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FIRST DATA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Effect of Derivative Instruments on the Unaudited Consolidated Statements of Operations

Derivative gains and (losses) were as follows for the periods indicated:

(in millions, pretax)	Three months ended June 30,			
	2015		2014	
	Interest Rate Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Foreign Exchange Contracts
Derivatives in net investment hedging relationships:				
Gain (loss) recognized in other comprehensive income (loss) (effective portion)	\$ —	\$ (35)	\$ —	\$ (18)
Derivatives not designated as hedging instruments:				
Gain (loss) recognized in Other income (expense) in the unaudited consolidated statements of operations	(13)	(1)	(7)	—

(in millions, pretax)	Six months ended June 30,			
	2015		2014	
	Interest Rate Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Foreign Exchange Contracts
Derivatives in net investment hedging relationships:				
Gain (loss) recognized in other comprehensive income (loss) (effective portion)	\$ —	\$ 32	\$ —	\$ (25)
Derivatives not designated as hedging instruments:				
Gain (loss) recognized in Other income (expense) in the unaudited consolidated statements of operations	(18)	2	(4)	—

Accumulated Derivative Gains and Losses

The following table summarizes activity in other comprehensive income for the periods indicated related to derivative instruments classified as cash flow hedges and a net investment hedge held by the Company:

(in millions, after tax)	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
	Accumulated gain (loss) included in other comprehensive income (loss) at beginning of the period	\$ 79	\$ (17)	\$ 37
Less: Reclassifications into earnings from other comprehensive income (loss), net of tax	—	—	—	—
Increase (decrease) in fair value of derivatives that qualify for hedge accounting (a)	(22)	(12)	20	(17)
Accumulated gain included in other comprehensive income (loss) at end of the period	<u>\$ 57</u>	<u>\$ (29)</u>	<u>\$ 57</u>	<u>\$ (29)</u>

(a) Gains and (losses) are included in "Unrealized gains on hedging activities" and in "Foreign currency translation adjustment" in the unaudited consolidated statements of comprehensive income (loss).