FIRST DATA CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(in millions, except per share amounts)

	Three Months Ended June 30,		
	2005	2004	Change
Revenues:			
Transaction and processing service fees:			
Payment Services	$1,039.7	$904.9	15%
Merchant Services	760.6	734.4	4%
Check verification and guarantee services	92.3	102.8	-10%
Card Issuing Services	396.2	429.0	-8%
All other	31.3	29.4	6%
Investment income, net	(14.7)	47.0	NM
Professional services	22.0	26.0	-15%
Software licensing and maintenance	15.1	16.3	-7%
Product sales and other	110.7	96.0	15%
Reimbursable postage and other	158.3	143.3	10%
	2,611.5	2,529.1	3%
Expenses:			
Cost of services	1,403.7	1,284.4	9%
Cost of products sold	58.6	57.6	2%
Selling, general and administrative	408.1	419.3	-3%
Reimbursable postage and other	158.3	143.3	10%
Other operating expenses:			
Restructuring, net	10.2	4.6	NM
Impairments	0.2	1.2	NM
Litigation and regulatory settlements	-	15.4	NM
Other	11.4	-	NM
	2,050.5	1,925.8	6%
Operating profit	561.0	603.3	-7%
Other income (expense):			
Interest income	4.6	5.8	-21%
Interest expense	(55.0)	(31.0)	77%
Investment gains and (losses)	(0.6)	(0.4)	NM
Divestitures, net	0.2	-	NM
	(50.8)	(25.6)	NM
Income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	510.2	577.7	-12%
Income taxes	130.6	126.9	3%
Minority interest	(37.1)	(28.4)	31%
Equity earnings in affiliates	49.4	41.5	19%
Income from continuing operations	391.9	463.9	-16%

Income from discontinued operations, net of taxes of $0 and $6.9, respectively (a)	-	2.1	NM
Net income	$391.9	$466.0	-16%
Earnings per share from continuing operations:			
Basic	$0.51	$0.54	-6%
Diluted	$0.50	$0.53	-6%
Earnings per share:			
Basic	$0.51	$0.54	-6%
Diluted	$0.50	$0.53	-6%
Weighted-average shares outstanding:			
Basic	774.1	866.0	-11%
Diluted	782.8	881.9	-11%
Shares outstanding at end of period	771.6	857.5	-10%

(See accompanying notes)

FIRST DATA CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(in millions, except per share amounts)

	Six Months Ended June 30,		
	2005	2004	Change
Revenues:			
Transaction and processing service fees:			
Payment Services	$2,016.2	$1,758.0	15%
Merchant Services	1,443.3	1,309.3	10%
Check verification and guarantee services	186.3	200.6	-7%
Card Issuing Services	806.0	808.0	0%
All other	63.5	68.6	-7%
Investment income, net	(27.3)	96.9	NM
Professional services	43.8	48.6	-10%
Software licensing and maintenance	28.2	32.0	-12%
Product sales and other	212.9	172.2	24%
Reimbursable postage and other	318.5	293.3	9%
	5,091.4	4,787.5	6%
Expenses:			
Cost of services	2,755.3	2,467.8	12%
Cost of products sold	118.2	104.5	13%
Selling, general and administrative	798.6	776.1	3%
Reimbursable postage and other	318.5	293.3	9%
Other operating expenses:			
Restructuring, net	10.2	36.8	NM
Impairments	(0.8)	6.9	NM
Litigation and regulatory settlements	0.1	15.4	NM
Other	11.4	25.0	NM
	4,011.5	3,725.8	8%

Operating profit	1,079.9	1,061.7	2%
Other income (expense):			
Interest income	9.5	11.2	-15%
Interest expense	(103.1)	(62.1)	66%
Investment gains and (losses)	22.2	(2.2)	NM
Divestitures, net	6.5	265.1	NM
	(64.9)	212.0	NM
Income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	1,015.0	1,273.7	-20%
Income taxes	274.0	345.5	-21%
Minority interest	(67.8)	(56.7)	20%
Equity earnings in affiliates	93.2	72.3	29%
Income from continuing operations	766.4	943.8	-19%
Income from discontinued operations, net of taxes of $0 and $9.6, respectively (a)	-	5.7	NM
Net income	$766.4	$949.5	-19%
Earnings per share from continuing operations:			
Basic	$0.98	$1.15	-15%
Diluted	$0.97	$1.13	-14%
Earnings per share:			
Basic	$0.98	$1.15	-15%
Diluted	$0.97	$1.13	-14%
Weighted-average shares outstanding:			
Basic	783.9	823.4	-5%
Diluted	793.3	837.0	-5%
Shares outstanding at end of period	771.6	857.5	-10%

(See accompanying notes)

FIRST DATA CORPORATION
SUMMARY SEGMENT DATA
(Unaudited)
(in millions)

	Three Months Ended June 30,		
	2005	2004	Change
Revenues:			
Payment Services	$1,088.9	$1,010.4	8%

Merchant Services	1,024.2	996.6	3%
Card Issuing Services	598.3	597.6	0%
Subtotal segment revenues	2,711.4	2,604.6	4%
All Other and Corporate	53.2	63.2	-16%
	2,764.6	2,667.8	4%
Adjustments for items included in segment and All Other and Corporate revenues: (b)			
Equity earnings in affiliates (c)	(58.2)	(50.6)	15%
Interest income	(4.6)	(5.8)	-21%
Eliminations (e)	(90.3)	(82.3)	NM
Consolidated revenue	$2,611.5	$2,529.1	3%
Operating profit: (f)			
Payment Services	$339.1	$340.9	-1%
Merchant Services	237.6	238.5	0%
Card Issuing Services	118.7	134.5	-12%
Subtotal segment operating profit	695.4	713.9	-3%
All Other and Corporate	(33.4)	(24.6)	-36%
	662.0	689.3	-4%
Adjustments for items included in segment and All Other and Corporate operating profit: (b)			
Equity earnings in affiliates	(49.4)	(41.5)	19%
Minority interest from segment operations (g)	37.1	36.3	2%
Eliminations (e)	(62.3)	(53.8)	NM
Interest expense	(55.0)	(31.0)	77%
Items excluded from segment operations (h)	(22.2)	(21.6)	NM
Income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	$510.2	$577.7	-12%
Depreciation & Amortization:			
Payment Services	$27.6	$25.1	10%
Merchant Services	94.7	98.9	-4%
Card Issuing Services	65.8	63.6	3%
All Other and Corporate	6.8	6.5	5%
Consolidated depreciation & amortization	$194.9	$194.1	0%

(See accompanying notes)

FIRST DATA CORPORATION
SUMMARY SEGMENT DATA
(Unaudited)

(in millions)

	Six Months Ended June 30,		
	2005	2004	Change
Revenues:			
Payment Services	$2,112.4	$1,968.6	7%
Merchant Services	1,959.2	1,740.7	13%
Card Issuing Services	1,201.5	1,155.6	4%
Subtotal segment revenues	5,273.1	4,864.9	8%
All Other and Corporate	114.9	127.8	-10%
	5,388.0	4,992.7	8%
Adjustments for items included in segment and All Other and Corporate revenues: (b)			
Equity earnings in affiliates (c)	(110.9)	(89.3)	24%
Interest income	(9.5)	(11.2)	-15%
Divested business (d)	-	58.1	NM
Eliminations (e)	(176.2)	(162.8)	NM
Consolidated revenue	$5,091.4	$4,787.5	6%
Operating profit: (f)			
Payment Services	$653.4	$669.5	-2%
Merchant Services	422.8	392.3	8%
Card Issuing Services	227.5	232.4	-2%
Subtotal segment operating profit	1,303.7	1,294.2	1%
All Other and Corporate	(49.1)	(42.7)	-15%
	1,254.6	1,251.5	0%
Adjustments for items included in segment and All Other and Corporate operating profit: (b)			
Equity earnings in affiliates	(93.2)	(72.3)	29%
Divested business (d)	-	11.2	NM
Minority interest from segment operations (g)	67.8	70.7	-4%
Eliminations (e)	(118.9)	(104.1)	NM
Interest expense	(103.1)	(62.1)	66%
Items excluded from segment operations (h)	7.8	178.8	NM
Income before income taxes, minority interest, equity earnings in affiliates and discontinued operations	$1,015.0	$1,273.7	-20%
Depreciation & Amortization:			
Payment Services	$56.5	$49.9	13%

Merchant Services	188.9	169.1	12%
Card Issuing Services	131.3	121.4	8%
All Other and Corporate	13.6	13.6	0%
Divested business	-	2.7	NM
Consolidated depreciation & amortization	$390.3	$356.7	9%

(See accompanying notes)

FIRST DATA CORPORATION
NOTES TO FINANCIAL SCHEDULES
(Unaudited)

(a) Discontinued operations consist of NYCE.

(b) Reconciles the total segment and All Other and Corporate revenue to consolidated revenue or total segment and All Other and Corporate operating profit to income before income taxes, minority interest, equity earnings in affiliates and discontinued operations as reported on the Consolidated Statements of Income.

(c) Excludes equity losses that were recorded in expense of $0.2 million and $0.8 million for the three and six months ended June 30, 2005 and $1.7 million and $2.1 million for the three and six months ended June 30, 2004, respectively, and the amortization related to the excess of the investment balance over the Company's proportionate share of the investee's net book value for 2005 and 2004.

(d) The Company sold its 67% owned subsidiary, Global Cash Access, ("GCA") in March 2004. Revenue and operating profit associated with GCA are excluded from segment results.

(e) Represents elimination of adjustment to record Payment Services segment revenues and operating profit on a pretax equivalent basis and elimination of intersegment revenue.

(f) Segment and All Other and Corporate operating profit includes interest income, minority interest from segment operations, equity earnings in affiliates net of related amortization expense and the allocation of corporate overhead. Segment and All Other and Corporate operating profit excludes items discussed in note (h) below and interest expense.

(g) Minority interest from segment operations excludes minority interest attributable to items excluded from segment operations discussed in note (h) below.

(h) Items, other than interest expense, excluded from segment operations consist of the following:

(in millions)	Three months ended June 30, 2005	Six months ended June 30, 2005	
			Restructuring charges of $11.7 million were recorded in the three months ended June 30, 2005, partially offset with

Restructuring, net	$(10.2)	$(10.2)	reversals of excess restructuring accruals of $1.5 million for the three months.
Impairments	(0.2)	0.8	A gain was recorded for the six months ended June 30, 2005 due to the subsequent sale of assets previously impaired, partially offset by an impairment of software.
Litigation and regulatory settlements	-	(0.1)	Charges recorded during the six months ended June 30, 2005 relate to a regulatory settlement of $1.5 million in the Payment Services segment offset by the reversal of an unutilized reserve established in 2000 for the settlement of a lawsuit also in the Payment Services segment.
Investment gains and (losses)	(0.6)	22.2	A gain of $21.4 million on the sale of CheckFree Corporation common stock was recorded during the six months ended June 30, 2005 as well as the sale and impairment of other strategic investments.
Divestitures, net	0.2	6.5	A gain on the sale of a small business was recorded and certain excess divestiture accruals were reversed due to the expiration of certain contingencies during the three and six months ended June 30, 2005.
Other	(11.4)	(11.4)	Other charges relate to inaccurate allocations among clients of pass through billings, the majority of which related to 2004.
	(22.2)	7.8	
Minority interest	-	-	
	$(22.2)	$7.8	

(in millions)	Three months ended June 30, 2004	Six months ended June 30, 2004	
			Restructuring charges of $5.9 million and $38.2 million were recorded in the three and six months ended June 30,

Restructuring, net	$(4.6)	$(36.8)	2004, offset with reversals of excess restructuring accruals of $1.3 million and $1.4 million for three and six months, respectively.
Impairments	(1.2)	(6.9)	Impairment charges were recorded for the three and six months ended June 30, 2004 related primarily to software and goodwill as a result of business restructuring.
Litigation and regulatory settlements	(15.4)	(15.4)	A litigation charge of $15.4 million was recorded in the second quarter related to the anticipated settlement of a lawsuit.
Investment gains and (losses)	(0.4)	(2.2)	Investment losses primarily related to e-commerce businesses and strategic investments.
Divestitures, net	-	265.1	Divestitures related to the gain on the sale of GCA and the release of $1.3 million of divestiture accruals related to the expiration of certain contingencies.
Other	-	(25.0)	Other related to adjustments for TeleCheck accounting entries that originated primarily during 2002 and 2003.
	(21.6)	178.8	
Minority interest	7.9	14.0	
	$(13.7)	$192.8	

NM = Not meaningful.

FIRST DATA CORPORATION
FINANCIAL TRANSACTION PROCESSING
KEY INDICATORS
(Unaudited)
(in millions)

At June 30,	2005	2004	Change
Card accounts on file			
Domestic cards	419.5	385.6	9%
International cards	32.0	31.4	2%
Total	451.5	417.0	8%

For the Three Months Ended June 30:

Payment Services transactions:			
Consumer-to-consumer money transfer (a)	**28.75**	**23.92**	**20%**
Consumer-to-business (b)	**39.01**	**35.93**	**9%**
North America merchant transactions (c)	**5,855.5**	**5,164.0**	**13%**
North America issuer transactions (d)	**1,994.1**	**1,900.4**	**5%**
For the Six Months Ended June 30:			
Payment Services transactions:			
Consumer-to-consumer money transfer (a)	**54.09**	**45.48**	**19%**
Consumer-to-business (b)	**78.60**	**72.44**	**9%**
North America merchant transactions (c)	**11,131.2**	**8,989.8**	**24%**
North America issuer transactions (d)	**3,833.6**	**3,064.7**	**25%**

(a) Consumer-to-consumer money transfer transactions include North America and international consumer money transfer services.

(b) Consumer-to-business transactions include Quick Collect, EasyPay, PhonePay, Paymap's Just-in-Time and Equity Accelerator services, and E Commerce Group's Speedpay transactions directly processed by E Commerce Group.

(c) North America merchant transactions include acquired VISA and MasterCard credit and signature debit, PIN-debit, electronic benefits transactions ("EBT"), and processed-only or gateway customer transactions at the point of sale ("POS"). North America merchant transactions also include acquired ATM transactions, gateway transactions at ATMs, and STAR PIN-debit POS transactions received from other acquirers.

(d) North America issuer transactions include VISA and MasterCard signature debit, STAR ATM, STAR PIN-debit POS, and ATM and PIN-debit POS gateway transactions.

FIRST DATA CORPORATION
SUPPLEMENTAL METRICS
(Unaudited)

At June 30,	**2005**
Card accounts on file (in millions):	
Bankcard	**110.7**
Retail	**243.4**
Debit	**97.4**
Total	**451.5**

For the Three Months Ended June 30:

Money transfer and bill payment:	
Revenue growth	14%
Operating profit growth	19%
Money transfer:	
U.S. consumer-to-consumer same store sales transaction growth (a)	14%
International transaction growth	26%
International revenue growth	20%
Mexico transaction growth	19%
Mexico revenue growth	20%
Consolidated financial metrics (in millions):	
Capital expenditures	$88
Dividends	$47

For the Six Months Ended June 30:

Money transfer and bill payment:	
Revenue growth	13%
Operating profit growth	17%
Money transfer:	
U.S. consumer-to-consumer same store sales transaction growth (a)	13%
International transaction growth	25%
International revenue growth	20%
Mexico transaction growth	18%
Mexico revenue growth	18%
Consolidated financial metrics (in millions):	
Capital expenditures	$194
Dividends	$63

(a) Includes U.S. outbound