

FINANCIAL RESULTS

For the Fourth Quarter
and Fiscal Year
Ended October 31, 2015



Verifone[®]

FORWARD-LOOKING STATEMENTS

Today's discussion may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements relate to future events and expectations and involve known and unknown risks and uncertainties. Verifone's actual results or actions may differ materially from those projected in the forward-looking statements. For a summary of the specific risk factors that could cause results to differ materially from those expressed in the forward-looking statements, please refer to Verifone's filings with the Securities and Exchange Commission, including its annual report on Form 10-K and quarterly reports on Form 10-Q. Verifone is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise.

NON-GAAP FINANCIAL MEASURES

With respect to any non-GAAP financial measures presented in the information, reconciliations of non-GAAP to GAAP financial measures may be found in Verifone's quarterly earnings release as filed with the Securities and Exchange Commission as well as the Appendix to these slides. Management uses non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP. Management believes that these Non-GAAP financial measures help it to evaluate Verifone's performance and to compare Verifone's current results with those for prior periods as well as with the results of peer companies. These non-GAAP financial measures contain limitations and should be considered as a supplement to, and not as a substitute for, or superior to, disclosures made in accordance with GAAP.

INTRODUCTION

Paul Galant

Chief Executive Officer

Verifone[®]

FY15 HIGHLIGHTS



Q4 Performance

Revenue \$514M

5% reported growth,
15% constant currency

EPS \$0.49

11% growth

Operating Margin 14.8%

Increase of 90bps



FY15 Accomplishments

Revenue \$2.001B

7% reported growth,
16% constant currency

Operating Margin 14.3%

Increase of 120bps

\$200M Share Buyback

\$100M repurchased to date



Product

Services

PaaS in 17 countries;
8% constant currency growth

Verifone Engage

Launched in Q4

Mobility

Deployed e-Series mPOS

TRANSFORMATION AND “YEAR OF PRODUCT” RESULTS

Products

Reduced SKUs by ~60%

Divested non-core businesses

Reduced active platforms by ~60%

R&D Engineering

Established global infrastructure

Created centers of excellence

Implemented planning system

Costs

100 cost-saving programs

Re-financed debt \$1.3B

Closed ~75% facilities

BUSINESS IMPLICATIONS

>\$40M run-rate savings

75% reinvested for growth

25% driving margin/EPS

Over 15 product releases

Improving margins

Lower OpEx as % of revenue

Share buyback

TRENDS DRIVING FY16 OUTLOOK

EMV Momentum

5% North America growth in FY16

8M device opportunity

SMB, Hospitality, Petroleum



Global Payments Growth

Accelerated international growth

Investments/improvements in regional franchises

Cash to cashless migration

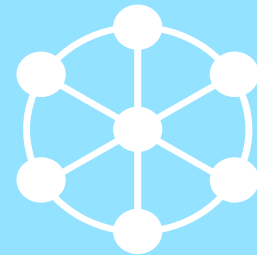


Payments & Commerce Convergence

Connected devices

App Marketplace; digital media; security; omni-commerce

~8% Services growth in FY16



Q4 FINANCIAL RESULTS AND GUIDANCE

Marc Rothman
Chief Financial Officer

Verifone®

NON-GAAP KEY METRICS*

<i>\$ in millions, except EPS</i>	Q414	Q315	Q415	Q415	
				% SEQ Inc(Dec)	% YoY Inc(Dec)
Net Revenues	491	510	514	1%	5%
Gross Margin	207	213	223	5%	8%
<i>% of Revenue</i>	<i>42.3%</i>	<i>41.7%</i>	<i>43.4%</i>	<i>1.7pts</i>	<i>1.1pts</i>
Operating Income	68	72	76	6%	12%
<i>% of Revenue</i>	<i>13.9%</i>	<i>14.0%</i>	<i>14.8%</i>	<i>0.8pts</i>	<i>0.9pts</i>
Net Income*	50	54	56	4%	12%
EPS	0.44	0.47	0.49	4%	11%
Operating Cash Flow*	52	71	81	13%	56%
Free Cash Flow*	29	42	52	25%	78%

* Net Income = Net Income attributable to VeriFone Systems, Inc. stockholders

* Operating Cash Flow = GAAP net cash provided by operating activities

* A reconciliation of our GAAP to Non-GAAP financial measures, including Free Cash Flow, can be found in the appendix section

NON-GAAP NET REVENUES AND GROSS MARGIN*

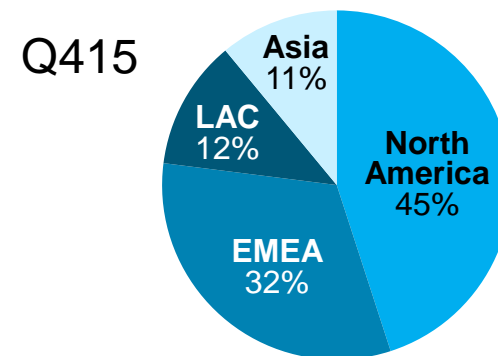
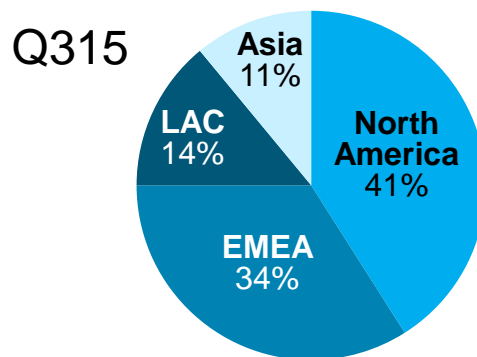
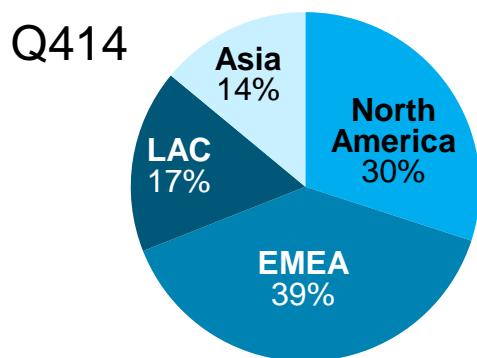
<i>\$ in millions</i>	Q414	Q315	Q415
System Solutions	311	333	339
Services	180	177	175
Total Net Revenues	491	510	514
Services % of Total Net Revenues	37%	35%	34%
	% of Revenue		
	Q414	Q315	Q415
System Solutions	41.5%	41.1%	43.2%
Services	43.6%	42.9%	43.9%
Total Gross Margin %	42.3%	41.7%	43.4%

NON-GAAP OPERATING EXPENSES*

<i>\$ in millions</i>	Q414	Q315	Q415
Research and Development	47	49	50
% of Revenue	10%	10%	10%
Sales and Marketing	50	50	53
% of Revenue	10%	10%	10%
General and Administrative	42	42	44
% of Revenue	9%	8%	9%
Total Operating Expenses	139	141	147
% of Revenue	28.3%	27.7%	28.6%

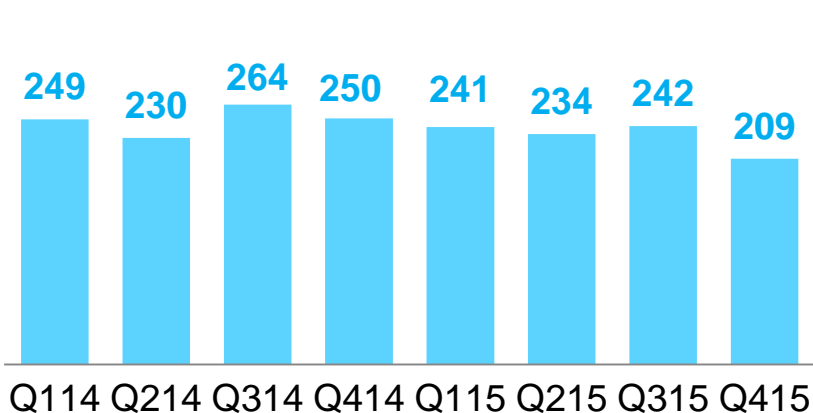
NON-GAAP REVENUES BY GEOGRAPHY*

\$ in millions	Q414	Q315	Q415	Q415		
				% SEQ Inc(Dec)	% YoY Inc(Dec)	YoY Constant Currency Growth
North America	149	209	230	10%	54%	55%
Latin America	82	74	63	(15)%	(23)%	(5)%
EMEA	189	173	164	(5)%	(13)%	(2)%
Asia	70	55	57	4%	(18)%	(3)%
TOTAL	491	510	514	1%	5%	15%

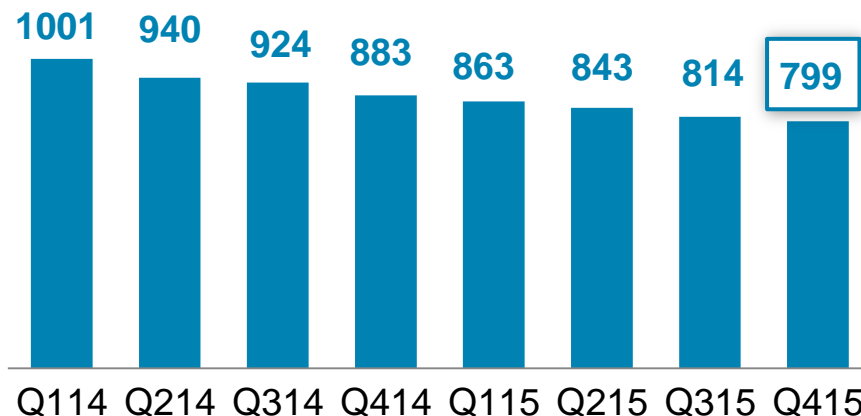


TOTAL CASH, GROSS DEBT* AND NET DEBT* \$ in millions

Total Cash



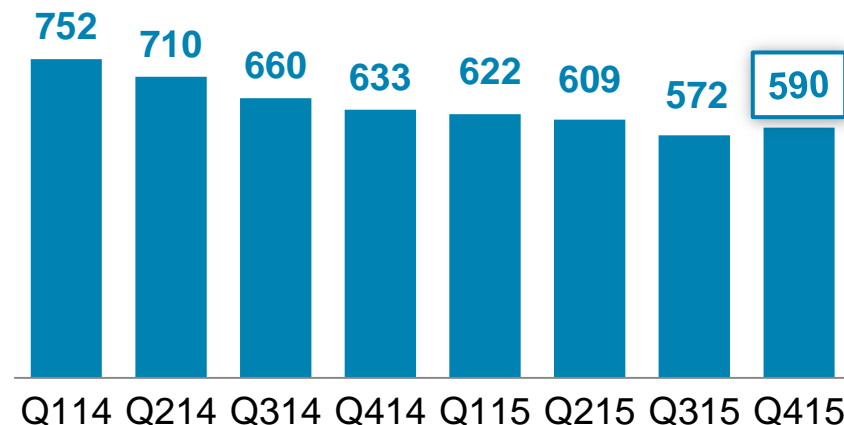
Gross Debt



Debt Statistics – October 31, 2015

- **\$799M Outstanding Debt**
 - Short-term: \$39M
 - Long-term: \$760M
- **Credit Ratings**
 - S&P: BB
 - Moody's: Ba3

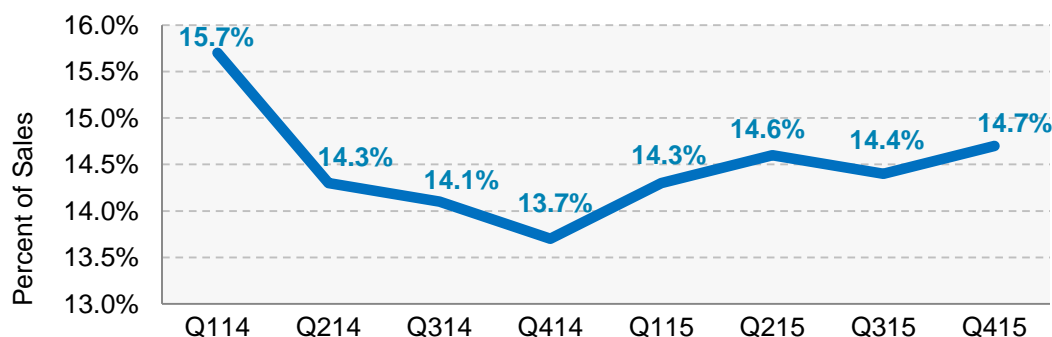
Net Debt



BALANCE SHEET SELECT DATA & WORKING CAPITAL TREND

\$ in millions	Q414		Q315		Q415	
	\$	Days	\$	Days	\$	Days
Accounts Receivables, net	306	56	322	57	362	63
Inventories	124	38	122	38	130	39
Accounts Payable	161	51	150	45	189	59
Cash Conversion Cycle		42		49		44

Working Capital Performance*



Notes:

Accounts Receivable Days is calculated as Accounts Receivable, net divided by Non-GAAP Total Net Revenues multiplied by 90 days

Inventory Days is calculated as Average Inventory divided by Non-GAAP Total Cost of Net Revenues multiplied by 90 days

Accounts Payable Days is calculated as Accounts Payable divided by Non-GAAP Total Cost of Net Revenues multiplied by 90 days

Cash Conversion Cycle is calculated as Accounts Receivable Days plus Inventory Days less Accounts Payable Days

A reconciliation of our GAAP to Non-GAAP total net revenues and GAAP to Non-GAAP total cost of net revenues can be found in the appendix section

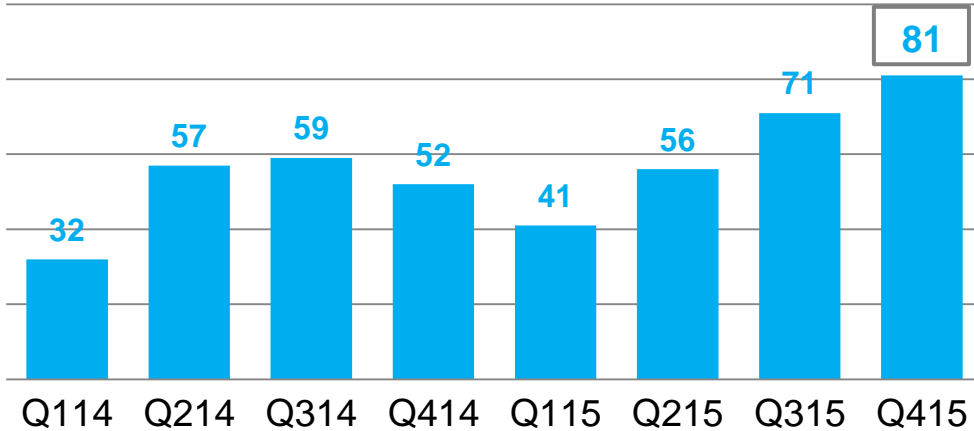
Working Capital Performance, as % of Non-GAAP Total Net Revenues = working capital / quarterly non-GAAP Total Net Revenues annualized

• Working Capital = AR + Inventory – AP

• A reconciliation of our GAAP to Non-GAAP total net revenues can be found in the appendix section

CASH FLOW *\$ in millions*

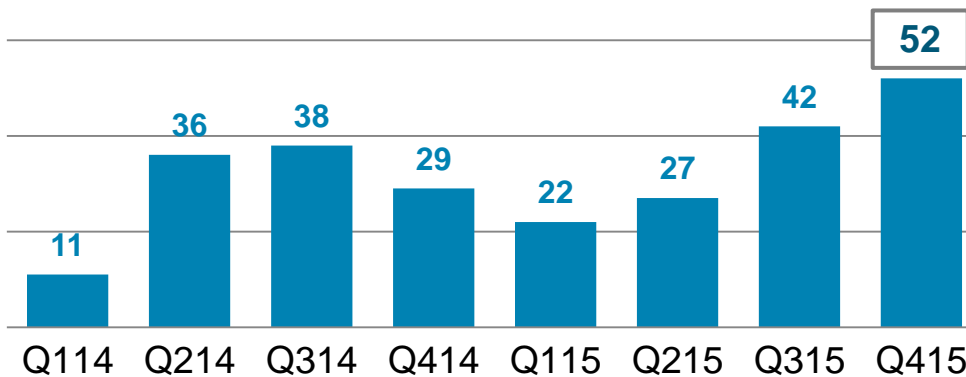
Operating Cash Flow*



Operating Cash Flow: **\$81M**

CapEx: **\$28M**

Free Cash Flow*



Free Cash Flow: **\$52M**

15 * Operating Cash Flow = GAAP net cash provided by operating activities. Free Cash Flow is a non-GAAP financial measure

* A reconciliation of our GAAP net cash provided by operating activities to Free Cash Flow can be found in the appendix section

GUIDANCE*

Guidance	Q116	Full Year FY16
Non-GAAP Net Revenues	\$500M	\$2.090B - \$2.110B
Non-GAAP EPS	\$0.45	\$2.15 - 2.17
Non-GAAP Effective Tax Rate	14.5%	14.5%
Non-GAAP Fully Diluted Shares	113.5M	112.5M

Other Items	Full Year FY16
Non-GAAP Operating Margins	15.3%
Free Cash Flow	\$175M
Capital Expenditures	\$100M - \$110M

* Reconciliations to GAAP of these forward-looking Non-GAAP financial measures, to the extent available without unreasonable effort, can be found in the appendix section.

Q&A SESSION

APPENDIX

RECONCILIATION OF GAAP TO NON-GAAP KEY METRICS Q415

<i>(\$ in millions, except per share data and percentages)</i>							
<i>Note</i>		Net revenues	Gross margin	Gross margin percentage	Operating income	Income tax provision	Net income attributable to VeriFone Systems, Inc. stockholders
Three Months Ended October 31, 2015							
GAAP		\$ 514.1	\$ 216.4	42.1%	\$ 33.8	\$ (11.7)	\$ 38.2
Adjustments:							
Amortization of step-down in deferred services net revenues at acquisition	A	0.1	0.1		0.1	—	0.1
Amortization of purchased intangible assets	C	—	4.5		24.1	—	24.1
Other merger and acquisition related expenses	C	—	0.3		1.1	—	(1.8)
Stock based compensation	D	—	1.0		10.0	—	10.0
Restructuring charges	E	—	0.1		1.2	—	1.2
Other charges and income	E	—	0.8		5.7	—	5.7
Income tax effect of non-GAAP exclusions and adjustment to cash basis tax rate	E	—	—		—	21.3	(21.3)
Non-GAAP		\$ 514.2	\$ 223.2	43.4%	\$ 76.0	\$ 9.6	\$ 56.2
		Weighted average number of shares used in computing net income per share:				Net income per share attributable to VeriFone Systems, Inc. stockholders (1)	
		Basic	Diluted			Basic	Diluted
GAAP		114.4	115.6			\$ 0.33	\$ 0.33
Non-GAAP		114.4	115.6			\$ 0.49	\$ 0.49

(1) Net income per share is calculated by dividing the Net income attributable to VeriFone Systems, Inc. stockholders by the Weighted average number of shares.

See explanatory notes for A, C-E at the end of the appendix.

RECONCILIATION OF GAAP TO NON-GAAP KEY METRICS Q315

<i>(\$ in millions, except per share data and percentages)</i>							
<i>Note</i>		Net revenues	Gross margin	Gross margin percentage	Operating income	Income tax provision	Net income attributable to VeriFone Systems, Inc. stockholders
Three Months Ended July 31, 2015							
GAAP		\$ 509.9	\$ 206.5	40.5%	\$ 20.3	\$ 1.4	\$ 9.5
Adjustments:							
Amortization of step-down in deferred services net revenues at acquisition	A	0.1	0.1		0.1	—	0.1
Amortization of purchased intangible assets	C	—	4.5		24.5	—	24.5
Other merger and acquisition related expenses	C	—	0.5		1.7	—	3.2
Stock based compensation	D	—	0.4		11.2	—	11.2
Restructuring charges	E	—	0.2		6.0	—	6.0
Other charges and income	E	—	0.5		7.7	—	7.7
Income tax effect of non-GAAP exclusions and adjustment to cash basis tax rate	E	—	—		—	7.9	(7.9)
Non-GAAP		\$ 510.0	\$ 212.7	41.7%	\$ 71.5	\$ 9.3	\$ 54.3
		Weighted average number of shares used in computing net income per share:				Net income per share attributable to VeriFone Systems, Inc. stockholders (1)	
		Basic	Diluted			Basic	Diluted
GAAP		114.4	116.4			\$ 0.08	\$ 0.08
Non-GAAP		114.4	116.4			\$ 0.47	\$ 0.47

(1) Net income per share is calculated by dividing the Net income attributable to VeriFone Systems, Inc. stockholders by the Weighted average number of shares.

See explanatory notes for A, C-E at the end of the appendix.

RECONCILIATION OF GAAP TO NON-GAAP KEY METRICS Q414

<i>(\$ in millions, except per share data and percentages)</i>							
		Net revenues	Gross margin	Gross margin percentage	Operating income	Income tax provision (benefit)	Net income attributable to VeriFone Systems, Inc. stockholders
		<i>Note</i>					
Three Months Ended October 31, 2014							
GAAP		\$ 490.5	\$ 196.5	40.1%	\$ 33.5	\$ (1.6)	\$ 31.1
Adjustments:							
Amortization of step-down in deferred services net revenues at acquisition	A	0.2	0.2		0.2	—	0.2
Amortization of purchased intangible assets	C	—	10.0		33.8	—	33.8
Other merger, acquisition and divestiture related expenses	C	—	0.6		1.0	—	(3.5)
Stock based compensation	D	—	0.7		13.0	—	13.0
Restructuring charges	E	—	0.2		1.5	—	1.5
Other charges and income	E	—	(0.8)		(14.9)	—	(15.9)
Income tax effect of non-GAAP exclusions and adjustment to cash basis tax rate	E	—	—		—	10.1	(10.1)
Non-GAAP		\$ 490.7	\$ 207.4	42.3%	\$ 68.1	\$ 8.5	\$ 50.1
		Weighted average number of shares used in computing net income per share:			Net income per share attributable to VeriFone Systems, Inc. stockholders (1)		
		Basic	Diluted			Basic	Diluted
GAAP		113.1	115.1			\$ 0.27	\$ 0.27
Non-GAAP		113.1	115.1			\$ 0.44	\$ 0.44

(1) Net income per share is calculated by dividing the Net income attributable to VeriFone Systems, Inc. stockholders by the Weighted average number of shares.

See explanatory notes for A, C-E at the end of the appendix.

RECONCILIATION OF GAAP TO NON-GAAP GROSS MARGIN

(\$ in millions, except percentages)		System solutions net revenues	Services net revenues	Total net revenues	Total cost of net revenues	System solutions gross margin	Services gross margin	Total gross margin
Three Months Ended October 31, 2015								
GAAP		\$ 338.9	\$ 175.2	\$ 514.1	\$ 297.7	\$ 141.0	\$ 75.4	\$ 216.4
Other acquisition and restructure related, net	C	—	0.1	0.1	(4.9)	4.0	1.0	5.0
Stock based compensation	D	—	—	—	(1.0)	0.5	0.5	1.0
Other charges and income	E	—	—	—	(0.8)	0.8	—	0.8
Non-GAAP		\$ 338.9	\$ 175.3	\$ 514.2	\$ 291.0	\$ 146.3	\$ 76.9	\$ 223.2
% of Non-GAAP gross margin to net revenues						43.2%	43.9%	43.4%
Three Months Ended July 31, 2015								
GAAP		\$ 333.0	\$ 176.9	\$ 509.9	\$ 303.4	\$ 131.8	\$ 74.7	\$ 206.5
Amortization of step-down in deferred services net revenues at acquisition	A	—	0.1	0.1	—	—	0.1	0.1
Other acquisition and restructure related, net	C	—	—	—	(5.2)	4.4	0.8	5.2
Stock based compensation	D	—	—	—	(0.4)	0.3	0.1	0.4
Other charges and income	E	—	—	—	(0.5)	0.2	0.3	0.5
Non-GAAP		\$ 333.0	\$ 177.0	\$ 510.0	\$ 297.3	\$ 136.7	\$ 76.0	\$ 212.7
% of Non-GAAP gross margin to net revenues						41.1%	42.9%	41.7%
Three Months Ended October 31, 2014								
GAAP		\$ 310.9	\$ 179.6	\$ 490.5	\$ 294.0	\$ 119.8	\$ 76.7	\$ 196.5
Amortization of step-down in deferred services net revenues at acquisition	A	—	0.2	0.2	—	—	0.2	0.2
Other acquisition and restructure related, net	C	—	—	—	(10.8)	9.5	1.3	10.8
Stock based compensation	D	—	—	—	(0.7)	0.5	0.2	0.7
Other charges and income	E	—	—	—	0.8	(0.8)	—	(0.8)
Non-GAAP		\$ 310.9	\$ 179.8	\$ 490.7	\$ 283.3	\$ 129.0	\$ 78.4	\$ 207.4
% of Non-GAAP gross margin to net revenues						41.5%	43.6%	42.3%

RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSES

(\$ in millions, except percentages)		Research and development	Sales and marketing	General and administrative	Total
		<i>Note</i>			
Three Months Ended October 31, 2015					
GAAP		\$ 51.0	\$ 58.1	\$ 53.9	\$ 163.0
Other acquisition and restructure related, net	C, E	—	(0.8)	(1.1)	(1.9)
Stock based compensation	D	(1.1)	(4.0)	(4.0)	(9.1)
Other charges and income	E	—	—	(4.8)	(4.8)
Non-GAAP		\$ 49.9	\$ 53.3	\$ 44.0	\$ 147.2
% of Non-GAAP operating expenses to net revenues		10%	10%	9%	29%
Three Months Ended July 31, 2015					
GAAP		\$ 54.2	\$ 56.6	\$ 55.4	\$ 166.2
Other acquisition and restructure related, net	C, E	(3.4)	(1.1)	(2.6)	(7.1)
Stock based compensation	D	(1.7)	(4.7)	(4.4)	(10.8)
Other charges and income	E	—	(0.9)	(6.3)	(7.2)
Non-GAAP		\$ 49.1	\$ 49.9	\$ 42.1	\$ 141.1
% of Non-GAAP operating expenses to net revenues		10%	10%	8%	28%
Three Months Ended October 31, 2014					
GAAP		\$ 50.0	\$ 56.3	\$ 50.6	\$ 156.9
Other acquisition and restructure related, net	C, E	(0.3)	(0.2)	(1.3)	(1.8)
Stock based compensation	D	(2.8)	(4.9)	(4.6)	(12.3)
Other charges and income	E	—	(0.8)	(2.8)	(3.6)
Non-GAAP		\$ 46.9	\$ 50.4	\$ 41.9	\$ 139.2
% of Non-GAAP operating expenses to net revenues		10%	10%	9%	28%

See explanatory notes for C-E at the end of the appendix

RECONCILIATION OF GAAP TO NON-GAAP NET REVENUES

<i>\$ in millions</i>	GAAP net revenues	Amortization of step-down in deferred revenue at acquisition	Non-GAAP net revenues	Constant currency adjustment	Non-GAAP net revenues at constant currency
<i>Note</i>	(A)	(A)	(B)	(B)	(B)
Three Months Ended October 31, 2015					
North America	\$ 229.9	\$ —	\$ 229.9	\$ 1.3	\$ 231.2
Latin America	62.8	—	62.8	15.2	78.0
EMEA	164.1	0.1	164.2	21.6	185.8
Asia-Pacific	57.3	—	57.3	10.6	67.9
Total	\$ 514.1	\$ 0.1	\$ 514.2	\$ 48.7	\$ 562.9
Three Months Ended July 31, 2015					
North America	\$ 208.6	\$ —	\$ 208.6		
Latin America	73.7	—	73.7		
EMEA	172.6	0.1	172.7		
Asia-Pacific	55.0	—	55.0		
Total	\$ 509.9	\$ 0.1	\$ 510.0		
Three Months Ended October 31, 2014					
North America	\$ 149.1	\$ (0.1)	\$ 149.0		
Latin America	82.1	—	82.1		
EMEA	189.2	0.2	189.4		
Asia-Pacific	70.1	0.1	70.2		
Total	\$ 490.5	\$ 0.2	\$ 490.7		

RECONCILIATION OF OPERATING CASH FLOW TO FREE CASH FLOW

		<i>\$ in millions</i>	<i>Note</i>	Three Months Ended			
				October 31, 2015	July 31, 2015	April 30, 2015	January 31, 2015
				GAAP net cash provided by operating activities	G	\$ 80.5	\$ 71.4
Less: GAAP capital expenditures	G	(28.0)	(29.6)	(29.3)	(19.6)		
Free cash flow	G	\$ 52.5	\$ 41.8	\$ 27.0	\$ 21.5		
				Three Months Ended			
				October 31, 2014	July 31, 2014	April 30, 2014	January 31, 2014
GAAP net cash provided by operating activities	G	\$ 51.6	\$ 58.9	\$ 56.5	\$ 31.9		
Less: GAAP capital expenditures	G	(22.2)	(20.9)	(21.0)	(20.9)		
Free cash flow	G	\$ 29.4	\$ 38.0	\$ 35.5	\$ 11.0		

See explanatory notes for G at the end of the appendix.

RECONCILIATION OF NET REVENUES GUIDANCE

		Three Months Ending January 31, 2016		Year Ending October 31, 2016	
		Range of Guidance		Range of Guidance	
GAAP net revenues		\$ 500	\$ 500	\$ 2,089	\$ 2,109
Adjustments to net revenues	A	—	—	1	1
Non-GAAP net revenues		\$ 500	\$ 500	\$ 2,090	\$ 2,110

See explanatory notes for A at the end of the appendix.

EXPLANATORY NOTES TO RECONCILIATIONS OF GAAP TO NON-GAAP ITEMS

Note A: Non-GAAP net revenues. Non-GAAP net revenues exclude the fair value decrease (step-down) in deferred revenue at acquisition.

Note B: Non-GAAP net revenues at constant currency. Verifone determines non-GAAP net revenues at constant currency by recomputing non-GAAP net revenues denominated in currencies other than U.S. Dollars in the current fiscal period using average exchange rates for that particular currency during the corresponding financial period of the prior year. Verifone uses this non-GAAP measure to evaluate performance on a comparable basis excluding the impact of foreign currency fluctuations.

Note C: Merger and Acquisition Related. Verifone adjusts certain revenues and expenses for items that are the result of merger and acquisitions. Acquisition related adjustments include the amortization of intangible assets, fixed asset fair value adjustments, contingent consideration adjustments, incremental costs associated with acquisitions, acquisition integration expenses and changes in estimate on contingencies that existed at the time of acquisition.

Note D: Stock-Based Compensation. Our non-GAAP financial measures eliminate the effect of expense for stock-based compensation.

Note E: Other Charges and Income. Verifone excludes certain expenses and other income (expense) that are the result of unique or unplanned events, such as litigation settlement and loss contingency expense, certain costs incurred in connection with senior executive management changes, certain personnel and outside professional service fees incurred on initiatives to transform, streamline and centralize our global operations, and restructure and impairment charges related to certain exit activities initiated as part of our global transformation initiatives and gain or loss on financial transactions, such as the accelerated amortization of capitalized debt issuance costs due to the early repayment of debt. In addition, income taxes are adjusted for the tax effect of the adjusting items related to our non-GAAP financial measures and to reflect our medium to long term estimate of cash taxes on a non-GAAP basis. Under GAAP our Income tax provision (benefit) as a percentage of Income (loss) before income taxes was (43.7)% for the fiscal quarter ended October 31, 2015, 12.6% for the fiscal quarter ended July 31, 2015, (5.3)% for the fiscal quarter ended October 31, 2014, (10.2)% for the year ended October 31, 2015 and 8.6% for the year ended October 31, 2014. For non-GAAP purposes, we used a 14.5% rate for all periods presented.

Note F: Non-GAAP diluted shares. Diluted non-GAAP weighted average shares include additional shares that are dilutive for non-GAAP computations of earnings per share in periods when we have a non-GAAP net income and a GAAP basis net loss.

Note G: Free Cash Flow. Verifone determines free cash flow as net cash provided by operating activities less capital expenditures.

Verifone[®]