.6%	14.4%
(\$8)	(\$14)	(\$14)
<b>\$276</b>	<b>\$305</b>	<b>\$327</b>
12.7%	13.0%	13.8%
(\$100)	(\$113)	(\$121)
36.3%	37.0%	37.0%
<b>\$176</b>	<b>\$192</b>	<b>\$206</b>
8.1%	8.2%	8.7%
(\$4)	(\$21)	(\$21)
-	(\$6)	(\$6)
<b>(\$4)</b>	<b>(\$27)</b>	<b>(\$27)</b>
<b>\$172</b>	<b>\$165</b>	<b>\$179</b>
7.9%	7.1%	7.5%
128	128	128
\$1.37	\$1.50	\$1.60
\$1.34	\$1.29	\$1.39

(a) FY11 excludes the IBM Migration costs of \$6M, after-tax \$4M, or \$0.03 EPS impact. FY12 excludes the IBM Migration costs of \$33M (after tax \$21M, or \$0.16 EPS impact) and Penson OTTI charge of \$10M (after tax \$6M, or \$0.05 EPS impact).

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

\* Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases in excess of the repurchases needed to achieve our 128 million diluted weighted-average outstanding shares guidance.

# Cash Flow – YTD FY12 Results and FY12 Forecast

	Free Cash Flow (Non-GAAP)		
	Six Months Ended December 2011	Unaudited (\$ in millions)	
		FY12 Range (a)	
		Low	High
<b>Free Cash Flow (Non-GAAP) :</b>			
<b>Net earnings from continuing operations (GAAP)</b>	\$ 24	\$ 165	\$ 179
Depreciation and amortization (includes other LT assets)	44	95	100
Stock-based compensation expense	13	31	31
Other	(7)	2	10
Subtotal	74	293	320
Working capital changes	52	(15)	(15)
Long-term assets & liabilities changes (b)	(30)	(55)	(45)
<b>Net cash flow provided by continuing operating activities</b>	<b>95</b>	<b>223</b>	<b>260</b>
<b>Cash Flows From Investing Activities</b>			
IBM / ITO data center investment	(6)	(15)	(10)
Penson	(7)	(7)	(7)
Capital expenditures & software purchases	(16)	(65)	(55)
<b>Free cash flow (Non-GAAP) (c)</b>	<b>\$ 67</b>	<b>\$ 136</b>	<b>\$ 188</b>
<b><u>Cash Flows From Other Investing and Financing Activities</u></b>			
Acquisitions	(72)	(73)	(73)
Stock repurchases net of options proceeds	(1)	(1)	(1)
Proceeds from borrowing net of debt repayments	70	-	-
Dividends paid	(58)	(78)	(78)
Other	(8)	(5)	5
Net change in cash and cash equivalents	(3)	(21)	41
Cash and cash equivalents, at the beginning of year	242	242	242
<b>Cash and cash equivalents, at the end of period</b>	<b>\$ 238</b>	<b>\$ 221</b>	<b>\$ 283</b>

(a) Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases in excess of the repurchases needed to achieve our 128 million diluted weighted-average shares outstanding guidance.

(b) Includes IBM Migration costs of \$(12)M and ~\$(33)M for YTD Q2FY12 actual and FY12 guidance, respectively.

(c) FY12 range presented in this table includes the impact of ~\$(73)M due to IBM Migration costs. When the IBM Migration costs are excluded from the FY12 range, free cash flow would be ~\$210M to ~\$260M, with the mid-point of ~\$235M.

# Revenues and Closed Sales FY05-FY12

(\$ in millions)								FY05-10		Forecast	FY11-12
Recurring Fee Revenues	FY05	FY06	FY07	FY08	FY09	FY10	CAGR	FY11	FY12	Growth Rates	
<b>ICS</b>	\$ 444	\$ 513	\$ 519	\$ 558	\$ 583	\$ 610	<b>7%</b>	\$ 650	\$706-715	9-10%	
<i>Growth</i>		16%	1%	8%	4%	5%		7%			
<b>SPS</b>	\$ 459	\$ 458	\$ 509	\$ 515	\$ 537	\$ 513	<b>2%</b>	\$ 522	\$543-556	4-6%	
<i>Growth</i>		0%	11%	1%	4%	-4%		2%			
<b>Segment Recurring Fee Revenues</b>	\$ 903	\$ 971	\$ 1,028	\$ 1,073	\$ 1,120	\$ 1,123	<b>4%</b>	\$ 1,172	\$1,249-1,271	7-8%	
<i>Growth</i>		7%	6%	4%	4%	0%		4%			
<b>Acquisitions (cumulative)</b>	\$ 0	\$ 18	\$ 28	\$ 28	\$ 33	\$ 45	<b>NM*</b>	\$ 141	~\$210	~50%	
<b>Total Recurring Fee Revenues</b>	\$ 903	\$ 988	\$ 1,056	\$ 1,101	\$ 1,153	\$ 1,168	<b>5%</b>	\$ 1,313	\$1,460-1,486	11-13%	
<i>Growth</i>		9%	7%	4%	5%	1%		12%			
<b>Event-Driven</b>	\$ 128	\$ 153	\$ 203	\$ 200	\$ 180	\$ 257	<b>15%</b>	\$ 135	~\$130	~(4)%	
<i>Growth</i>		20%	33%	-1%	-10%	43%		-47%			
<b>Distribution</b>	\$ 649	\$ 730	\$ 821	\$ 808	\$ 757	\$ 781	<b>4%</b>	\$ 704	~\$745	~6%	
<i>Growth</i>		12%	12%	-2%	-6%	3%		-10%			
<b>Other/FX</b>	\$ (25)	\$ (19)	\$ (12)	\$ 22	\$ (17)	\$ 4	<b>NM*</b>	\$ 14	~\$10	NM*	
<b>Total BR Revenues</b>	\$ 1,656	\$ 1,853	\$ 2,068	\$ 2,131	\$ 2,072	\$ 2,209	<b>6%</b>	\$ 2,167	\$2,342-2,372	8-9%	
<i>Growth</i>		12%	12%	3%	-3%	7%		-2%			
<b>Recurring Closed Sales</b>	\$ 77	\$ 92	\$ 63	\$ 82	\$ 95	\$ 119	<b>9%</b>	\$ 113	\$110-150		
<i>Growth</i>		19%	-32%	30%	16%	25%		-5%			

\*NM= Not Meaningful

(\$ in millions)								FY05-10		Forecast
Event-Driven Fee Revenues <sup>(a)</sup>	FY05	FY06	FY07	FY08	FY09	FY10	CAGR	FY11	FY12	
Mutual Fund Proxy	\$ 51	\$ 61	\$ 79	\$ 92	\$ 55	\$ 150	<b>24%</b>	\$ 39	\$ 30	
Mutual Fund Supplemental	\$ 39	\$ 43	\$ 51	\$ 49	\$ 58	\$ 48	<b>4%</b>	\$ 44	\$ 50	
Contest/ Specials/ Other Communications	\$ 38	\$ 49	\$ 73	\$ 59	\$ 67	\$ 59	<b>9%</b>	\$ 52	\$ 50	
<b>Total Event-Driven Fee Revenues</b>	\$ 128	\$ 153	\$ 203	\$ 200	\$ 180	\$ 257	<b>15%</b>	\$ 135	\$ 130	
<i>Growth</i>		20%	33%	-1%	-10%	43%		-47%		
<b>Recurring Distribution Revenues <sup>(b)</sup></b>	\$ 496	\$ 562	\$ 593	\$ 580	\$ 567	\$ 564	<b>3%</b>	\$ 573	~\$615	
<i>Growth</i>		13%	6%	-2%	-2%	-1%		2%		
<b>ED Distribution Revenues <sup>(b)</sup></b>	\$ 153	\$ 169	\$ 228	\$ 228	\$ 190	\$ 217	<b>7%</b>	\$ 131	~\$130	
<i>Growth</i>		10%	35%	0%	-17%	14%		-39%		
<b>Total Distribution Revenues</b>	\$ 649	\$ 730	\$ 821	\$ 808	\$ 757	\$ 781	<b>4%</b>	\$ 704	~\$745	
<i>Growth</i>		12%	12%	-2%	-6%	3%		-10%		

(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

EBIT Reconciliation		2Q11	2Q12	YTD11	YTD12	FY11	FY12 Range	
(\$ in millions)		Actual	Actual	Actual	Actual	Actual	Low	High
EBIT from continuing operations (Non-GAAP / excluding IBM Migration costs and Penson OTTI charge)		\$19	\$28	\$42	\$59	\$285	\$319	\$341
Margin %		4.2%	5.8%	4.8%	6.2%	13.1%	13.6%	14.4%
Interest & Other		(\$2)	(\$4)	(\$4)	(\$6)	(\$8)	(\$14)	(\$14)
Total EBT from continuing operations (Non-GAAP / excluding IBM Migration costs and Penson OTTI charge)		\$17	\$24	\$37	\$53	\$276	\$305	\$327
Margin %		3.7%	5.0%	4.3%	5.6%	12.7%	13.0%	13.8%
IBM Migration costs		-	(\$4)	-	(\$7)	(\$6)	(\$33)	(\$33)
Penson OTTI charge		-	(\$10)	-	(\$10)	\$0	(\$10)	(\$10)
Total EBT (GAAP)		\$17	\$11	\$37	\$36	\$270	\$263	\$285
Margin %		3.7%	2.2%	4.3%	3.8%	12.5%	11.2%	12.0%

EPS Reconciliation		2Q11	2Q12	YTD11	YTD12	FY11	FY12 Range	
(\$ in millions)		Actual	Actual	Actual	Actual	Actual	Low	High
Diluted EPS from continuing operations (Non-GAAP)		\$0.08	\$0.12	\$0.18	\$0.27	\$1.37	\$1.50	\$1.60
IBM Migration costs		-	(0.02)	-	(0.03)	(0.03)	(0.16)	(0.16)
Penson OTTI charge		-	(0.05)	-	(0.05)	-	(0.05)	(0.05)
Diluted EPS (GAAP)		\$0.08	\$0.05	\$0.18	\$0.19	\$1.34	\$1.29	\$1.39

## Free Cash Flow Reconciliation

Unaudited

(\$ in millions)

	Six Months Ended December 2011	FY12 Range (a)	
		Low	High
<b>Free Cash Flow (Non-GAAP):</b>			
Net earnings from continuing operations (GAAP)	\$ 24	\$ 165	\$ 179
Depreciation and amortization (includes other LT assets)	44	95	100
Stock-based compensation expense	13	31	31
Other	(7)	2	10
Subtotal	74	293	320
Working capital changes	52	(15)	(15)
Long-term assets & liabilities changes (b)	(30)	(55)	(45)
<b>Net cash flow provided by continuing operating activities</b>	<b>95</b>	<b>223</b>	<b>260</b>
Cash Flows From Investing Activities			
IBM / ITO data center investment	(6)	(15)	(10)
Penson	(7)	(7)	(7)
Capital expenditures & software purchases	(16)	(65)	(55)
<b>Free cash flow (Non-GAAP) (c)</b>	<b>\$ 67</b>	<b>\$ 136</b>	<b>\$ 188</b>

(a) Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases in excess of the repurchases needed to achieve our 128 million diluted weighted-average shares outstanding guidance.

(b) Includes IBM Migration costs of \$(12)M and ~\$(33)M for YTD Q2FY12 actual and FY12 guidance, respectively.

(c) FY12 range presented in this table includes the impact of ~\$(73)M due to IBM Migration costs. When the IBM Migration costs are excluded from the FY12 range, free cash flow would be ~\$210M to ~\$260M, with the mid-point of ~\$235M.

## Free Cash Flow Reconciliation FY07-FY11

(\$ in millions)

Cash Flow from Operations (GAAP)	\$ 1,263
Capital expenditures & software purchases	\$ 191
Free Cash Flow (Non-GAAP)	\$ 1,072

# ICS Key Segment Revenue Stats

\$ in millions

RC= Recurring

ED= Event-Driven

		FY09	FY10	FY11	Type
Proxy	<b>Fee Revenues</b>				
	<b>Equities</b>	\$ 272.5	\$ 276.5	\$ 279.5	RC
	Stock Record Position Growth	-2%	-1%	0%	
	Pieces	288.0	293.2	283.8	
	<b>Mutual Funds</b>	\$ 55.0	\$ 149.7	\$ 39.0	ED
	Pieces	73.5	204.2	51.4	
	<b>Contests/Specials</b>	\$ 26.9	\$ 20.6	\$ 15.0	ED
	Pieces	30.8	26.0	15.8	
	<b>Total Proxy</b>	\$ 354.4	\$ 446.8	\$ 333.5	
	Total Pieces	392.3	523.4	351.0	
Notice and Access Opt-in %	50%	54%	58%		
Suppression %	50%	52%	53%		
Interims	<b>Mutual Funds (Annual/Semi-Annual Reports/Annual Prospectuses)</b>	\$ 78.1	\$ 88.8	\$ 102.1	RC
	Position Growth	3%	6%	9%	
	Pieces	440.5	476.0	525.3	
	<b>Mutual Funds (Supplemental Prospectuses) &amp; Other</b>	\$ 58.0	\$ 47.8	\$ 44.0	ED
Pieces	349.6	266.2	253.2		
<b>Total Interims</b>	\$ 136.1	\$ 136.6	\$ 146.1		
Total Pieces	790.1	742.2	778.5		
Transaction Reporting	<b>Transaction Reporting/Customer Communications</b>	\$ 132.0	\$ 142.8	\$ 155.9	RC
Fulfillment	<b>Fulfillment <sup>(a)</sup></b>	\$ 109.5	\$ 109.5	\$ 116.8	RC
Other Communications	<b>Other - Recurring <sup>(b)</sup></b>	\$ 2.3	\$ 15.0	\$ 65.9	RC
	<b>Other - Event-Driven <sup>(c)</sup></b>	\$ 39.9	\$ 38.3	\$ 37.0	ED
	<b>Total Other</b>	\$ 42.2	\$ 53.3	\$ 102.9	
	<b>Total Fee Revenues</b>	\$ 774.2	\$ 889.0	\$ 855.2	
	<b>Total Distribution Revenues <sup>(d)</sup></b>	\$ 756.8	\$ 780.6	\$ 704.2	
	<b>Total Revenues as reported - GAAP</b>	\$ 1,531.0	\$ 1,669.6	\$ 1,559.4	
	<b>Total RC Fees</b>	\$ 594.4	\$ 632.6	\$ 720.2	
	<b>Total ED Fees</b>	\$ 179.8	\$ 256.4	\$ 135.0	
Key Revenue Drivers	Sales	1%	3%	2%	
	Losses	0%	-1%	0%	
	<b>Net New Business</b>	1%	2%	2%	
	Internal growth	0%	0%	0%	
	<b>Recurring (Excluding Acquisitions)</b>	1%	2%	2%	
	Acquisitions	0%	1%	3%	
	<b>Total Recurring</b>	1%	3%	5%	
	Event-Driven	-1%	5%	-7%	
	Distribution	-3%	1%	-5%	
	<b>TOTAL</b>	-3%	9%	-7%	

FY12 Ranges	
Low	High
\$ 804	\$ 813
\$ 130	\$ 130

FY12 Ranges	
Low	High
3%	4%
-1%	-1%
2%	3%
1%	1%
3%	4%
2%	2%
5%	6%
0%	0%
2%	2%
7%	8%

(a) Consolidated Pre-sale and Post-sale Fulfillment and reclassified Pre-sale from event-driven to recurring revenues.

(b) Other Recurring Fee Revenue includes Matrix, NewRiver, StockTrans, Access Data, Forefield and Tax Reporting.

(c) Other event-driven includes 14.4M pieces for FY09, 10.5M pieces for FY10 and 8.3M pieces for FY11, primarily related to corporate actions.

(d) Total Distribution revenues primarily include pass-through revenues related to the physical mailing of Proxy and Interims, as well as Matrix administrative services.

Note: Certain prior period amounts have been reclassified to conform with current period presentation

# SPS and Outsourcing Key Segment Revenue Stats

\$ in millions

All Revenues are Recurring

		FY09	FY10	FY11
<b><u>Equity</u></b>				
Transaction-Based	<b>Equity Trades</b>	\$ 258.5	\$ 237.8	\$ 238.8
	<i>Internal Trade Growth</i>	6%	-2%	3%
	<i>Trade Volume (Average Trades per Day in '000)</i>	1,602	1,542	1,572
Non-Transaction	<b>Other Equity Services</b>	\$ 193.6	\$ 195.4	\$ 211.0
<b>Total Equity</b>		<b>\$ 452.1</b>	<b>\$ 433.3</b>	<b>\$ 449.8</b>
<b><u>Fixed Income</u></b>				
Transaction-Based	<b>Fixed Income Trades</b>	\$ 52.3	\$ 48.0	\$ 56.2
	<i>Internal Trade Growth</i>	11%	-6%	13%
	<i>Trade Volume (Average Trades per Day in '000)</i>	287	283	324
Non-Transaction	<b>Other Fixed Income Services</b>	\$ 29.4	\$ 29.5	\$ 29.9
<b>Total Fixed Income</b>		<b>\$ 81.7</b>	<b>\$ 77.5</b>	<b>\$ 86.1</b>
<b><u>Outsourcing</u></b>				
	<b>Outsourcing</b>	\$ 25.1	\$ 25.0	\$ 57.7
	<i># of Clients</i>	6	9	11

**Total Net Revenue as reported - GAAP**

**\$ 558.9    \$ 535.9    \$ 593.6**

<b>Key Revenue Drivers</b>	Sales	6%	6%	4%
	Losses	-4%	-4%	-3%
	<b>Net New Business</b>	<b>2%</b>	<b>2%</b>	<b>1%</b>
	Transaction & Non-transaction	5%	-2%	3%
	Concessions	-3%	-4%	-2%
	<b>Internal growth</b>	<b>2%</b>	<b>-6%</b>	<b>1%</b>
	Acquisitions	1%	0%	9%
	<b>TOTAL</b>	<b>5%</b>	<b>-4%</b>	<b>11%</b>

**FY12 Ranges**

Low	High
6%	6%
-1%	-1%
5%	5%
1%	4%
-2%	-2%
-1%	2%
6%	6%
10%	13%

# 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., mergers and acquisitions 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.

## Other Communications

**Other** – Refers 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 mergers, acquisitions, and tender offer transactions.