

Table of Contents**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS**

The following discussion contains management's discussion and analysis of our financial condition and results of operations and should be read together with "Prospectus Summary—Summary Historical Consolidated Financial Data," "Selected Historical Consolidated Financial Data," and our consolidated financial statements and related notes thereto included elsewhere in this prospectus. This discussion contains forward-looking statements and involves numerous risks and uncertainties. Our actual results may differ materially from those anticipated in any forward-looking statements as a result of many factors, including those set forth under "Special Note Regarding Forward-Looking Statements," "Risk Factors," and elsewhere in this prospectus.

Executive Overview

First Data sits at the center of global electronic commerce. We believe we offer our clients the most complete array of integrated solutions in the industry, covering their needs across next generation commerce technologies, merchant acquiring, issuing, and network solutions. We serve our clients in 118 countries, reaching approximately 6 million business locations and over 4,000 financial institutions. We believe we have the industry's largest distribution network, driven by our partnerships with many of the world's leading financial institutions, our direct sales force, and a network of distribution partners. We are the largest merchant acquirer, issuer processor, and independent network services provider in the world, enabling businesses to accept electronic payments, helping financial institutions issue credit, debit and prepaid cards, and routing secure transactions between them. In 2014, we processed 74 billion transactions globally, or over 2,300 per second, and processed 28% of the world's eCommerce volume. In our largest market, the United States, we acquired \$1.7 trillion of payment volume, accounting for nearly 10% of U.S. GDP last year.

Our business is characterized by transaction related fees, multi-year contracts, and a diverse client base, which allows us to grow alongside our clients. Our multi-year contracts allow us to achieve a high level of recurring revenues with the same clients. While the contracts typically do not specify fixed revenues to be realized thereunder, they do provide a framework for revenues to be generated based on volume of services provided during such contract's term. Our business also generally requires minimal incremental capital expenditures and working capital to support additional revenue within our existing business lines.

Our Segments

In the second quarter of 2015, we realigned our operating segments into three reportable segments: Global Business Solutions, Global Financial Solutions, and Network & Security Solutions. The realignment of our segments was designed to establish global lines of businesses that support our global client base and allow us to further globalize our solutions while working seamlessly with our teams across our regions (the United States and Canada ("North America"), Europe, Middle East and Africa ("EMEA"), Latin America ("LATAM"), and Asia Pacific ("APAC")) and be supported by a corporate team focused on companywide issues. Following the realignment, we retroactively adjusted all segment information to reflect this new segmentation.

In examining our performance, management places particular focus on our Segment Revenue and Segment EBITDA, as well as the operating metrics described in "—Segment Results."

Global Business Solutions

Our largest segment, Global Business Solutions, provides businesses of all sizes and types with a wide range of solutions at the point of sale, including merchant acquiring, eCommerce, mobile commerce, POS technology, and other business solutions. We serve approximately 4 million business locations in the United States and 2 million outside the United States. Our largest service in this segment is merchant acquiring, which facilitates the acceptance of commercial transactions at the point of sale, including retail transactions at physical