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- (1) Includes interest expense and interest income.
- (2) Includes amortization of initial payments for new contracts which is recorded as a contra revenue within "Transaction and processing service fees" of \$47 million and amortization related to equity method investments, which is netted within the "Equity earnings in affiliates" line of \$60 million.
- (3) Stock-based compensation recognized as expense.
- (4) Restructuring charges in connection with management's alignment of the business with strategic objectives and the departure of executive officers.
- (5) Represents net gains and losses related to currency translations on certain intercompany loans and euro-denominated debt.
- (6) Reflects investment gains and losses.
- (7) Represents fair market value adjustments for cross-currency swaps and interest rate swaps that are not designated as accounting hedges.
- (8) Represents costs directly associated with the strategy to have First Data operate Bank of America N.A.'s legacy settlement platform.
- (9) Represents KKR fees for management, consulting, financial and other advisory services.
- (10) Represents settlements of litigation or regulatory matters.
- (11) Reflects cost savings and revenue enhancements projected to be realized as a result of specific actions as if they were achieved on the first day of the period. Includes cost savings initiatives associated with the business optimization projects and other technology initiatives described in footnote (8), the BAMS alliance, operations, and technology initiatives, headcount reductions, and other addressable spend reductions. We may not realize the anticipated cost savings pursuant to our anticipated timetable or at all.
- (12) Net income attributable to noncontrolling interests and redeemable noncontrolling interest in restricted subsidiaries.
- (13) Represents our proportional share of income taxes, depreciation, and amortization on equity method investments.
- (14) Loss incurred due to extinguishment of debt.
- (15) Includes items such as impairments, litigation and regulatory settlements, investment gains and losses, non-operating foreign currency gains and losses, and other as applicable to the period presented.

Off-Balance Sheet Arrangements

During the six months ended June 30, 2015 and the years ended December 31, 2014, 2013 and 2012, we did not engage in any off-balance sheet financing activities other than those included in the "Contractual obligations" discussion below and those reflected in Note 9 "Commitments and Contingencies" to our audited consolidated financial statements included elsewhere in this prospectus.

Contractual Obligations

Our contractual obligations as of December 31, 2014 are as follows:

(in millions)	Payments Due by Period				
	Total	Less than 1 year	1-3 years	3-5 years	After 5 years
Borrowings (a)	\$29,743	\$ 1,658	\$ 4,485	\$10,068	\$13,532
Capital lease obligations (b)	229	83	126	10	10
Operating leases	303	60	97	69	77
Pension plan contributions (c)	77	14	16	15	32
Purchase obligations (d):					
Technology and telecommunications (e)	498	266	220	9	3
All other (f)	446	213	154	79	—
Other long-term liabilities	114	16	92	6	—
	<u>\$31,410</u>	<u>\$ 2,310</u>	<u>\$ 5,190</u>	<u>\$10,256</u>	<u>\$13,654</u>