

August 7, 2015

# Earnings Webcast & Conference Call

Fourth Quarter and Fiscal Year 2015



## 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 referred to as “Fiscal Year 2016 Financial Guidance” or our three-year performance objectives and outlook 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, 2015 (the “2015 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 2015 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 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 and Reconciliation of the Company's Use of Non-GAAP Financial Measures

The Company's results in this presentation are presented in accordance with generally accepted accounting principles in the United States ("GAAP") except where otherwise noted. In certain circumstances, results have been presented on an adjusted basis and are not generally accepted accounting principles measures ("Non-GAAP"). These Non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company's reported results.

With regard to statements in this presentation that include certain Non-GAAP financial measures, the adjusted earnings measures are adjusted to exclude the impact of certain costs, expenses, gains and losses and other specified items that management believes are not indicative of our ongoing performance. These adjusted measures exclude the impact of Acquisition Amortization and Other Costs which represent the amortization charges associated with intangible asset values as well as other deal costs associated with the Company's acquisitions.

The Adjusted Operating income margin and Adjusted Diluted earnings per share fiscal year 2016 guidance provided in this presentation is adjusted to exclude the projected impact of Acquisition Amortization and Other Costs.

We also provide information on our Free cash flows because we believe this information helps our investors understand the amount of cash available for dividends, share repurchases, acquisitions and other discretionary investments. Free cash flows is a Non-GAAP measure and is defined by the Company as Net cash flows provided by operating activities less capital expenditures and purchases of intangibles.

The Company believes Non-GAAP financial information helps investors understand the effect of these items on our reported results and provides a better representation of our operating performance. These Non-GAAP measures are indicators that management uses to provide additional meaningful comparisons between our current results and prior reported results, and as a basis for planning and forecasting for future periods.

Reconciliations of such Non-GAAP measures to the most directly comparable financial measures presented in accordance with GAAP can be found in the attached Appendix.

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# Key Messages

- FY15 performance and FY16 guidance are consistent with our Investor Day three-year objectives
- Net New Business drove solid Q4 and full-year recurring fee revenue growth along with contribution from tuck-in acquisitions
- Strong recurring revenue closed sales performance led to another record year
- Delivered on our capital stewardship commitments including tuck-in acquisitions and the return of capital to shareholders
- Our FY16 guidance is highlighted by strong recurring fee revenue growth building on a strong sales performance and high client revenue retention rates

# FY15 Financial Highlights and FY16 Guidance

- Continuation of recurring fee revenue momentum
  - Recurring fee revenue growth of 6% primarily from Net New Business
- Recurring revenue closed sales growth of 15% to a record \$146M
- Adjusted Diluted EPS growth of 10% to \$2.47
- Closed four tuck-in acquisitions totaling over \$200M
- Share repurchases of \$210M (\$106M in Q4), net of proceeds from option exercises
- Board increased annual dividend amount by 11% to \$1.20 per share
  - Increased dividend eight consecutive years (CAGR ~22%)
- FY16 guidance is consistent with our three-year performance objectives and includes:
  - Recurring revenue closed sales of \$120M-160M
  - Recurring fee revenue growth of 10-12% (total revenue growth of 8-10%)
  - Adjusted Diluted EPS growth of 8-12%
  - Free cash flows of \$350-400M

# Acquisitions Update

- During Q4, completed the acquisition of the Fiduciary Services and Competitive Intelligence unit from Thomson Reuters Lipper division (now known as Broadridge Fund Information Services)
  - Closed in June; purchase price of \$77M
  - Powered by Lipper data, expands Broadridge's leading enterprise Data and Analytics solutions for mutual fund manufacturers, ETF issuers, and fund administrators, adding new global data and research capabilities
- For fiscal year 2015, we closed four acquisitions totaling over \$200M
- Successful tuck-in acquisition strategy is accelerating growth and creating long term value

# FY16 Business Update

- Broadridge's current and planned business solutions enable the financial services industry to address increasing regulatory pressures which are driving up costs and shrinking ROEs
- Our investments in digital solutions have enabled increased investor engagement as well as reduced billions in postage costs for the industry
- We have expanded our Data and Analytics capabilities through internally developed and acquired solutions
- SEC proposed new filing requirements for investment companies which includes a notice and access proposal
  - As proposed, economics to Broadridge are expected to be neutral to slightly positive
  - Broadridge will comment later in August to the SEC that better savings and greater investor readership are available through digital communications and/or by implementing summary documents

# Key Financial Drivers- FY15

	4Q FY15	Full Year FY15	FY15 Guidance
<i>Growth Drivers as a % of Recurring Fee Revenues</i>			
<b>Recurring Revenue From Closed Sales</b>	5%	6%	
<b><u>Client Losses</u></b>	<u>(2)%</u>	<u>(3)%</u>	
<b>Net New Business</b>	3%	3%	
<b><i>Internal Growth</i></b>	<u>2%</u>	<u>1%</u>	
<b>Organic Growth</b>	5%	4%	
<b>Acquisitions</b>	2%	2%	
<b>Total Recurring Fee Revenue Growth</b>	<b>7%</b>	<b>6%</b>	<b>5-7%</b>
<i>Growth Drivers as a % of Total Revenues</i>			
<b>Recurring Fee Revenues</b>	4%	4%	
<b><i>Event-Driven</i></b>	0%	1%	
<b><i>Distribution</i></b>	1%	2%	
<b>FX/Other</b>	(1)%	(1)%	
<b>Total Revenue Growth</b>	<b>5%</b>	<b>5%</b>	<b>4-6%</b>
<b>EBIT Margins (Non-GAAP)</b>	28.2%	17.2%	17.4-17.8%

Note: Guidance did not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases.

Note: Amounts may not sum due to rounding.

# Segment Results-FY15

## Investor Communication Solutions (ICS)

	4Q14	4Q15	<i>Versus Prior Year</i>	FY2014	FY2015	<i>Versus Prior Year</i>
Recurring fee revenues	\$395	\$429	8%	\$961	\$1,048	9%
Total revenues	\$718	\$766	7%	\$1,881	\$2,030	8%
Earnings before income taxes	\$219	\$246	13%	\$336	\$381	13%
Pre-tax margin	30.5%	32.1%	160 bps	17.9%	18.8%	90 bps

## Global Technology and Operations (GTO)

	4Q14	4Q15	<i>Versus Prior Year</i>	FY2014	FY2015	<i>Versus Prior Year</i>
Total revenues	\$171	\$178	4%	\$681	\$693	2%
Earnings before income taxes	\$15	\$29	87%	\$119	\$120	1%
Pre-tax margin	8.9%	16.1%	720 bps	17.5%	17.4%	-10 bps

### Notes:

Earnings before income taxes and EBIT are equivalent for business segment reporting.

In connection with an organizational change made in 2014 in order to further align and enhance our portfolio of services, certain discrete services that were previously reported in our Global Technology and Operations reportable segment are now reported within the Investor Communication Solutions reportable segment. As a result, our prior period segment results have been revised to reflect this change in reportable segments.

# Income Statement Presentation

## For Illustrative Purposes Only

(Unaudited)

(In millions, except per share amounts)

## Consolidated Statements of Earnings

Fiscal Year ended June 30, 2015

	Current Presentation	Operating Income Presentation
<b>Revenues</b>	<u>\$2,694.2</u>	<u>\$2,694.2</u>
<b>Operating Expenses:</b>		
Cost of revenues	1,828.2	1,828.2
Selling, general and administrative expenses	396.8	399.1
Other expenses, net	30.3	
<b>Total operating expenses</b>	<u>2,255.3</u>	<u>2,227.3</u>
<b>Operating Income</b>		<u>466.9</u>
Interest expense		(25.4)
Other income/(expense), net		2.9
Earnings/(losses) from equity method investments		(5.5)
<b>Earnings before income taxes</b>	<u>438.9</u>	<u>438.9</u>
<b>Provision for income taxes</b>	<u>151.8</u>	<u>151.8</u>
<b>Net earnings</b>	<u><u>\$287.1</u></u>	<u><u>\$287.1</u></u>
<b>Adjusted Diluted EPS (Non-GAAP)</b>	\$2.47	\$2.47
<b>Diluted EPS (GAAP)</b>	\$2.32	\$2.32

# FY16 Guidance

## Broadridge Financial Solutions, Inc.

Recurring fee revenue growth	10 - 12%
Total revenue growth	8 - 10%
Adjusted Operating income margin	~18.4%
Effective tax rate	~34.8%
Adjusted Diluted earnings per share growth	8 - 12%
Diluted earnings per share growth	7 - 12%
Free cash flows	\$350M - 400M
Recurring revenue closed sales	\$120M - 160M

## Segments

ICS Total revenue growth	10 - 12%
ICS Pre-tax margin	~18.9%
GTO Total revenue growth	4 - 6%
GTO Pre-tax margin	~17.3%

Notes: Guidance does not take into consideration the effect of any future acquisitions, additional debt and/or share repurchases.  
Adjusted results are Non-GAAP measures.

# Closing Summary

- Strong FY15 performance and FY16 guidance are consistent with our Investor Day three-year objectives
- Net New Business drove solid Q4 and full-year recurring fee revenue growth along with contribution from acquisitions
- Strong recurring revenue closed sales performance led to another record year, with a growing pipeline
- Delivering on our capital stewardship commitments which feature tuck-in acquisitions and the return of capital to shareholders totaling ~\$400M
- Highly engaged associates led to another year of record client satisfaction
- Confidence in both business segments remains high, evidenced by our FY16 guidance, and we plan to execute on the multiple opportunities in front of us to drive long term performance for the three-year plan and beyond



# Q&A and Closing Comments

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

# Appendix

# FY14 - FY15 Annual Income Statement

Includes Reconciliation of Non-GAAP to GAAP Measures

## For Illustrative Purposes Only

	Consolidated Statements of Earnings	
	FY14	FY15
<b>Revenues</b>	\$ 2,558.0	\$ 2,694.2
<b>Operating Expenses:</b>		
<b>Cost of revenues</b>	1,761.4	1,828.2
<b>Selling, general and administrative expenses</b>	378.7	399.1
<b>Total operating expenses</b>	<u>2,140.1</u>	<u>2,227.3</u>
<b>Operating Income</b>	417.9	466.9
<i>Adjusted Operating income margin % (Non-GAAP) (1)</i>	17.3%	18.5%
<i>Operating income margin % (GAAP)</i>	16.3%	17.3%
<b>Interest expense</b>	(23.9)	(25.4)
<b>Other income/(expense), net</b>	1.5	2.9
<b>Earnings/(losses) from equity method investments</b>	—	(5.5)
<b>Earnings from continuing operations before income taxes</b>	395.5	438.9
<b>Provision for income taxes</b>	132.5	151.8
<b>Net earnings</b>	<u>\$ 263.0</u>	<u>\$ 287.1</u>

(1) Adjusted Operating income margin % (Non-GAAP) is adjusted to exclude the impact of Acquisition Amortization and Other Costs. Fiscal years 2014 and 2015 Non-GAAP Adjusted Operating income margin % excludes Acquisition Amortization and Other Costs of \$24.7 million and \$30.2 million, respectively.

# FY15 Income Statement by Quarter

## For Illustrative Purposes Only

(Unaudited)

(In millions, except per share amounts)

	1Q FY15	2Q FY15	3Q FY15	4Q FY15	Full Year FY15
Revenues	\$555.8	\$574.6	\$634.2	\$929.6	\$2,694.2
Operating Expenses:					
Cost of revenues	406.5	414.0	452.6	555.1	1,828.2
Selling, general and administrative expenses	92.2	101.5	92.6	112.8	399.1
Total operating expenses	<u>498.7</u>	<u>515.5</u>	<u>545.2</u>	<u>667.9</u>	<u>2,227.3</u>
Operating Income	57.1	59.1	89.0	261.7	466.9
Interest expense	(6.2)	(6.2)	(6.4)	(6.6)	(25.4)
Other income/(expense), net	0.6	0.6	1.0	0.7	2.9
Earnings/(losses) from equity method investments	<u>(1.5)</u>	<u>(1.9)</u>	<u>(1.7)</u>	<u>(0.4)</u>	<u>(5.5)</u>
Earnings before income taxes	50.0	51.6	81.9	255.4	438.9
Provision for income taxes	17.5	16.9	27.9	89.5	151.8
Net earnings	<u>\$32.5</u>	<u>\$34.7</u>	<u>\$54.0</u>	<u>\$165.9</u>	<u>\$287.1</u>

# FY14 Income Statement by Quarter

## For Illustrative Purposes Only

(Unaudited)

(In millions, except per share amounts)

	1Q FY14	2Q FY14	3Q FY14	4Q FY14	Full Year FY14
Revenues	\$545.2	\$520.6	\$606.3	\$885.9	\$2,558.0
Operating Expenses:					
Cost of revenues	397.5	385.1	427.6	551.2	1,761.4
Selling, general and administrative expenses	75.1	86.4	96.2	121.0	378.7
Total operating expenses	<u>472.6</u>	<u>471.5</u>	<u>523.8</u>	<u>672.2</u>	<u>2,140.1</u>
Operating Income	72.6	49.1	82.5	213.7	417.9
Interest expense	(4.8)	(6.2)	(6.2)	(6.7)	(23.9)
Other income/(expense), net	1.5	(0.2)	0.6	(0.4)	1.5
Earnings/(losses) from equity method investments	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Earnings before income taxes	69.3	42.7	76.9	206.6	395.5
Provision for income taxes	24.9	15.1	26.1	66.4	132.5
Net earnings	<u>\$44.4</u>	<u>\$27.6</u>	<u>\$50.8</u>	<u>\$140.2</u>	<u>\$263.0</u>

# Reconciliation of Non-GAAP to GAAP Measures

(Unaudited)

(In millions, except per share amounts)

	Three Months Ended June 30,		Fiscal Year Ended June 30,	
	2015	2014	2015	2014
EBIT (Non-GAAP)	\$ 262.2	\$ 213.0	\$ 463.8	\$ 420.3
Acquisition Amortization and Other Costs	8.6	6.9	30.2	24.7
Interest and Other, net	(6.8)	(6.4)	(24.9)	(24.8)
Adjusted Earnings before income taxes (Non-GAAP)	\$ 264.0	\$ 213.5	\$ 469.1	\$ 420.2
Acquisition Amortization and Other Costs	(8.6)	(6.9)	(30.2)	(24.7)
Earnings before income taxes (GAAP)	\$ 255.4	\$ 206.6	\$ 438.9	\$ 395.5
EBIT margins (Non-GAAP)	28.2%	24.0%	17.2%	16.4%
Adjusted Pre-tax margins (Non-GAAP)	28.4%	24.1%	17.4%	16.4%
Pre-tax margins (GAAP)	27.5%	23.3%	16.3%	15.5%

	Three Months Ended June 30,		Fiscal Year Ended June 30,	
	2015	2014	2015	2014
Adjusted Net earnings (Non-GAAP)	\$ 171.5	\$ 144.6	\$ 306.9	\$ 279.0
Acquisition Amortization and Other Costs, net of taxes	(5.6)	(4.4)	(19.8)	(16.0)
Net earnings (GAAP)	\$ 165.9	\$ 140.2	\$ 287.1	\$ 263.0

	Three Months Ended June 30,		Fiscal Year Ended June 30,	
	2015	2014	2015	2014
Adjusted Diluted earnings per share (Non-GAAP)	\$ 1.40	\$ 1.16	\$ 2.47	\$ 2.25
Acquisition Amortization and Other Costs, net of taxes	(0.05)	(0.04)	(0.16)	(0.13)
Diluted earnings per share (GAAP)	\$ 1.35	\$ 1.13	\$ 2.32	\$ 2.12

	Fiscal Year Ended June 30,	
	2015	2014
Free Cash Flows (Non-GAAP)	\$ 365.4	\$ 334.3
Capital expenditures and purchases of intangibles	66.0	53.4
Net cash flows provided by operating activities (GAAP)	\$ 431.4	\$ 387.7

# Reconciliation of Non-GAAP to GAAP Measures- FY16 Guidance

(Unaudited)

## Earnings Per Share Growth Rate (1)

Adjusted Diluted earnings per share (Non-GAAP)

Diluted earnings per share (GAAP)

## FY16 Guidance

8% - 12% growth

7% - 12% growth

## Operating Income Margin (2)

Adjusted Operating income margin % (Non-GAAP)

Operating income margin % (GAAP)

## FY16 Guidance

~18.4%

~17.3%

(1) Adjusted Diluted EPS growth (Non-GAAP) is adjusted to exclude the projected impact of Acquisition Amortization and Other Costs. Fiscal year 2016 Non-GAAP Adjusted Diluted EPS guidance estimates exclude estimated Acquisition Amortization and Other Costs, net of taxes, of \$0.18 per share.

(2) Adjusted Operating income margin % (Non-GAAP) is adjusted to exclude the projected impact of Acquisition Amortization and Other Costs. Fiscal year 2016 Non-GAAP Adjusted Operating income margin % guidance estimates exclude estimated Acquisition Amortization and Other Costs of \$34 million.

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