



# SunGard

## Financial Review

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May 2004

# Safe Harbor

Statements about SunGard's outlook and all other statements in this presentation other than historical facts are forward-looking statements. You can identify forward-looking statements because they contain words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," or "anticipates" or similar expressions which concern our strategy, plans or intentions. All statements we make relating to estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those we expected. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. Some of the factors that we believe could affect our results include: general economic and market conditions, including the lingering effects of the economic slowdown on information technology spending levels, trading volumes and services revenues, and including the fact that the economic slowdown has left many companies with excess data center capacity that provides them with the capability for in-house high-availability solutions; the overall condition of the financial services industry, including the effect of any further consolidation among financial services firms, and including the market and credit risks associated with clearing broker operations; the integration of acquired businesses, the performance of acquired businesses including Systems & Computer Technology Corporation, and the prospects for future acquisitions; the effect of war, terrorism or catastrophic events; the timing and magnitude of software sales; the timing and scope of technological advances; the ability to retain and attract customers and key personnel; and the ability to obtain patent protection and avoid patent-related liabilities in the context of a rapidly developing legal framework for software and business-method patents. The factors described in this paragraph and other factors that may affect our business or future financial results, as and when applicable, are discussed in our filings with the Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2003, a copy of which may be obtained from us without charge. We assume no obligation to update any written or oral forward-looking statement made by us or on our behalf as a result of new information, future events or other factors

# Basis of Presentation

The financial data in this presentation is based on financial information as initially reported by SunGard in its Annual Reports on Form 10-K for the years indicated. In some cases these amounts differ from the corresponding financial information as most recently reported by SunGard in later filings, because of restatements required by GAAP (e.g., due to poolings-of-interests).

Reconciliations of the amounts as initially reported to the amounts as most recently reported, as well as reconciliations of EBITDA and other non-GAAP financial measures used in this presentation, are included at the end of the presentation handout and are posted at [www.sungard.com/Investors](http://www.sungard.com/Investors).

The Company believes that the financial information as initially reported provides the most meaningful comparisons of its results over the long-term.

# 2003 Financial Highlights

	2003 (\$M)	YoY Chg
Revenue	\$ 2,955	+14%
90% Services		
Net Income	\$ 370	+14%
Diluted EPS	\$ 1.27	+13%
Cash & Investments	\$ 479	+9
Long-term Debt	\$ 187	--
Stockholders' Equity	\$ 2,766	+24

Please review SunGard financial reports posted at [www.sungard.com/investors](http://www.sungard.com/investors).

# Q1 2004 Results

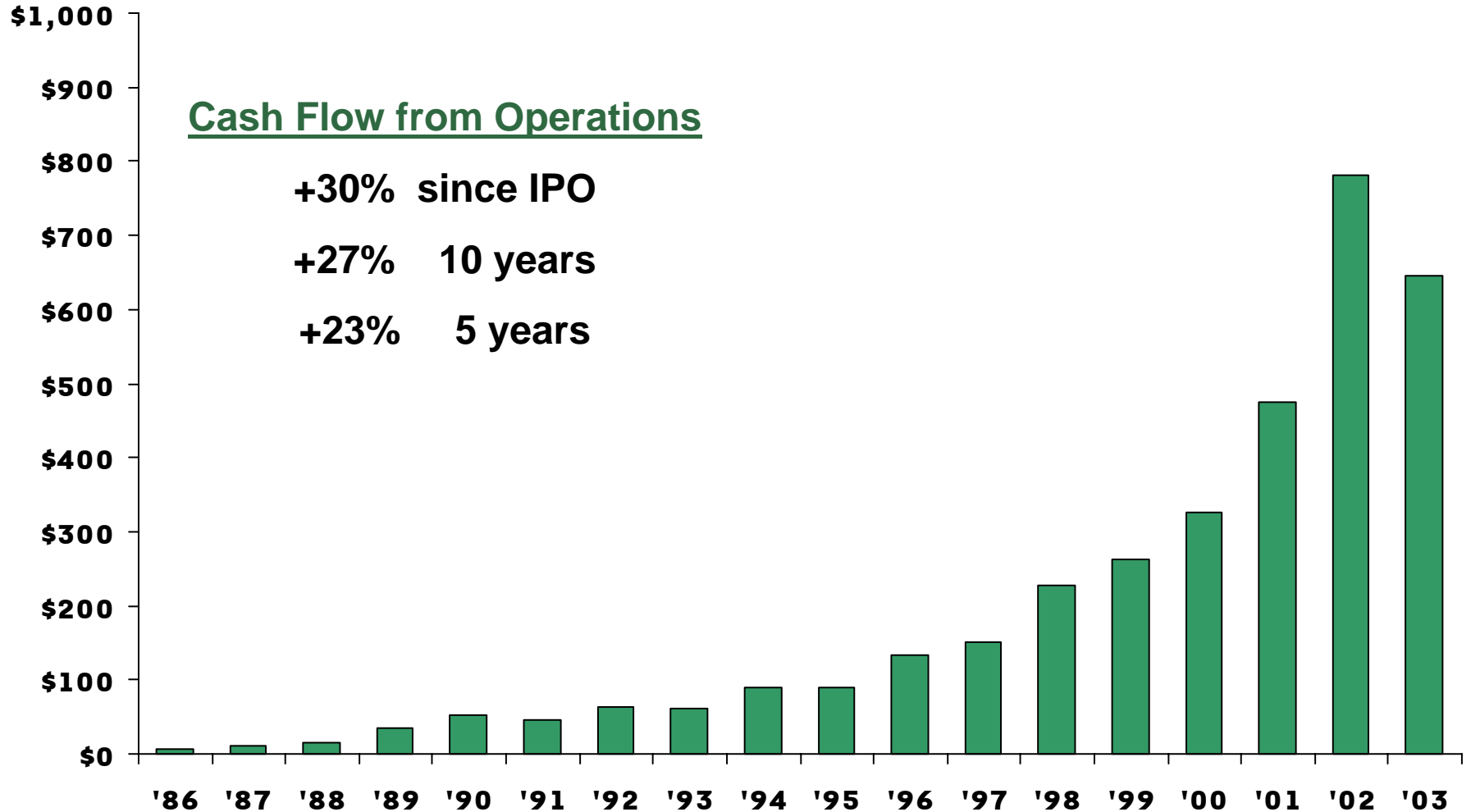
Three months ending March 31,

	2004 (\$M)	YoY Chg
Revenue	\$ 841	+25%
90% Services		
Net Income	\$ 86	+13%
Diluted EPS	\$ 0.29	+12%
Cash & Investments	\$ 431	+18%
Long-term Debt	\$ 722	+287%
Stockholders' Equity	\$ 2,894	+25%

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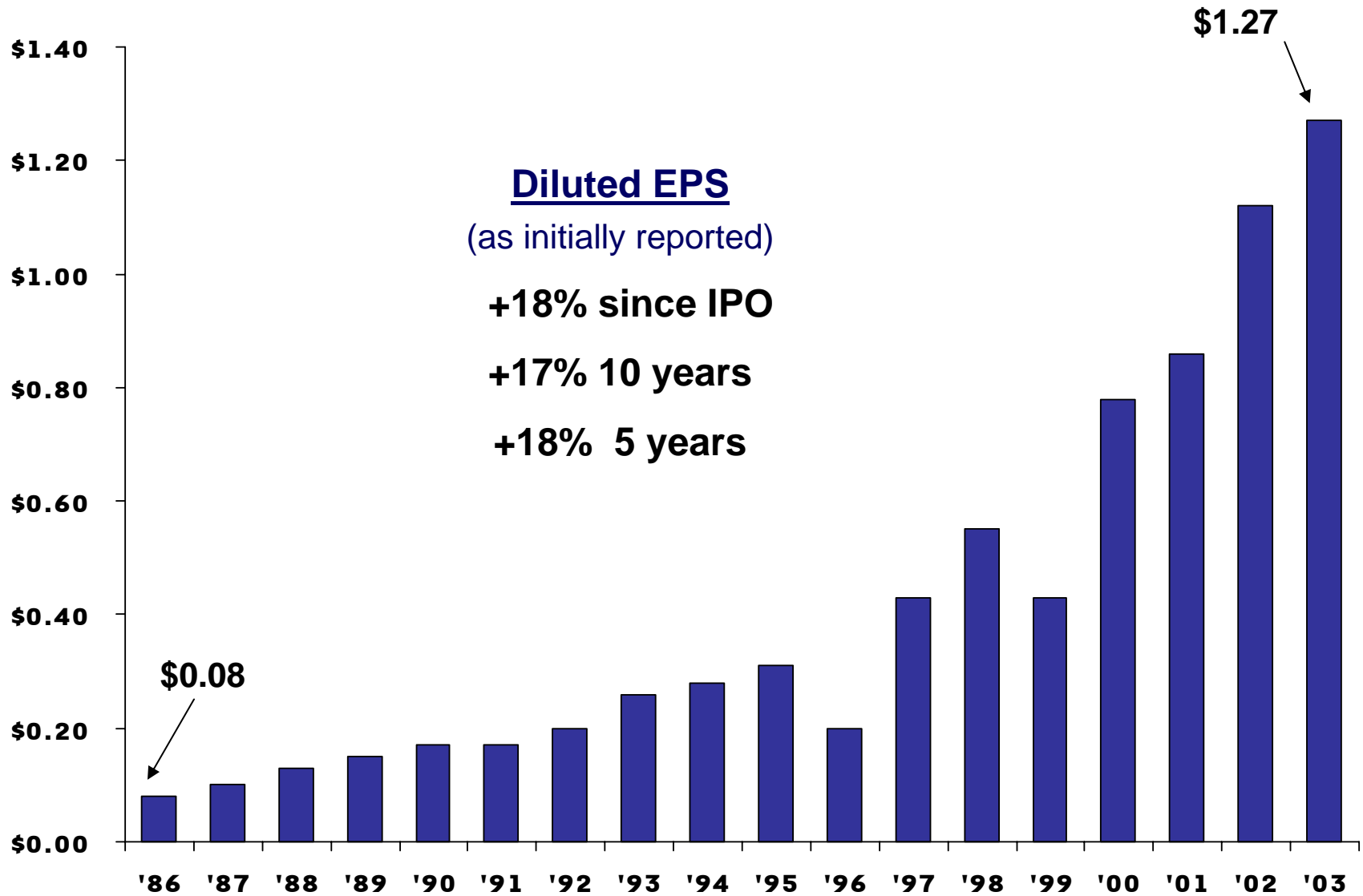
# Cash Flow from Operations

(in \$M, as initially reported)



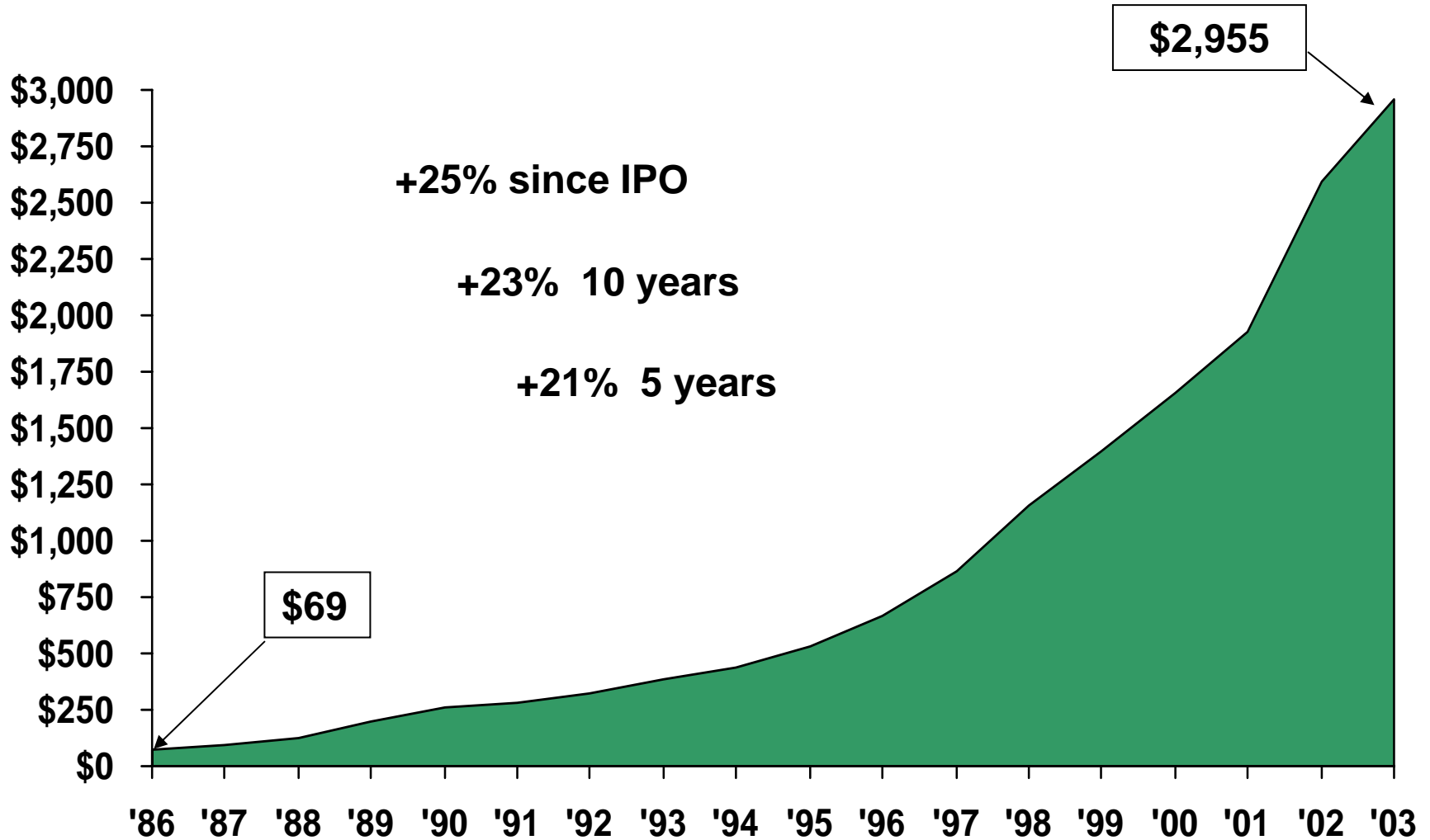
\*Excluding merger costs and other one-time items.

# SunGard EPS Growth



# SunGard Total Revenue Growth

(in \$M, as initially reported)

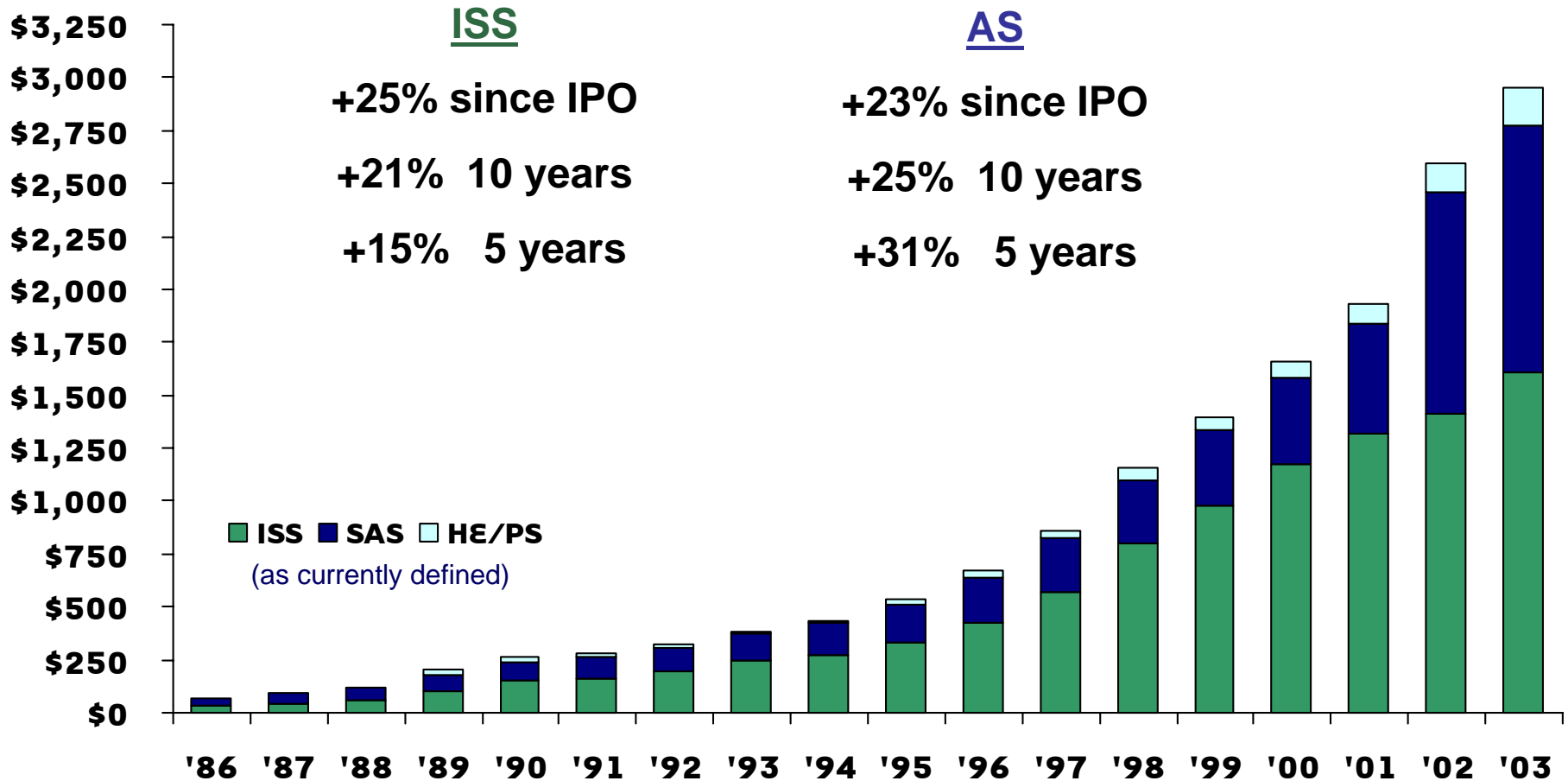


Please review SunGard financial reports posted at [www.sungard.com/investors](http://www.sungard.com/investors).

See reconciliations posted at [www.sungard.com/Investors](http://www.sungard.com/Investors).

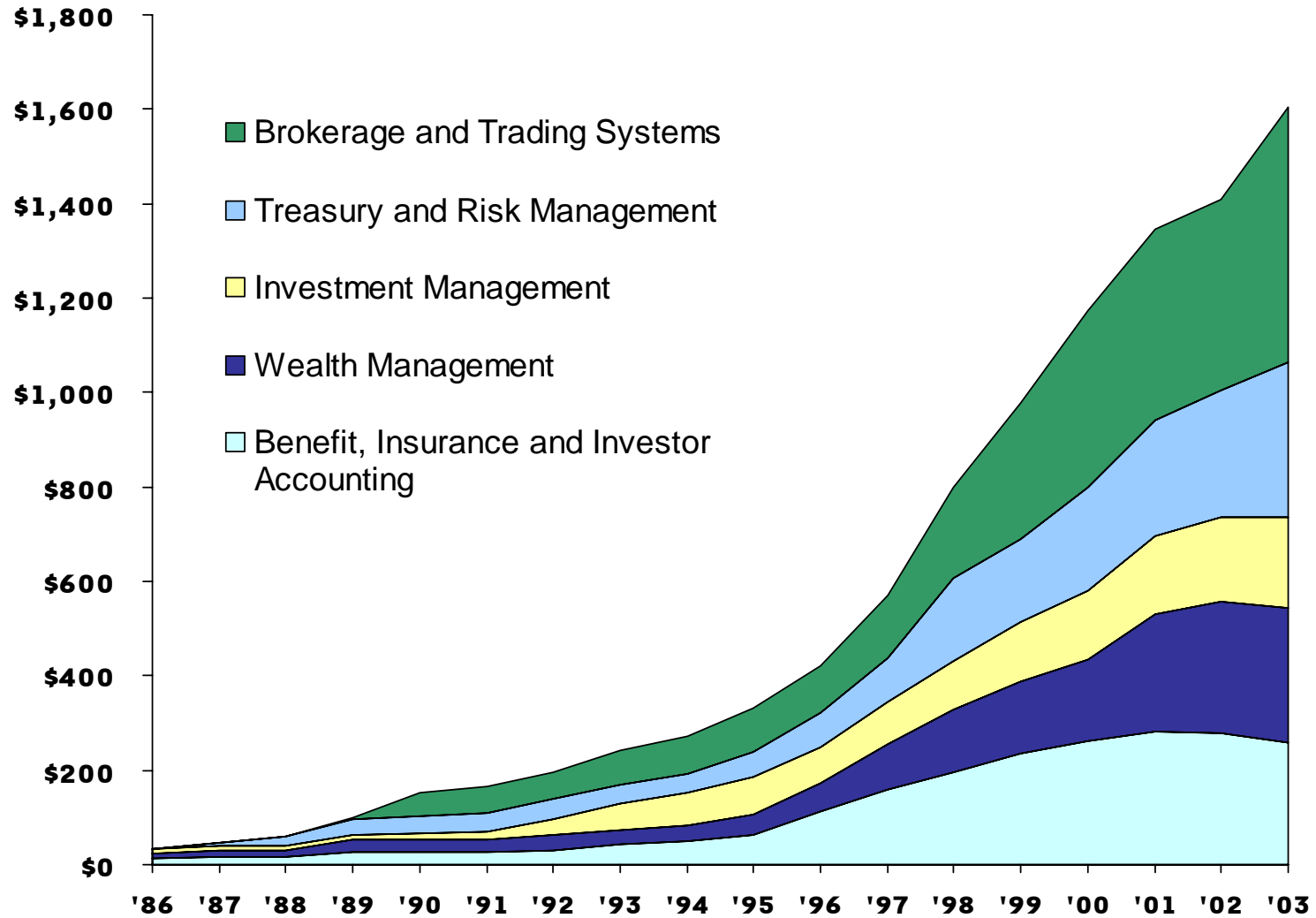
# Revenue Growth by Segment

(in \$M, as initially reported)



# ISS Revenue by Area

(as currently defined, in \$M as initially reported)



# ISS Revenue Characteristics

# 2003

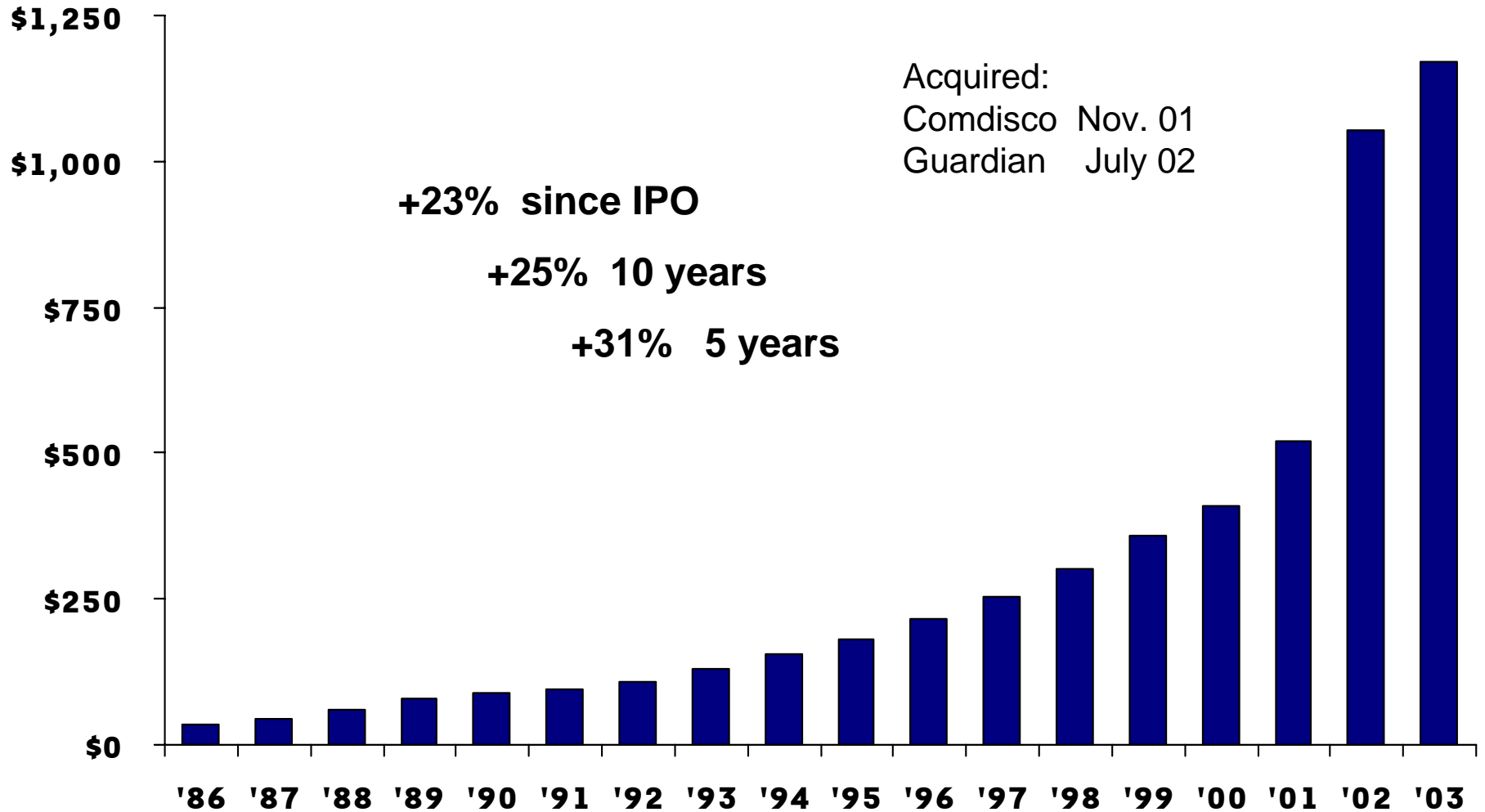
(as currently defined)

	% Growth		% Services (1)		% International	
	'02 vs '01	'03 vs '02	2002	2003	2002	2003
Brokerage & Trading	0.2%	33.5%	86.4%	85.6%	18.5%	16.1%
Wealth Management	12.5%	2.5%	92.3%	93.2%	8.6%	9.8%
Investment Management	6.6%	8.1%	91.5%	90.4%	41.2%	48.3%
Treasury & Risk Mgmt	9.7%	21.8%	78.2%	81.3%	61.1%	58.6%
Benefit, Ins & Investor Acctg	(1.3%)	(6.6%)	86.6%	90.6%	10.2%	13.5%
<b>Total ISS</b>	<b>4.7%</b>	<b>14.0%</b>	<b>86.7%</b>	<b>86.6%</b>	<b>26.5%</b>	<b>27.1%</b>

(1) Total revenue excluding reimbursed expenses and license and resale fees.

# Availability Revenue Growth

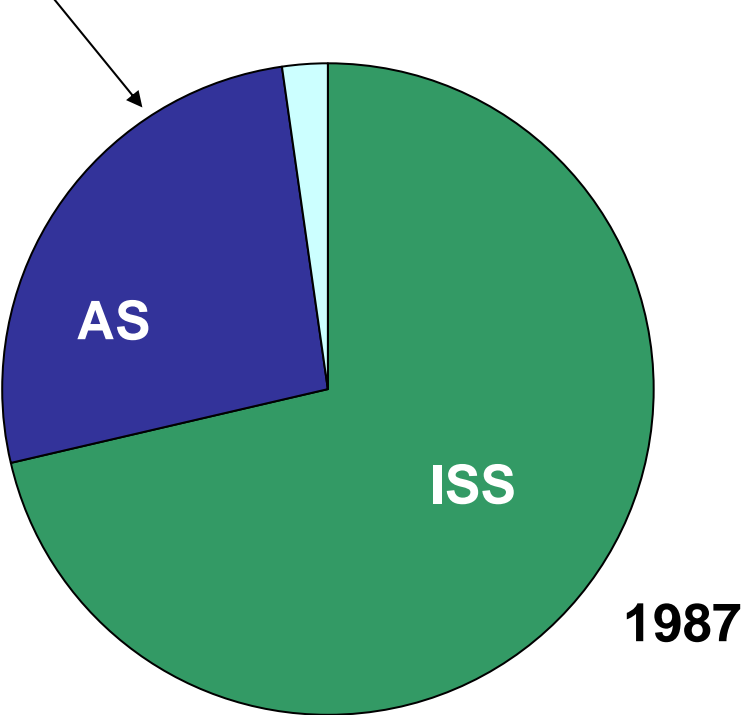
(in \$M, as initially reported)



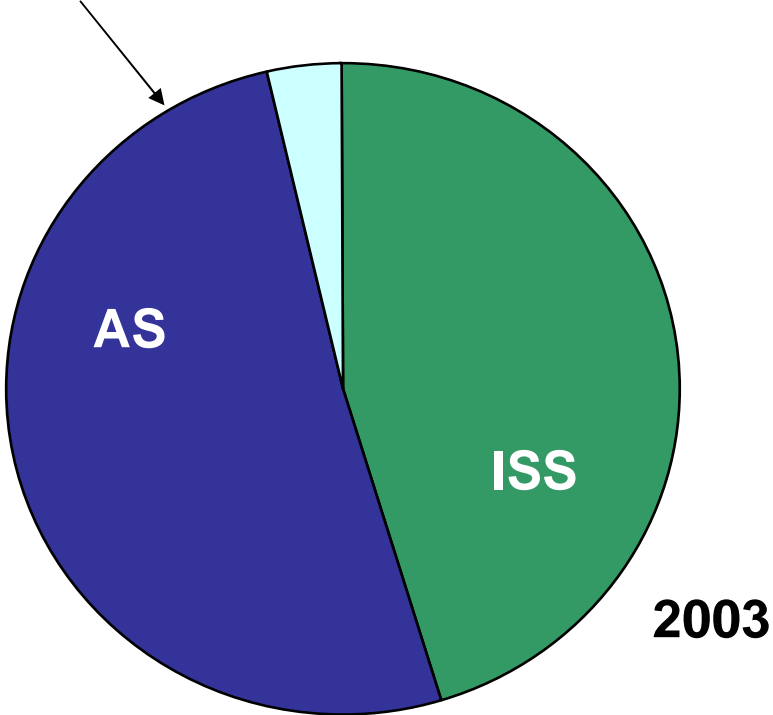
# Availability Services

## % of Operating Income\*

49% of Revenue  
28% of OI



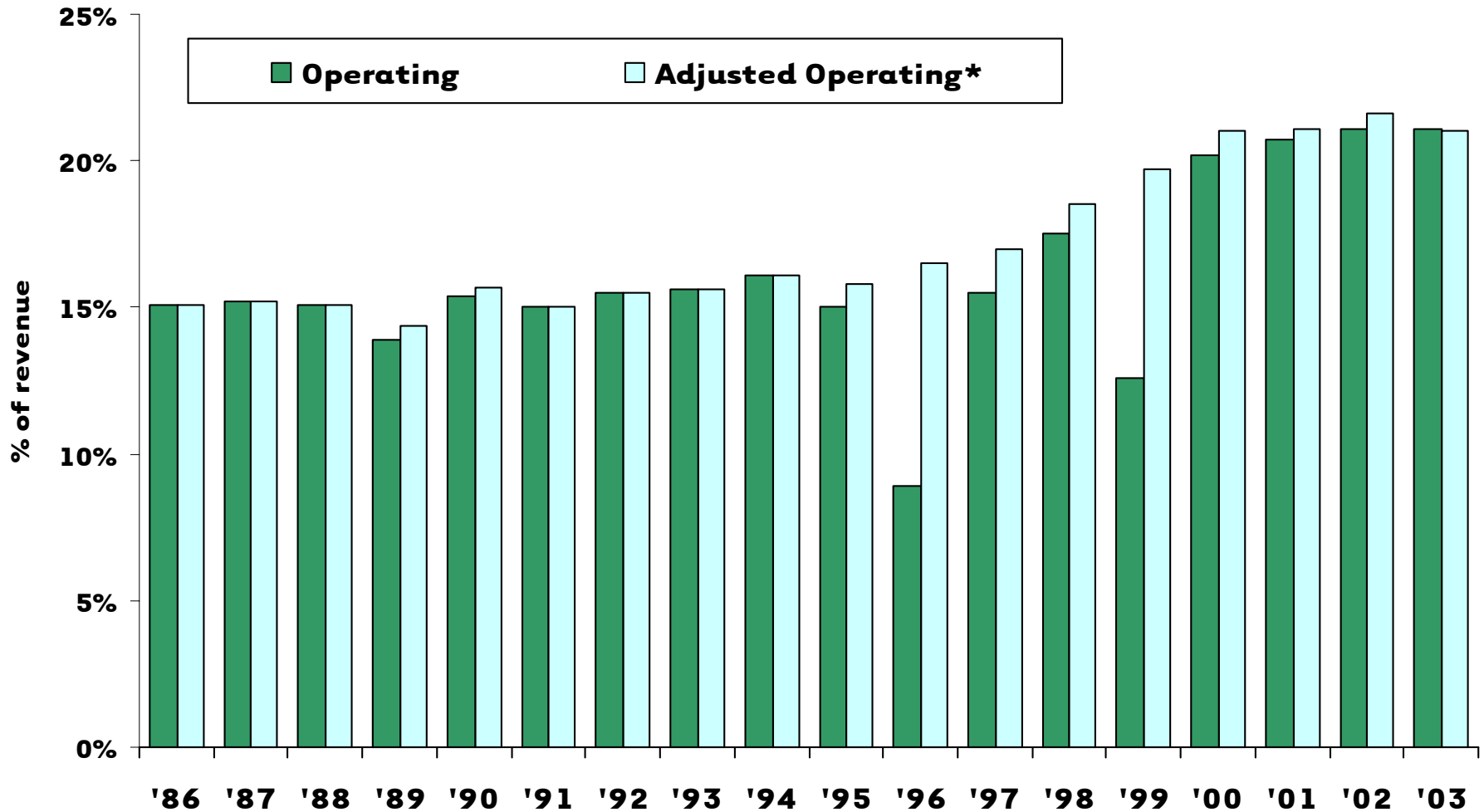
40% of Revenue  
51% of OI



\*Operating income for the Company's operating segments is before corporate administration and one time merger costs. See footnote 13 in the 2003 Annual Report for a reconciliation to total operating income in 2003.

# SunGard Margins

(as initially reported)

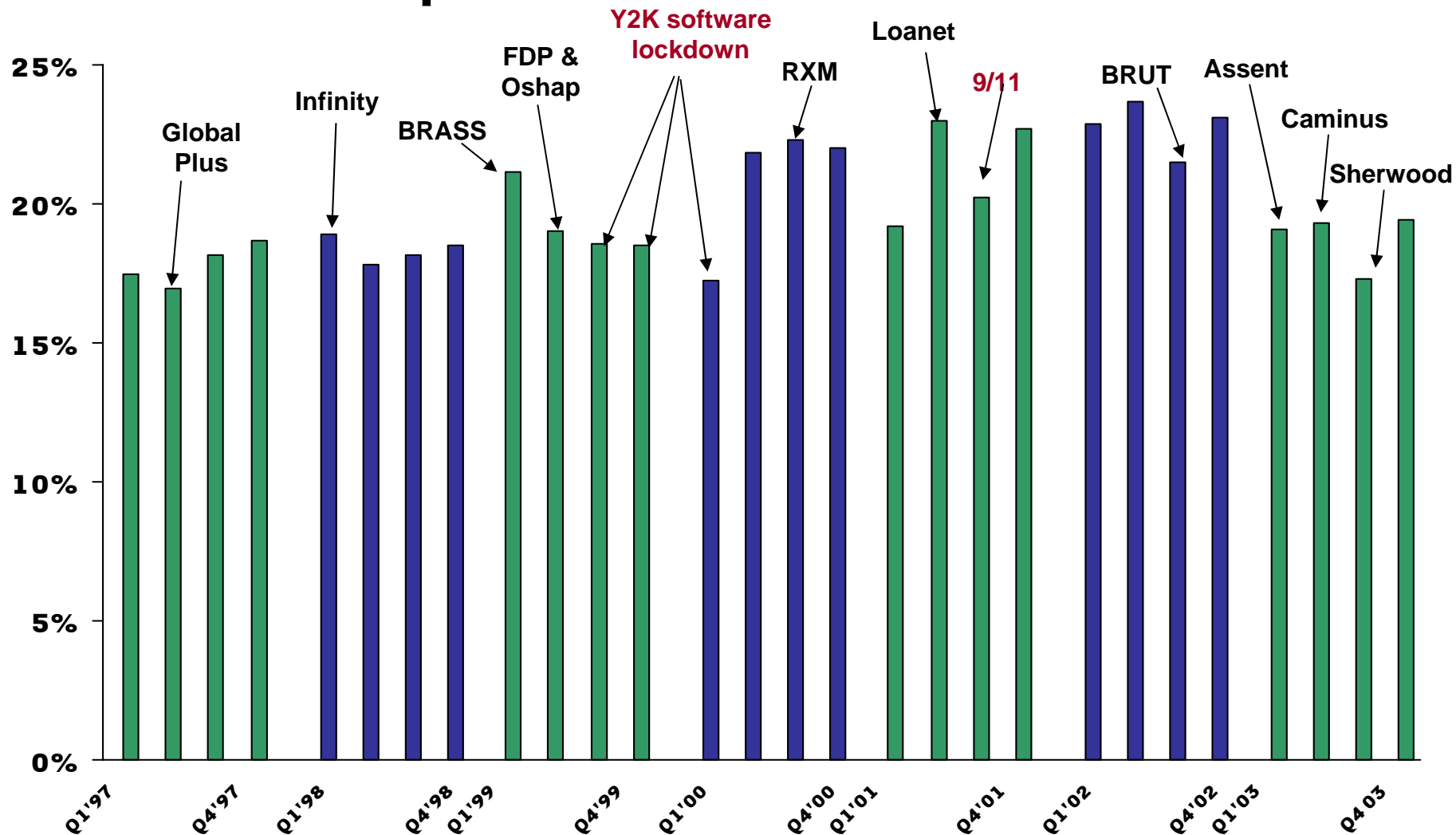


\*Excluding merger costs and other one-time items.

# ISS Margins by Quarter

(as initially reported)

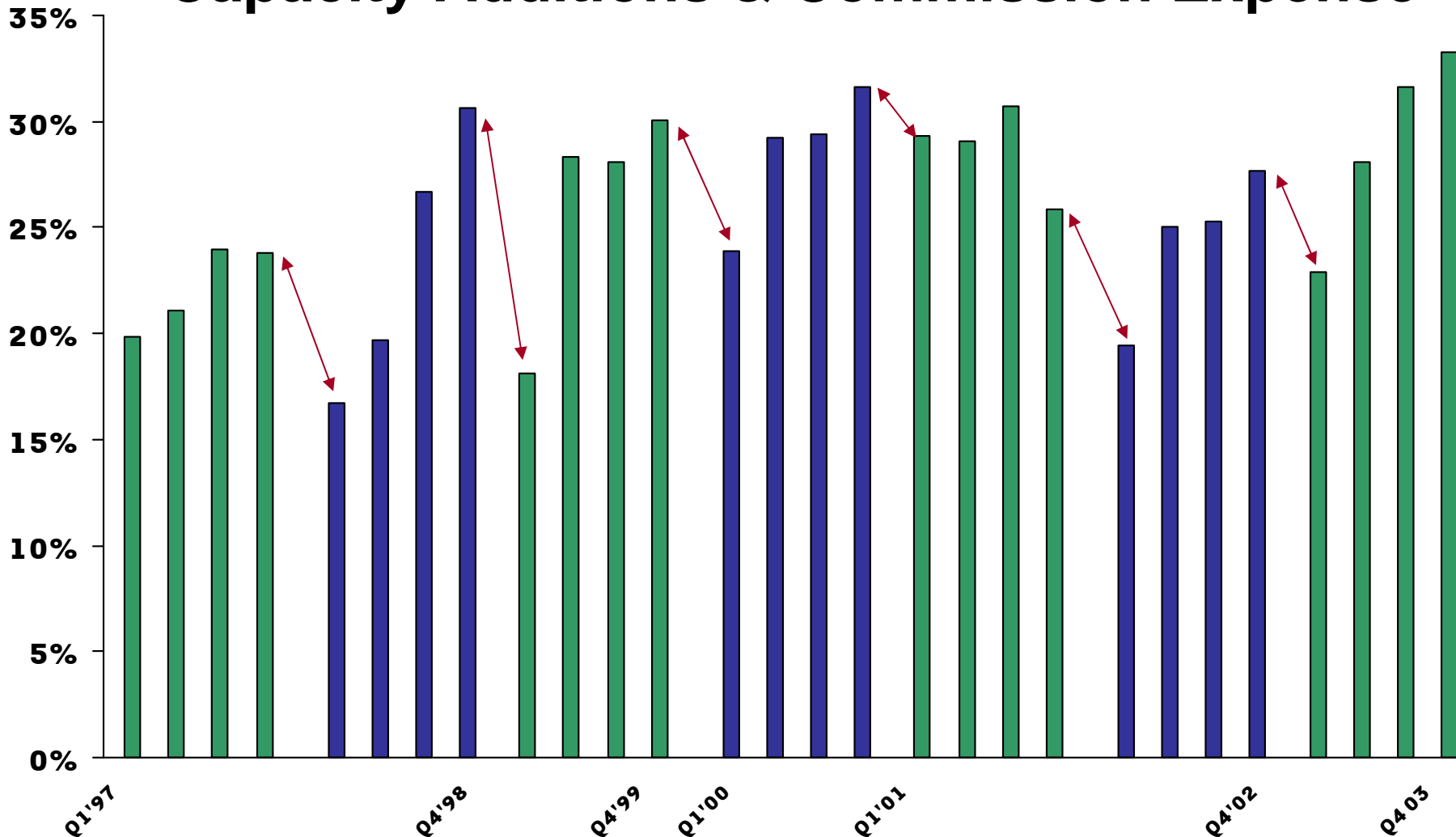
## Acquisitions & License Fees



# Availability Margins by Quarter

(as initially reported)

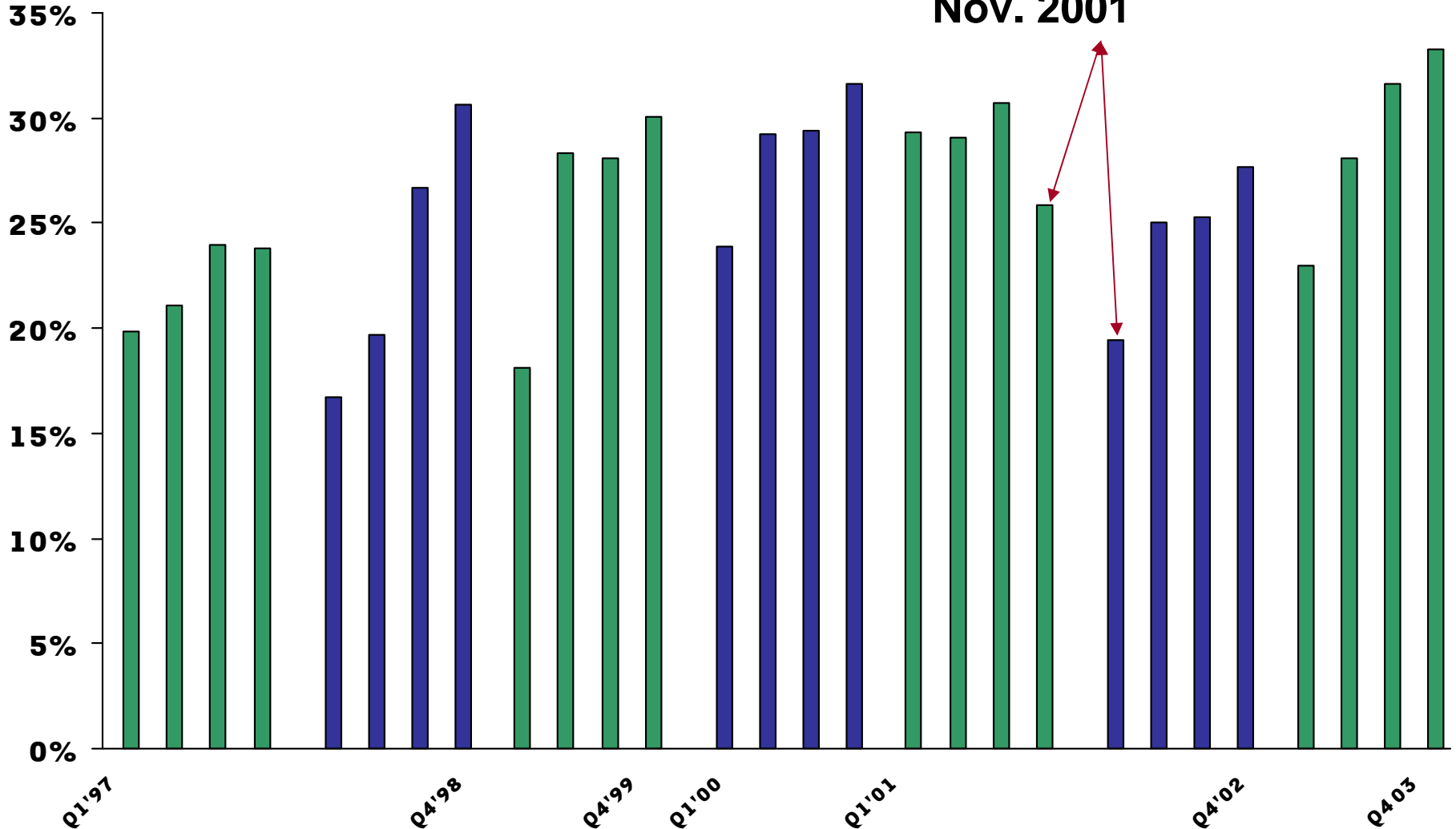
## Capacity Additions & Commission Expense



# Availability Margins by Quarter

(as initially reported)

Comdisco acquisition  
Nov. 2001



# SunGard



# Appendix

# 2003 Cash Flow & EBITDA

	2003 (\$M)	YoY Chg
<b>EBITDA</b>	<b>\$ 932</b>	<b>+13%</b>
<i>% of revenue</i>	31.6%	
Dep'n & amort.	(311)	
Merger costs	2	
Net interest expense	<u>(8)</u>	
Income before tax	615	+13%
Income taxes	<u>(245)</u>	
<b>Net Income</b>	<b>370</b>	<b>+14%</b>
Non cash charges	<u>328</u>	+ 6%
	698	+10%
Working capital changes	<u>(53)</u>	
<b>Cash flow from operations</b>	<b>645</b>	<b>-18%</b>
<i>Cash flow from ops/net income</i>	1.7x	

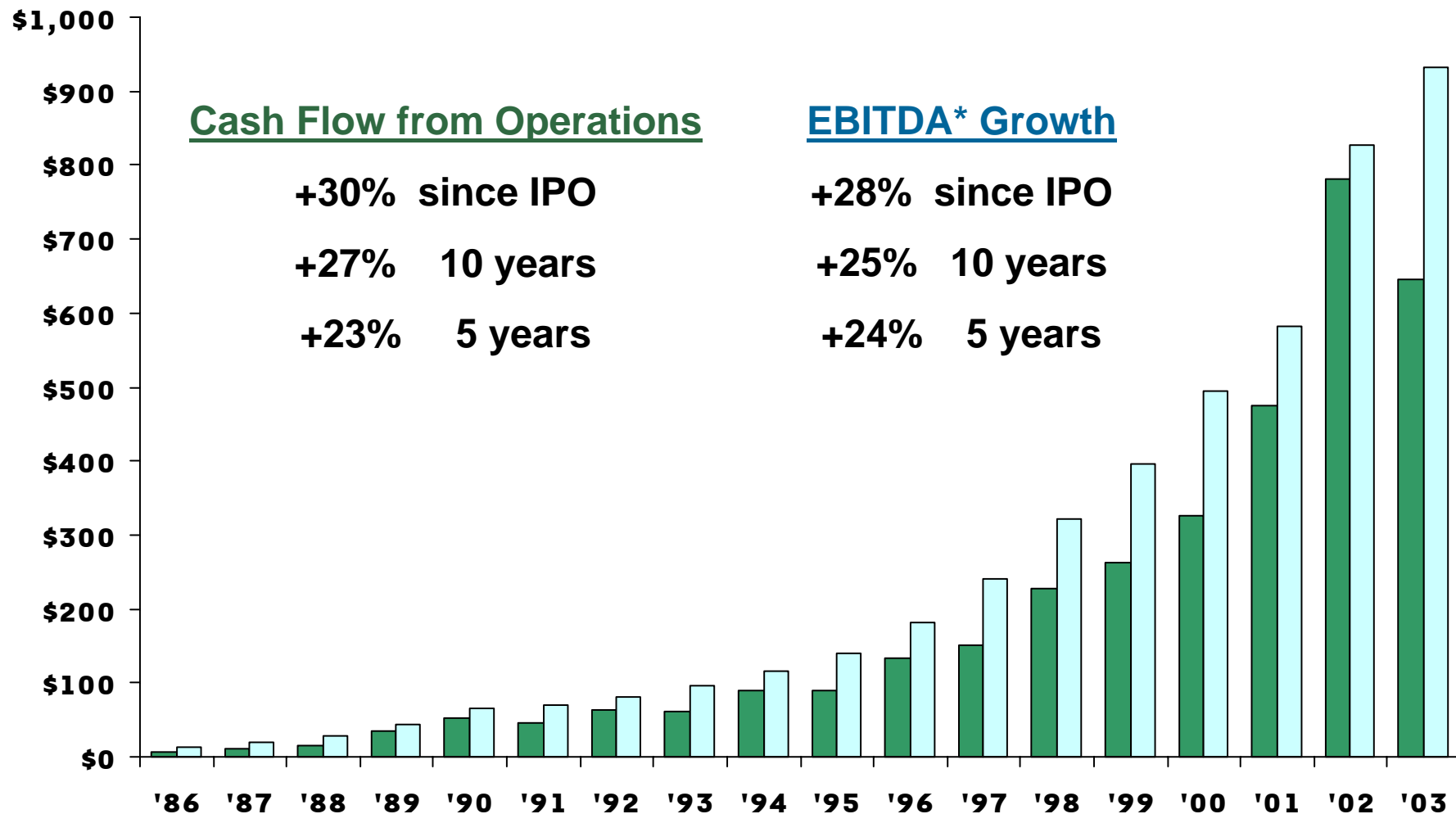
# 2004 Cash Flow & EBITDA Year-to-date

Three months ending March 31,

	2004 (\$M)	YoY Chg
<b>EBITDA</b>	<b>\$ 227.0</b>	<b>+14%</b>
<i>% of revenue</i>	<i>27.0%</i>	
Dep'n & amort.	(80.1)	
Merger costs	-	
Net interest expense	<u>(5.4)</u>	
Income before tax	141.5	+13%
Income taxes	<u>(55.9)</u>	
<b>Net Income</b>	<b>85.6</b>	<b>+13%</b>
Non cash charges	<u>86.3</u>	+11
	171.9	+12
Working capital changes	<u>6.2</u>	
<b>Cashflow from operations</b>	<b>178.1</b>	<b>+ 7%</b>
<i>Cashflow from ops/net income</i>	<i>2.1x</i>	

# Cash Flow from Operations and EBITDA

(in \$M, as initially reported)

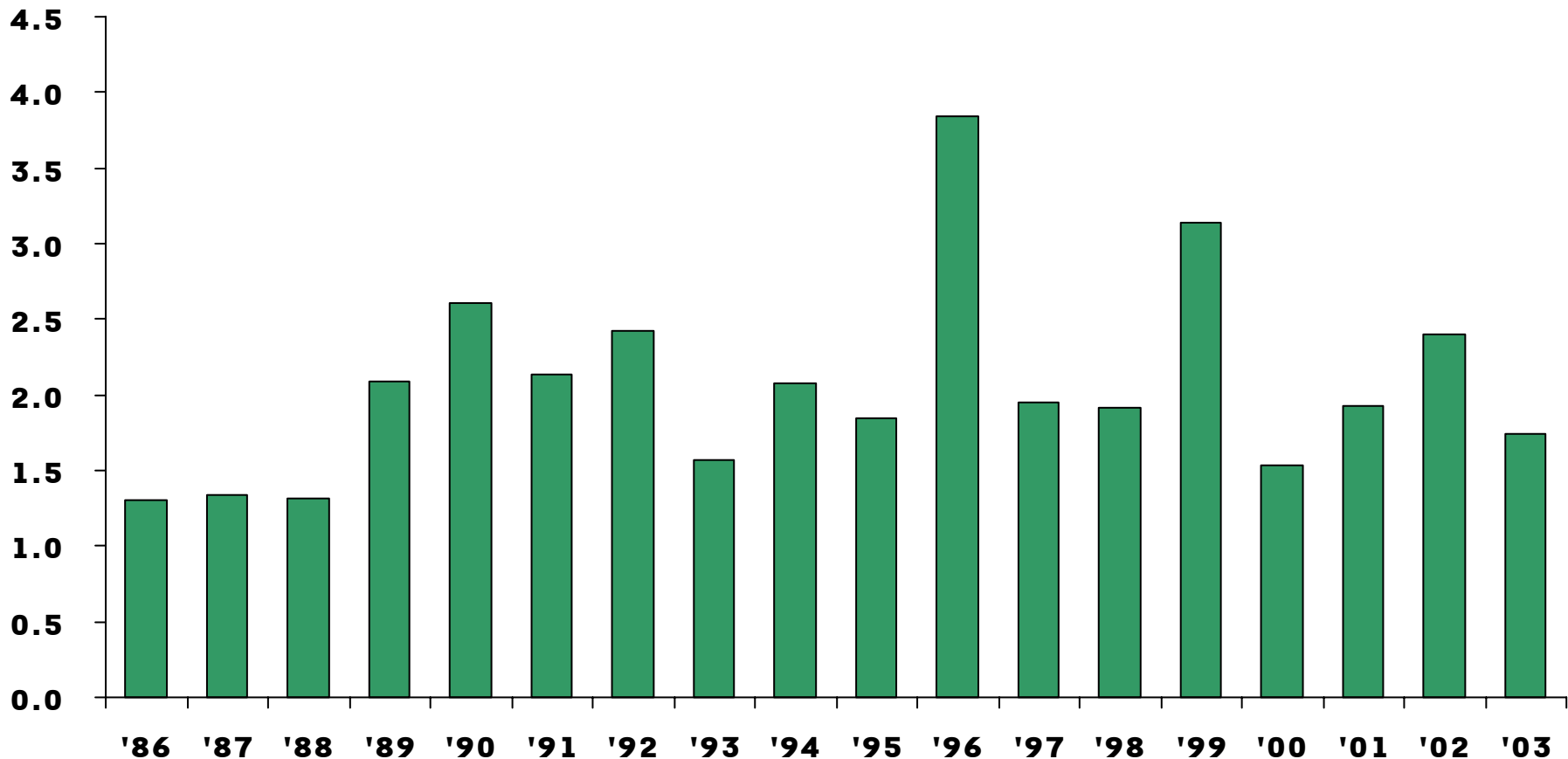


\*Excluding merger costs and other one-time items.

# Ratios

(based on amounts as initially reported)

Cash Flow from Ops to Net Income = 1.5x to 2x

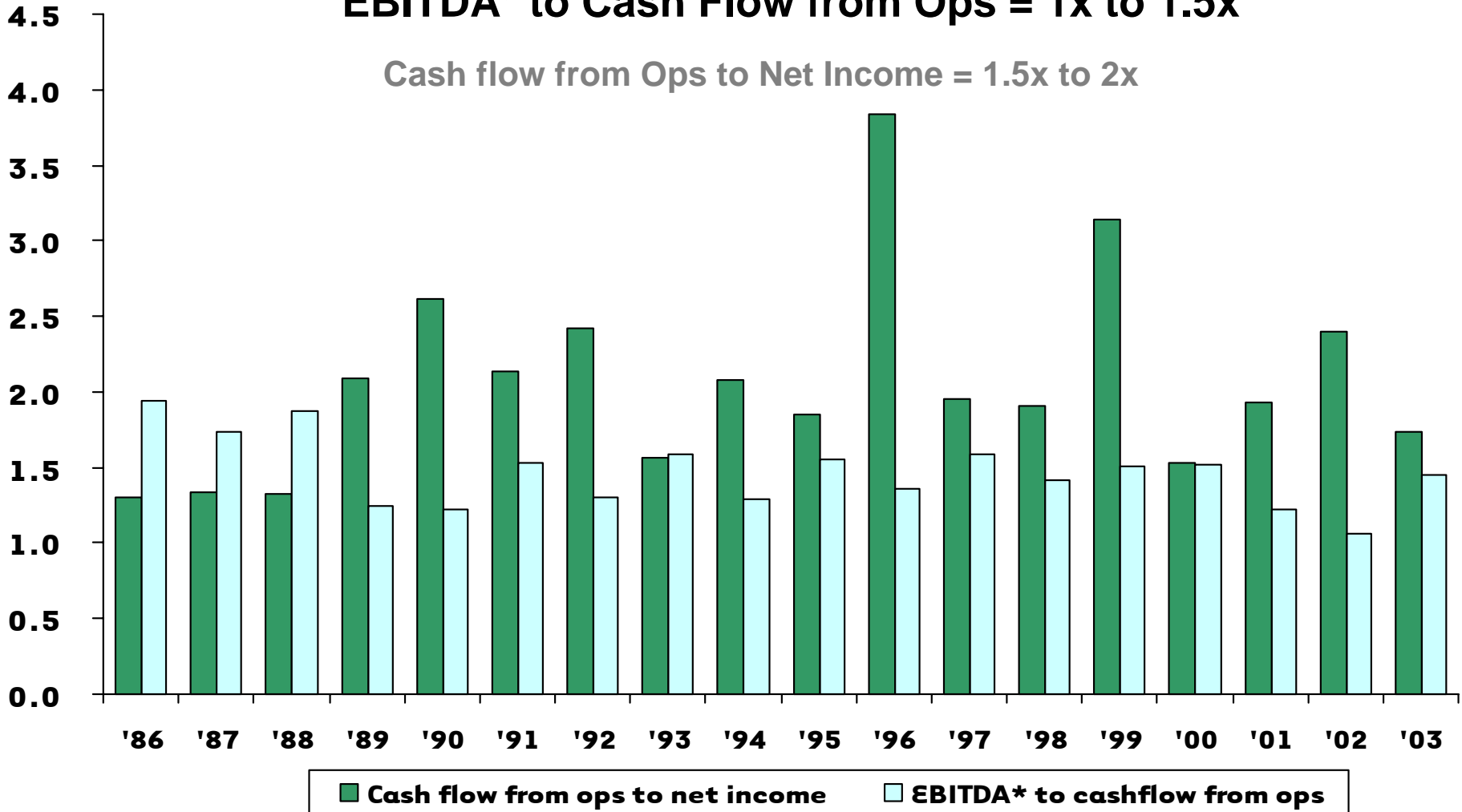


# Ratios

(based on amounts as initially reported)

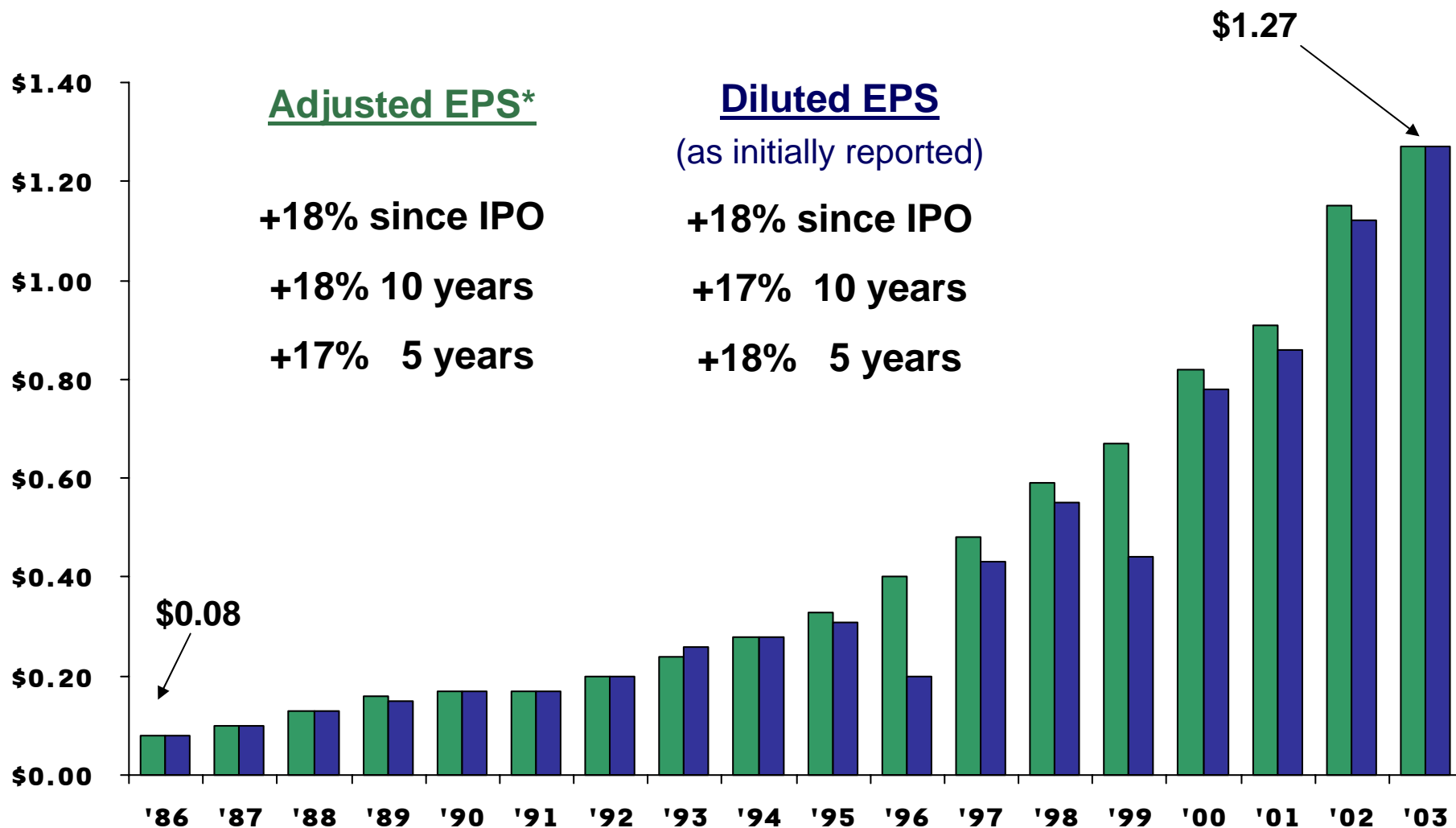
**EBITDA\* to Cash Flow from Ops = 1x to 1.5x**

Cash flow from Ops to Net Income = 1.5x to 2x



\*Excluding merger costs and other one-time items.

# SunGard EPS Growth

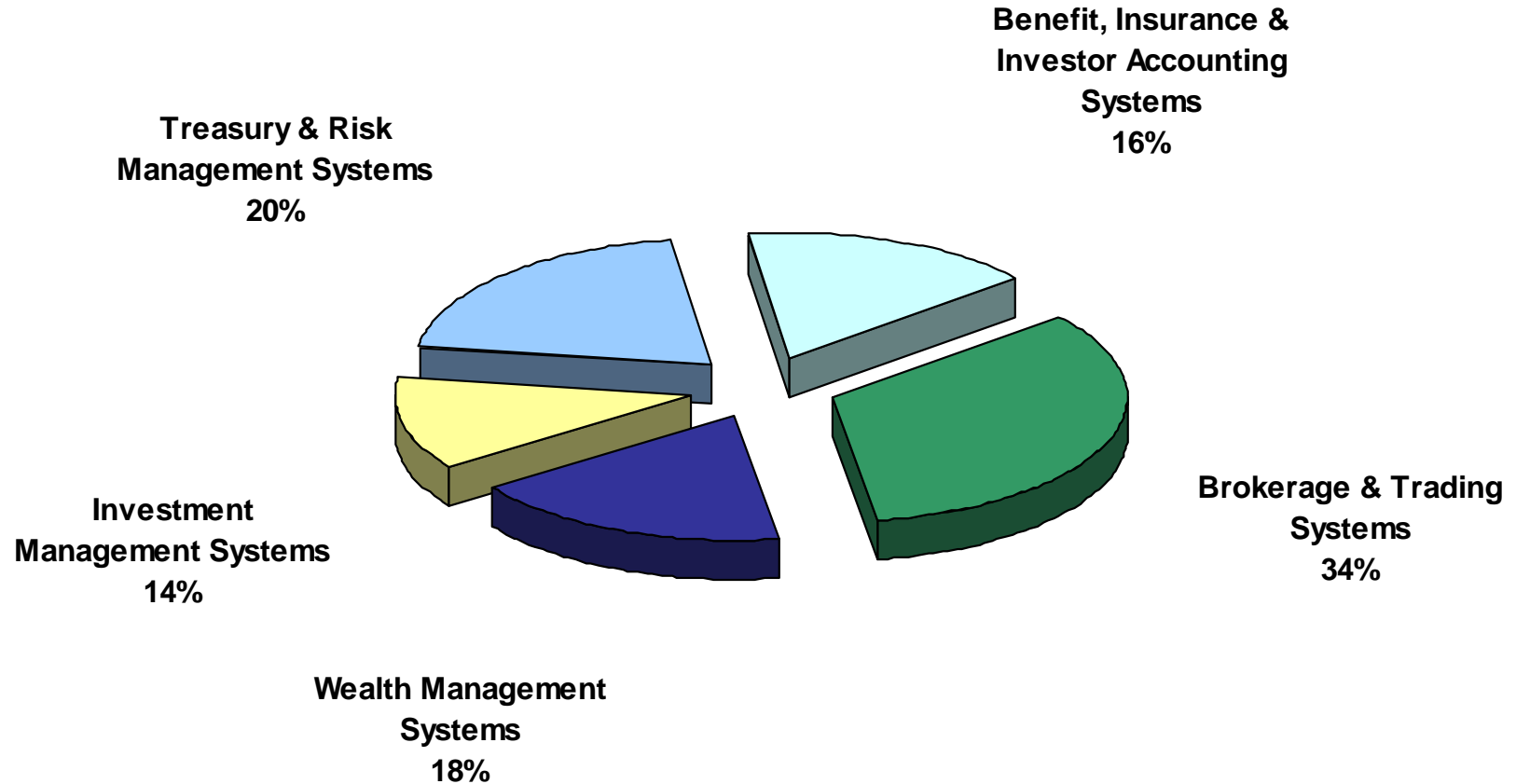


\*Adjusted EPS excludes merger costs and other one time items.

# ISS Revenue by Area

(as currently defined)

# 2003



## Geographic Mix

