



Broadridge™

Broadridge Financial Solutions, Inc.

**Earnings Webcast & Conference Call
Presentation**

Third Quarter Fiscal Year 2008

May 8, 2008

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, such as our fiscal year 2008 financial guidance, and which may be identified by the use of words like “expects,” “assumes,” “projects,” “anticipates,” “estimates,” “we believe,” “could be” and other words of similar meaning, 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, 2007 (the “2007 Annual Report”). Any forward-looking statements are qualified in their entirety by reference to the factors discussed in the 2007 Annual Report. These risks include: Broadridge’s success in retaining and selling additional services to its existing clients and obtaining new clients; the pricing of Broadridge’s products and services; changes in laws affecting the investor communication services provided by Broadridge; changes in laws regulating registered clearing agencies and broker-dealers; declines in trading volume, market prices, liquidity of securities markets or proprietary trading activity; Broadridge’s ability to continue to obtain data center services from its former parent company, Automatic Data Processing, Inc. (“ADP”); Broadridge’s debt levels and financing costs, including the impact of its credit ratings on such costs; the ability of Broadridge to develop brand recognition and its reputation with its clients and employees following its separation from ADP in March 2007; the incurrence of additional costs attributable to Broadridge’s operations as a stand-alone public company; changes in technology; availability of skilled technical employees; the impact of new acquisitions and divestitures; competitive conditions; and overall market and economic conditions. Broadridge disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Today's Agenda

- Opening Remarks Rich Daly, CEO
- 3rd Quarter & YTD FY 2008 Results Dan Sheldon, CFO
- Fiscal Year 2008 Guidance Update Rich Daly, CEO
- Summary Rich Daly, CEO
- Q&A Rich Daly, CEO
Dan Sheldon, CFO
Marvin Sims, VP Investor Relations
- Closing Remarks Rich Daly, CEO

Note:
For a reconciliation of Non-GAAP to GAAP measures used in this presentation, please see the attached Appendix

Opening Remarks – Outline

■ Key Topics:

- Financial results for the third quarter
 - Increasing our full year EPS guidance
 - Revenues and earnings for quarter are directly in line with expectations
 - As anticipated year-over-year quarterly earnings and margins are down as a result of previously announced large client losses in fiscal year 2007 and investments
 - Closed sales are ahead of fiscal year 2008 plan and last year
 - We expect our sales pipeline to remain very strong
 - Broadridge is not in control of the markets we serve, but we are definitely in control of our business

Opening Remarks – Outline

■ Key Topics:

- Investor Communication business overview:
 - Investor Communication Solutions our largest segment, historically responsible for over 70% of our annual revenues and earnings, is growing
 - Business is extending market leadership position
 - Grew over previously announced fiscal year 2007 client loss
 - The recurring core business is performing well
 - Event-driven revenue in line with “flat” expectations
 - Sales have been very strong this year
 - Notice and Access providing opportunities

Opening Remarks – Outline

■ Key Topics:

➤ Securities Processing business overview:

- Business is performing better than anticipated for the year given 1st half trades per day growth
- Current market conditions present both opportunities and challenges
- Successful implementation consolidating RBC's retail and institutional securities processing platforms

➤ Clearing and Outsourcing business overview:

- Over the next 3 years, we're expecting Clearing and Outsourcing to double its size
- Operating at expected levels except for impact from interest rate reduction
- Added 3 new outsourcing client sales for a total of 7 year-to-date

Broadridge Results – 3Q & YTD FY 2008

- **Q3 - Revenue ↑ 1% to \$499M (without distribution fee ↑ 1%)**
- **YTD - Revenue ↑ 4% to \$1,415M (without distribution fee ↑ 6%)**
 - Q3 Fiscal 2008 revenue growth building blocks:
 - Sales contributed 3% - (YTD = 2%)
 - Losses reduced growth by 5% - (YTD = 5%)
 - Internal growth contributed 2% - (YTD = 4%)
 - Other/FX contributed 1% - (YTD = 3%)
- **Q3 - Pre-tax Earnings ↓15% to \$60M, and Pre-tax Margin of 12.0%, ↓ 220 bps - Non-GAAP ⁽¹⁾**
 - ↓ 31% to \$48M and Pre-tax Margin of 9.7%, ↓ 450 bps - GAAP
- **YTD - Pre-tax Earnings ↑16% to \$190M, and Pre-tax Margin 13.4%, ↑ 140 bps - Non-GAAP ⁽¹⁾**
 - ↓ 5% to \$155M and Pre-tax Margin of 10.9% ↓ 100 bps - GAAP
- **Q3 - Diluted Earnings Per Share ↓ 13% to \$0.26 – Non-GAAP ⁽¹⁾**
 - ↓ 30% to \$0.21 – GAAP
 - Slightly more shares outstanding
- **YTD - Diluted Earnings Per Share ↑ 14% to \$0.82 – Non-GAAP ⁽¹⁾**
 - ↓ 6% to \$0.67 – GAAP

Note:

(1) - Non-GAAP excludes Spin-off expense adjustments for one-time transition expenses & interest on new debt

Segments Results – 3Q & YTD FY 2008

■ Investor Communication Solutions

(\$ in millions)	3Q Actual	3Q YTD Actual	FY08 Range	
			Low	High
Revenues	\$343	\$945	\$1,566	\$1,594
Growth Rate	1%	1%	1%	3%
Fee Revenues	\$157	\$446	\$751	\$766
Growth Rate	1%	2%	3%	5%
Recurring (RC)	3%	2%	5%	5%
Event-driven (ED)	-2%	0%	-2%	0%
Distribution Revenue Growth Rate	1%	0%	-1%	1%

➤ Fee Revenues

- Recurring Fee Revenues
 - Net new business YTD ↓ \$12M (sales \$9M and losses -\$21M)
 - Notice and Access not material impact YTD, positive impact in Q4
 - Internal Growth ↑ \$20M YTD
 - Transaction Reporting (statements/confirmations) & Fulfillment up over 10%
 - Mutual Fund Interims stock record growth up 9%
 - Equity Proxy stock record growth ↓ 1%, forecasted positive Q4
- Event-driven Fee Revenues positively impacted by Mutual Fund Registered Proxy offset by shrinkage in Equity Proxy Contest and M&A activity

➤ Q3 Margins of 9.4% ↑ 20 bps due to operating leverage

➤ YTD Margins of 9.5% ↑ 180 bps, due to operating leverage, a favorable mix of distribution fees and one-time items - *Non-GAAP*

Segments Results – 3Q & YTD FY 2008

■ Securities Processing Solutions

➤ Q3 Revenues ↓ 4% to \$129M

- Net new business contributed -4% (Sales of 3% offset by losses of 7% – impact of previously announced fiscal year 2007 client loss)
- Internal Growth contributed .4%
 - Equity Trades Per Day (TPD) ↑ 4% to slightly over 2.5M TPD
 - Fixed income TPD – ↑ 20% to 248K TPD

➤ YTD Revenues ↑ 2% to \$381M - *Non-GAAP*

- Net new business contributed -4% (Sales of 3% offset by losses of 7%)
- Internal Growth contributed 6%
 - Equity TPD ↑ 19% to 2.5M TPD (Q1 ↑ 37%, Q2 ↑ 19%)
 - Fixed Income TPD ↑ 19% to 226K TPD (Q1 ↑ 21%, Q2 ↑ 16%)

➤ Q3 Margins of 27.9% ↓ 520 bps

- Decline driven by previously announced client loss and higher investments

➤ YTD Margins of 28.8% ↓ 40 bps - *Non-GAAP*

- Revenue growth offset by incremental investments

Segments Results – 3Q & YTD FY 2008

■ Clearing and Outsourcing Solutions

- Q3 Revenues ↓ 1% to \$23M
 - Sales contributed 12% to growth
 - Previously announced client loss reduced growth by 12%
 - Internal growth contributed ↓ 1% (TPD up and net interest income down)
- YTD Revenues ↑ 6% to \$72M, primarily from Sales growth of 13%
- Q3 Operating losses at (\$0.5M); improvement of \$0.6M over prior year
- YTD Operating losses reduced by 35% from (\$6.3M) to (\$4.1M) – *Non-GAAP*

■ Other

- Q3 Revenues of \$0.2M generated from interest
- YTD Revenues of \$8M offset expenses
- Q3 Net Other Expense of \$21M is made up of:
 - Interest expense (\$7M) and one-time transition expenses of (\$4M)
 - Investments and Corporate expenses of (\$10M)
- YTD Net Other Expense of \$44M

■ FX

- Q3 Revenues increased \$9M and margins increased by \$4M due to weakening of U.S. dollar
- YTD Revenues increased \$19M and margins increased by \$8M

Broadridge Cash Flow – 3Q YTD FY 2008

Broadridge Financial Solutions, Inc.
Calculation of Free Cash Flow - Non-GAAP
Unaudited
(In millions)

Calculation of Free Cash Flow <i>(Non-GAAP):</i>	Nine Months Ended		
	March 31, 2008		
	Clearing & Outsourcing Segment	All Other Segments	Broadridge Total
Earnings	\$ (3) *	\$ 97	\$ 94
Depreciation and amortization	3	35	38
Deferred taxes	-	(15)	(15)
Stock-based compensation expense	-	24	24
Other	-	5	5
Subtotal	-	146	146
Working capital changes	-	66	66
Securities Clearing Activities	251	-	251
Long-term assets & liabilities changes	-	(3)	(3)
Net cash flow provided by operating activities	251	209	460
Less:			
Capital expenditures	-	(28)	(28)
Intangibles	-	(4)	(4)
Free cash flow	\$ 251	\$ 177	\$ 428
Additional Information:			
Long-term debt payment	\$ -	\$ (135)	\$ (135)
Dividend	\$ -	\$ (25)	\$ (25)
Acquisitions	\$ -	\$ (6)	\$ (6)
Short-term borrowings	\$ (94)	\$ -	\$ (94)
Net Change in Cash and Cash Equivalents	\$ 164	\$ 17	\$ 181

Note:

For a reconciliation of Non-GAAP to GAAP measures please see the attached Appendix

* Segment Earnings before income taxes

Fiscal Year 2008 Guidance & Summary

- Increased our full year EPS guidance range:
 - EPS before one-time transition expenses of \$1.30 - \$1.40 to a new range of \$1.35 - \$1.45 per share (*Non-GAAP*)
 - EPS after one-time transition expenses of \$1.25 - \$1.35 to a new range of \$1.29 - \$1.39 per share (*GAAP*)
- The fourth quarter historically represents approximately 50% of our annual net earnings
- Q3 results in line with expectations despite the difficult times in the markets we serve
- Investor Communication Solutions segment continues to generate recurring revenue growth in core business
- Expanded our strategic efforts and resources
- Free cash flow remains very strong

Q&A

There are no slides during this portion of the presentation

Closing Comments

There are no slides during this portion of the presentation

Appendix

Appendix

Broadridge - Fiscal Year 2008 Financial Guidance

- Revenue growth of 2% - 4%
- Diluted Earnings Per Share
 - Before one-time transition expenses of \$1.35 - \$1.45 – *Non-GAAP*
 - After one-time transition expenses of \$1.29 - \$1.39 – *GAAP*
- Earnings before interest and taxes margins (excluding one-time transition expenses) of 15.8% - 16.5%
- Interest expense of \$32M - \$35M
- Effective Tax Rate of approximately 39%
- One-time transition expenses of approximately \$14M (after tax \$8M)
- Strong cash flows with intent to pay down debt, pay dividends, acquisitions and no contemplated share buybacks in fiscal year 2008
- Diluted weighted-average shares of approximately 141 million

Segments – Fiscal Year 2008 Financial Guidance

- Investor Communication:
 - Revenues 1% - 3%
 - Margins 15.5% - 16.4%

- Securities Processing:
 - Revenues flat to 1%
 - Margins 25.8% - 26.8%

- Clearing and Outsourcing:
 - Revenues 3% - 4%
 - Operating losses at \$4M - \$5M

GAAP to Non-GAAP Earnings Reconciliation

Broadridge Financial Solutions, Inc.
Reconciliation of GAAP to Non-GAAP Measures
Earnings, Margins and Per Share Reconciliation
(In millions except per share and margin data)
(unaudited)

	<u>Three months ended March 31, 2008</u>				<u>Three months ended March 31, 2007</u>			
	Earnings before income taxes	Pretax margins	Net earnings	Net earnings per share	Earnings before income taxes	Pretax margins	Net earnings	Net earnings per share
GAAP basis measures	\$ 48.4	9.7%	\$ 29.5	\$ 0.21	\$ 69.9	14.2%	\$ 41.9	\$ 0.30
Non-GAAP adjustments:								
One-time transition expenses	4.2	0.8%	2.5	0.02	-	-	-	-
Interest on new debt & other	7.3	1.5%	4.5	0.03	0.2	-	0.1	-
Total Non-GAAP adjustments	11.5	2.3%	7.0	0.05	0.2	-	0.1	-
Non-GAAP measures	<u>\$ 59.9</u>	<u>12.0%</u>	<u>\$ 36.5</u>	<u>\$ 0.26</u>	<u>\$ 70.1</u>	<u>14.2%</u>	<u>\$ 42.0</u>	<u>\$ 0.30</u>

	<u>Nine months ended March 31, 2008</u>				<u>Nine months ended March 31, 2007</u>			
	Earnings before income taxes	Pretax margins	Net earnings	Net earnings per share	Earnings before income taxes	Pretax margins	Net earnings	Net earnings per share
GAAP basis measures	\$ 154.8	10.9%	\$ 94.4	\$ 0.67	\$ 162.3	11.9%	\$ 98.4	\$ 0.71
Non-GAAP adjustments:								
One-time transition expenses	9.8	0.7%	5.9	0.04	-	-	-	-
Interest on new debt & other	25.7	1.8%	15.7	0.11	1.8	0.1%	1.1	0.01
Total Non-GAAP adjustments	35.5	2.5%	21.6	0.15	1.8	0.1%	1.1	0.01
Non-GAAP measures	<u>\$ 190.3</u>	<u>13.4%</u>	<u>\$ 116.0</u>	<u>\$ 0.82</u>	<u>\$ 164.1</u>	<u>12.0%</u>	<u>\$ 99.5</u>	<u>\$ 0.72</u>

Note:

Management believes that certain Non-GAAP (generally accepted accounting principles) measures, when presented in conjunction with comparable GAAP measures provide investors a more complete understanding of Broadridge's underlying operational results. These Non-GAAP measures are indicators that management uses to provide additional meaningful comparisons between current results and prior reported results, and as a basis for planning and forecasting for future periods. These measures should be considered in addition to, and not a substitute for the measures of financial performance prepared in accordance with GAAP.

GAAP to Non-GAAP Free Cash Flow Reconciliation

Broadridge Financial Solutions, Inc.
Calculation of Free Cash Flow - Non-GAAP
(In millions)
(Unaudited)

	<u>Net Cash Flow Provided by (Used in) Operating Activities</u>	<u>Less: Capital Expenditures and Intangibles</u>	<u>Free Cash Flow</u>
Nine Months ended March 31, 2008	\$460	(\$32)	\$428

Free cash flows is defined as net cash flow provided by (used in) operating activities, less capital expenditures and intangibles.

Note:

Management believes that certain Non-GAAP (generally accepted accounting principles) measures, when presented in conjunction with comparable GAAP measures provide investors a more complete understanding of Broadridge's underlying operational results. These Non-GAAP measures are indicators that management uses to provide additional meaningful comparisons between current results and prior reported results, and as a basis for planning and forecasting for future periods. These measures should be considered in addition to, and not a substitute for the measures of financial performance prepared in accordance with GAAP.

Intersegment Transfer Pricing Reconciliation

Broadridge Financial Solutions, Inc.
Intersegment Transfer Price Reconciliation
(\$ In millions except margin data)
(Unaudited)

	Three months ended		Nine months ended	
	March 31,		March 31,	
	2008	2007	2008	2007
<u>Investor Communication Solutions</u>				
Net revenue as reported	\$ 342.9	\$ 339.7	\$ 945.2	\$ 934.8
Transfer pricing adjustment	-	-	-	(2.0)
Net revenue as Adjusted - Non-GAAP	<u>\$ 342.9</u>	<u>\$ 339.7</u>	<u>\$ 945.2</u>	<u>\$ 932.8</u>
EBIT as reported	\$ 32.4	\$ 31.3	\$ 89.4	\$ 72.6
Transfer pricing adjustment	-	-	-	(0.7)
EBIT as Adjusted - Non-GAAP	<u>\$ 32.4</u>	<u>\$ 31.3</u>	<u>\$ 89.4</u>	<u>\$ 71.9</u>
<i>Margin % as reported</i>	9.4%	9.2%	9.5%	7.8%
<i>Margin % as adjusted - Non-GAAP</i>	9.4%	9.2%	9.5%	7.7%
<u>Securities Processing Solutions</u>				
Net revenue as reported	\$ 129.0	\$ 134.8	\$ 381.0	\$ 379.0
Transfer pricing adjustment	-	-	-	(6.0)
Net revenue as Adjusted - Non-GAAP	<u>\$ 129.0</u>	<u>\$ 134.8</u>	<u>\$ 381.0</u>	<u>\$ 373.0</u>
EBIT as reported	\$ 36.0	\$ 44.6	\$ 109.8	\$ 113.2
Transfer pricing adjustment	-	-	-	(4.3)
EBIT as Adjusted - Non GAAP	<u>\$ 36.0</u>	<u>\$ 44.6</u>	<u>\$ 109.8</u>	<u>\$ 108.9</u>
<i>Margin % as reported</i>	27.9%	33.1%	28.8%	29.9%
<i>Margin % as adjusted - Non-GAAP</i>	27.9%	33.1%	28.8%	29.2%
<u>Clearing and Outsourcing Solutions</u>				
Net revenue as reported	\$ 22.9	\$ 23.2	\$ 72.3	\$ 68.2
Transfer pricing adjustment	-	-	-	-
Net revenue as Adjusted - Non-GAAP	<u>\$ 22.9</u>	<u>\$ 23.2</u>	<u>\$ 72.3</u>	<u>\$ 68.2</u>
EBIT as reported	\$ (0.5)	\$ (1.1)	\$ (4.1)	\$ (11.3)
Transfer pricing adjustment	-	-	-	5.0
EBIT as Adjusted - Non-GAAP	<u>\$ (0.5)</u>	<u>\$ (1.1)</u>	<u>\$ (4.1)</u>	<u>\$ (6.3)</u>
<i>Margin % as reported</i>	-2.2%	-4.7%	-5.7%	-16.6%
<i>Margin % as adjusted - Non-GAAP</i>	-2.2%	-4.7%	-5.7%	-9.2%

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