Online Securities Processing Inc.
Form 424B3
August 09, 2013

Table of Contents

FILED PURSUANT TO RULE 424(B)(3)

File Number 333-190275

SUNGARD DATA SYSTEMS INC.

SUPPLEMENT NO. 1 TO

MARKET-MAKING PROSPECTUS DATED AUGUST 8, 2013

THE DATE OF THIS SUPPLEMENT IS AUGUST 9, 2013

ON AUGUST 9, 2013, SUNGARD DATA SYSTEMS INC. FILED THE ATTACHED

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2013

Table of Contents

United States

Securities and Exchange Commission

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x **Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended June 30, 2013

OR

¨ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from _________ to _________

Commission file numbers:

SunGard Capital Corp.	**000-53653**
SunGard Capital Corp. II	**000-53654**
SunGard Data Systems Inc.	**001-12989**

SunGard® Capital Corp.

SunGard® Capital Corp. II

SunGard® Data Systems Inc.

(Exact name of registrant as specified in its charter)

Delaware	**20-3059890**
Delaware	**20-3060101**
Delaware	**51-0267091**
(State or other jurisdiction of incorporation or organization)	**(IRS Employer Identification No.)**

680 East Swedesford Road, Wayne, Pennsylvania 19087

(Address of principal executive offices, including zip code)

484-582-2000

(Registrants telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

SunGard Capital Corp.	Yes x No ¨
SunGard Capital Corp. II	Yes x No ¨
SunGard Data Systems Inc.	Yes ¨ No x

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

SunGard Capital Corp.	Yes x	No ¨
SunGard Capital Corp. II	Yes x	No ¨
SunGard Data Systems Inc.	Yes x	No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

SunGard Capital Corp.	Large accelerated filer ¨.	Accelerated filer ¨.	Non-accelerated filer x.	Smaller reporting company ¨.
SunGard Capital Corp. II	Large accelerated filer ¨.	Accelerated filer ¨.	Non-accelerated filer x.	Smaller reporting company ¨.
SunGard Data Systems Inc.	Large accelerated filer ¨.	Accelerated filer ¨.	Non-accelerated filer x.	Smaller reporting company ¨.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

SunGard Capital Corp.	Yes ¨	No x
SunGard Capital Corp. II	Yes ¨	No x
SunGard Data Systems Inc.	Yes ¨	No x

The number of shares of the registrants common stock outstanding as of June 30, 2013:

SunGard Capital Corp.	256,898,592 shares of Class A common stock and 28,544,288 shares of Class L common stock
SunGard Capital Corp. II	100 shares of common stock
SunGard Data Systems Inc.	100 shares of common stock

Table of Contents

SunGard Capital Corp.

SunGard Capital Corp. II

SunGard Data Systems Inc.

And Subsidiaries

Index

PART I. FINANCIAL INFORMATION

Explanatory Note

This Quarterly Report on Form 10-Q (Report) is a combined quarterly report being filed separately by three registrants: SunGard Capital Corp. (SCC), SunGard Capital Corp. II (SCCII) and SunGard Data Systems Inc. (SunGard). SCC and SCCII are collectively referred to as the Parent Companies. Unless the context indicates otherwise, any reference in this report to the Company, we, us and our refer to the Parent Companies together with their direct and indirect subsidiaries, including SunGard. Each registrant hereto is filing on its own behalf all of the information contained in this quarterly report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

Table of Contents

ITEM 1. FINANCIAL STATEMENTS

SunGard Capital Corp.

Consolidated Balance Sheets

(In millions except share and per-share amounts)

(Unaudited)

	December 31, 2012	June 30, 2013
Assets		
Current:		
Cash and cash equivalents	$ 546	**$ 538**
Trade receivables, less allowance for doubtful accounts of $30 and $32	781	**624**
Earned but unbilled receivables	119	**120**
Prepaid expenses and other current assets	230	**238**
Total current assets	1,676	**1,520**
Property and equipment, less accumulated depreciation of $1,509 and $1,609	874	**815**
Software products, less accumulated amortization of $1,649 and $1,735	411	**345**
Customer base, less accumulated amortization of $1,481 and $1,579	1,367	**1,253**
Other intangible assets, less accumulated amortization of $27 and $23	132	**134**
Trade name	1,019	**1,019**
Goodwill	4,539	**4,510**
Total Assets	$ 10,018	**$ 9,596**
Liabilities and Equity		
Current:		
Short-term and current portion of long-term debt	$ 63	**$ 392**
Accounts payable	32	**33**
Accrued compensation and benefits	297	**218**
Accrued interest expense	41	**40**
Other accrued expenses	238	**207**
Deferred revenue	836	**803**
Total current liabilities	1,507	**1,693**
Long-term debt	6,599	**6,114**
Deferred and other income taxes	1,127	**1,057**
Other long-term liabilities	95	**112**
Total liabilities	9,328	**8,976**
Commitments and contingencies		
Noncontrolling interest in preferred stock of SCCII subject to a put option	26	**31**
Class L common stock subject to a put option	45	**49**
Class A common stock subject to a put option	5	**4**
Stockholders equity:		
Class L common stock, convertible, par value $.001 per share; cumulative 13.5% per annum, compounded quarterly; aggregate liquidation preference of $6,154 million and $6,590 million; 50,000,000 shares authorized, 29,027,610 and 29,062,421 shares issued		

Class A common stock, par value $.001 per share; 550,000,000 shares authorized, 261,251,822 and 261,565,117 shares issued		
Capital in excess of par value	2,483	**2,483**
Treasury stock, 541,886 and 518,133 shares of Class L common stock; and 4,880,305 and 4,666,525 shares of Class A common stock	(50)	**(47)**
Accumulated deficit	(3,391)	**(3,495)**
Accumulated other comprehensive income (loss)	(3)	**(51)**
Total SunGard Capital Corp stockholders equity (deficit)	(961)	**(1,110)**
Noncontrolling interest in preferred stock of SCCII	1,575	**1,646**
Total equity	614	**536**
Total Liabilities and Equity	$ 10,018	**$ 9,596**

The accompanying notes are an integral part of these consolidated financial statements.

2

Table of Contents

SunGard Capital Corp.

Consolidated Statements of Comprehensive Income

(In millions)

(Unaudited)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2013	Six Months Ended June 30, 2012	Six Months Ended June 30, 2013
Revenue:				
Services	$ 973	**$ 944**	$ 1,947	**$ 1,893**
License and resale fees	84	**68**	115	**101**
Total products and services	1,057	**1,012**	2,062	**1,994**
Reimbursed expenses	15	**16**	34	**29**
Total revenue	1,072	**1,028**	2,096	**2,023**
Costs and expenses:				
Cost of sales and direct operating (excluding depreciation)	433	**424**	886	**861**
Sales, marketing and administration	261	**242**	514	**484**
Product development and maintenance	103	**89**	197	**189**
Depreciation	70	**76**	141	**149**
Amortization of acquisition-related intangible assets	100	**86**	201	**173**
Total costs and expenses	967	**917**	1,939	**1,856**
Operating income (loss)	105	**111**	157	**167**
Interest expense and amortization of deferred financing fees	(101)	**(98)**	(223)	**(206)**
Loss on extinguishment of debt	(36)		(51)	**(5)**
Other income (expense)		**(2)**	2	**(1)**
Income (loss) from continuing operations before income taxes	(32)	**11**	(115)	**(45)**
Benefit from (provision for) income taxes	24	**4**	31	**13**
Income (loss) from continuing operations	(8)	**15**	(84)	**(32)**
Income (loss) from discontinued operations, net of tax			311	
Net income (loss)	(8)	**15**	227	**(32)**
Income attributable to the noncontrolling interest (including $- million, $1 million, $- million and $1 million in temporary equity)	(60)	**(47)**	(122)	**(72)**
Net income (loss) attributable to SunGard Capital Corp	(68)	**(32)**	105	**(104)**
Other Comprehensive income (loss):				
Foreign currency translation, net	(44)	**2**	(11)	**(44)**
Unrealized gain (loss) on derivative instruments, net of tax	3	**(1)**	6	**1**
Other, net of tax		**(5)**		**(5)**
Other Comprehensive income (loss), net of tax	(41)	**(4)**	(5)	**(48)**

Comprehensive income (loss)		(49)		**11**		222		**(80)**
Comprehensive income (loss) attributable to the noncontrolling interest		(60)		**(47)**		(122)		**(72)**
Comprehensive income (loss) attributable to SunGard Capital Corp	$	(109)	**$**	**(36)**	$	100	**$**	**(152)**

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

SunGard Capital Corp.

Consolidated Statements of Cash Flows

(In millions)

(Unaudited)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2013
Cash flow from operations:		
Net income (loss)	$ 227	**$ (32)**
Income (loss) from discontinued operations	311	
Income (loss) from continuing operations	(84)	**(32)**
Reconciliation of income (loss) from continuing operations to cash flow from (used in) operations:		
Depreciation and amortization	342	**322**
Deferred income tax provision (benefit)	14	**(73)**
Stock compensation expense	20	**23**
Amortization of deferred financing costs and debt discount	19	**24**
Loss on extinguishment of debt	51	**5**
Other noncash items	(1)	**2**
Accounts receivable and other current assets	110	**130**
Accounts payable and accrued expenses	(203)	**(80)**
Deferred revenue	(45)	**(17)**
Cash flow from (used in) continuing operations	223	**304**
Cash flow from (used in) discontinued operations	(237)	
Cash flow from (used in) operations	(14)	**304**
Investment activities:		
Cash paid for acquired businesses, net of cash acquired	(9)	**(1)**
Cash paid for property and equipment, and software	(115)	**(101)**
Other investing activities	3	**1**
Cash provided by (used in) continuing operations	(121)	**(101)**
Cash provided by (used in) discontinued operations	1,742	
Cash provided by (used in) investment activities	1,621	**(101)**
Financing activities:		
Cash received from borrowings, net of fees	(17)	**2,173**
Cash used to repay debt	(1,725)	**(2,359)**
Premium paid to retire debt	(27)	
Cash used to purchase treasury stock	(8)	**(6)**
Other financing activities	(7)	**(7)**
Cash provided by (used in) continuing operations	(1,784)	**(199)**
Cash provided by (used in) discontinued operations		
Cash provided by (used in) financing activities	(1,784)	**(199)**

Effect of exchange rate changes on cash		3		**(12)**
Increase (decrease) in cash and cash equivalents		(174)		**(8)**
Beginning cash and cash equivalents includes cash of discontinued operations: 2012, $6; 2013, $-		873		**546**
Ending cash and cash equivalents includes cash of discontinued operations: 2012, $-; 2013, $-	$	699	**$**	**538**
Supplemental information:				
Interest paid	$	228	**$**	**183**
Income taxes paid, net of refunds of $5 million and $4 million, respectively	$	279	**$**	**52**

The accompanying notes are an integral part of these consolidated financial statements.

4

Table of Contents

SunGard Capital Corp. II

Consolidated Balance Sheets

(In millions except share and per-share amounts)

(Unaudited)

	December 31, 2012	June 30, 2013
Assets		
Current:		
Cash and cash equivalents	$ 546	**$ 538**
Trade receivables, less allowance for doubtful accounts of $30 and $32	781	**624**
Earned but unbilled receivables	119	**120**
Prepaid expenses and other current assets	230	**238**
Total current assets	1,676	**1,520**
Property and equipment, less accumulated depreciation of $1,509 and $1,609	874	**815**
Software products, less accumulated amortization of $1,649 and $1,735	411	**345**
Customer base, less accumulated amortization of $1,481 and $1,579	1,367	**1,253**
Other intangible assets, less accumulated amortization of $27 and $23	132	**134**
Trade name	1,019	**1,019**
Goodwill	4,539	**4,510**
Total Assets	$ 10,018	**$ 9,596**
Liabilities and Stockholders Equity		
Current:		
Short-term and current portion of long-term debt	$ 63	**$ 392**
Accounts payable	32	**33**
Accrued compensation and benefits	297	**218**
Accrued interest expense	41	**40**
Other accrued expenses	235	**206**
Deferred revenue	836	**803**
Total current liabilities	1,504	**1,692**
Long-term debt	6,599	**6,114**
Deferred and other income taxes	1,127	**1,057**
Other long-term liabilities	76	**93**
Total liabilities	9,306	**8,956**
Commitments and contingencies		
Preferred stock subject to a put option	24	**27**
Stockholders equity:		
Preferred stock, par value $.001 per share; cumulative 11.5% per annum, compounded quarterly; aggregate liquidation preference of $1,581 million and $1,655 million; 14,999,000 shares authorized, 10,048,018 and 10,060,069 issued		
Common stock, par value $.001 per share; 1,000 shares authorized, 100 shares issued and outstanding		
Capital in excess of par value	3,492	**3,495**
Treasury stock, 187,576 and 179,354 shares	(30)	**(28)**
Accumulated deficit	(2,771)	**(2,803)**
Accumulated other comprehensive income (loss)	(3)	**(51)**

Total stockholders equity		688	**613**
Total Liabilities and Stockholders Equity	$	10,018	**$ 9,596**

The accompanying notes are an integral part of these consolidated financial statements.

5

Table of Contents

SunGard Capital Corp. II

Consolidated Statements of Comprehensive Income

(In millions)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2013	2012	2013
Revenue:				
Services	$ 973	**$ 944**	$ 1,947	**$ 1,893**
License and resale fees	84	**68**	115	**101**
Total products and services	1,057	**1,012**	2,062	**1,994**
Reimbursed expenses	15	**16**	34	**29**
Total revenue	1,072	**1,028**	2,096	**2,023**
Costs and expenses:				
Cost of sales and direct operating (excluding depreciation)	433	**424**	886	**861**
Sales, marketing and administration	261	**242**	514	**484**
Product development and maintenance	103	**89**	197	**189**
Depreciation	70	**76**	141	**149**
Amortization of acquisition-related intangible assets	100	**86**	201	**173**
Total costs and expenses	967	**917**	1,939	**1,856**
Operating income (loss)	105	**111**	157	**167**
Interest expense and amortization of deferred financing fees	(101)	**(98)**	(223)	**(206)**
Loss on extinguishment of debt	(36)		(51)	**(5)**
Other income (expense)		**(2)**	2	**(1)**
Income (loss) from continuing operations before income taxes	(32)	**11**	(115)	**(45)**
Benefit from (provision for) income taxes	24	**4**	31	**13**
Income (loss) from continuing operations	(8)	**15**	(84)	**(32)**
Income (loss) from discontinued operations, net of tax			311	
Net income (loss)	(8)	**15**	227	**(32)**
Other Comprehensive income (loss):				
Foreign currency translation, net	(44)	**2**	(11)	**(44)**
Unrealized gain (loss) on derivative instruments, net of tax	3	**(1)**	6	**1**
Other, net of tax		**(5)**		**(5)**
Other Comprehensive income (loss), net of tax	$ (49)	**$ 11**	$ 222	**$ (80)**

The accompanying notes are an integral part of these consolidated financial statements.

6

Table of Contents

SunGard Capital Corp. II

Consolidated Statements of Cash Flows

(In millions)

(Unaudited)

	Six Months Ended June 30, 2012	2013
Cash flow from operations:		
Net income (loss)	$ 227	**$ (32)**
Income (loss) from discontinued operations	311	
Income (loss) from continuing operations	(84)	**(32)**
Reconciliation of income (loss) from continuing operations to cash flow from (used in) operations:		
Depreciation and amortization	342	**322**
Deferred income tax provision (benefit)	14	**(73)**
Stock compensation expense	20	**23**
Amortization of deferred financing costs and debt discount	19	**24**
Loss on extinguishment of debt	51	**5**
Other noncash items	(1)	**2**
Accounts receivable and other current assets	110	**130**
Accounts payable and accrued expenses	(203)	**(78)**
Deferred revenue	(45)	**(17)**
Cash flow from (used in) continuing operations	223	**306**
Cash flow from (used in) discontinued operations	(237)	
Cash flow from (used in) operations	(14)	**306**
Investment activities:		
Cash paid for acquired businesses, net of cash acquired	(9)	**(1)**
Cash paid for property and equipment, and software	(115)	**(101)**
Other investing activities	3	**1**
Cash provided by (used in) continuing operations	(121)	**(101)**
Cash provided by (used in) discontinued operations	1,742	
Cash used in investment activities	1,621	**(101)**
Financing activities:		
Cash received from borrowings, net of fees	(17)	**2,173**
Cash used to repay debt	(1,725)	**(2,359)**
Premium paid to retire debt	(27)	
Cash used to purchase treasury stock	(4)	**(2)**
Other financing activities	(11)	**(13)**
Cash provided by (used in) continuing operations	(1,784)	**(201)**
Cash provided by (used in) discontinued operations		
Cash provided by (used in) financing activities	(1,784)	**(201)**

Effect of exchange rate changes on cash		3		**(12)**
Increase (decrease) in cash and cash equivalents		(174)		**(8)**
Beginning cash and cash equivalents includes cash of discontinued operations: 2012, $6; 2013, $-		873		**546**
Ending cash and cash equivalents includes cash of discontinued operations: 2012, $-; 2013, $-	$	699	**$**	**538**
Supplemental information:				
Interest paid	$	228	**$**	**183**
Income taxes paid, net of refunds of $5 million and $4 million, respectively	$	279	**$**	**52**

The accompanying notes are an integral part of these consolidated financial statements.

7

Table of Contents

SunGard Data Systems Inc.

Consolidated Balance Sheets

(In millions except share and per-share amounts)

(Unaudited)

	December 31, 2012	June 30, 2013
Assets		
Current:		
Cash and cash equivalents	$ 546	**$ 538**
Trade receivables, less allowance for doubtful accounts of $30 and $32	781	**624**
Earned but unbilled receivables	119	**120**
Prepaid expenses and other current assets	230	**238**
Total current assets	1,676	**1,520**
Property and equipment, less accumulated depreciation of $1,509 and $1,609	874	**815**
Software products, less accumulated amortization of $1,649 and $1,735	411	**345**
Customer base, less accumulated amortization of $1,481 and $1,579	1,367	**1,253**
Other intangible assets, less accumulated amortization of $27 and $23	132	**134**
Trade name	1,019	**1,019**
Goodwill	4,539	**4,510**
Total Assets	$ 10,018	**$ 9,596**
Liabilities and Stockholders Equity		
Current:		
Short-term and current portion of long-term debt	$ 63	**$ 392**
Accounts payable	32	**33**
Accrued compensation and benefits	297	**218**
Accrued interest expense	41	**40**
Other accrued expenses	238	**209**
Deferred revenue	836	**803**
Total current liabilities	1,507	**1,695**
Long-term debt	6,599	**6,114**
Deferred and other income taxes	1,120	**1,050**
Other long-term liabilities	76	**93**
Total liabilities	9,302	**8,952**
Commitments and contingencies		
Stockholder s equity:		
Common stock, par value $.01 per share; 100 shares authorized, issued and outstanding		
Capital in excess of par value	3,490	**3,498**
Accumulated deficit	(2,771)	**(2,803)**
Accumulated other comprehensive income (loss)	(3)	**(51)**
Total stockholder s equity	716	**644**
Total Liabilities and Stockholder s Equity	$ 10,018	**$ 9,596**

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

SunGard Data Systems Inc.

Consolidated Statements of Comprehensive Income

(In millions)

(Unaudited)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2013	Six Months Ended June 30, 2012	Six Months Ended June 30, 2013
Revenue:				
Services	$ 973	**$ 944**	$ 1,947	**$ 1,893**
License and resale fees	84	**68**	115	**101**
Total products and services	1,057	**1,012**	2,062	**1,994**
Reimbursed expenses	15	**16**	34	**29**
Total revenue	1,072	**1,028**	2,096	**2,023**
Costs and expenses:				
Cost of sales and direct operating (excluding depreciation)	433	**424**	886	**861**
Sales, marketing and administration	261	**242**	514	**484**
Product development and maintenance	103	**89**	197	**189**
Depreciation	70	**76**	141	**149**
Amortization of acquisition-related intangible assets	100	**86**	201	**173**
Total costs and expenses	967	**917**	1,939	**1,856**
Operating income (loss)	105	**111**	157	**167**
Interest expense and amortization of deferred financing fees	(101)	**(98)**	(223)	**(206)**
Loss on extinguishment of debt	(36)		(51)	**(5)**
Other income (expense)		**(2)**	2	**(1)**
Income (loss) from continuing operations before income taxes	(32)	**11**	(115)	**(45)**
Benefit from (provision for) income taxes	24	**4**	31	**13**
Income (loss) from continuing operations	(8)	**15**	(84)	**(32)**
Income (loss) from discontinued operations, net of tax			311	
Net income (loss)	(8)	**15**	227	**(32)**
Other Comprehensive income (loss):				
Foreign currency translation, net	(44)	**2**	(11)	**(44)**
Unrealized gain (loss) on derivative instruments, net of tax	3	**(1)**	6	**1**
Other, net of tax		**(5)**		**(5)**
Comprehensive income (loss)	$ (49)	**$ 11**	$ 222	**$ (80)**

The accompanying notes are an integral part of these consolidated financial statements.

9

Table of Contents

SunGard Data Systems Inc.

Consolidated Statements of Cash Flows

(In millions)

(Unaudited)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2013
Cash flow from operations:		
Net income (loss)	$ 227	**$ (32)**
Income (loss) from discontinued operations	311	
Income (loss) from continuing operations	(84)	**(32)**
Reconciliation of income (loss) from continuing operations to cash flow from (used in) operations:		
Depreciation and amortization	342	**322**
Deferred income tax provision (benefit)	14	**(73)**
Stock compensation expense	20	**23**
Amortization of deferred financing costs and debt discount	19	**24**
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Accounts receivable and other current assets	110	**130**
Accounts payable and accrued expenses	(203)	**(78)**
Deferred revenue	(45)	**(17)**
Cash flow from (used in) continuing operations	223	**306**
Cash flow from (used in) discontinued operations	(237)	
Cash flow from (used in) operations	(14)	**306**
Investment activities:		
Cash paid for acquired businesses, net of cash acquired	(9)	**(1)**
Cash paid for property and equipment, and software	(115)	**(101)**
Other investing activities	3	**1**
Cash provided by (used in) continuing operations	(121)	**(101)**
Cash provided by (used in) discontinued operations	1,742	
Cash used in investment activities	1,621	**(101)**
Financing activities:		
Cash received from borrowings, net of fees	(17)	**2,173**
Cash used to repay debt	(1,725)	**(2,359)**
Premium paid to retire debt	(27)	
Other financing activities	(15)	**(15)**
Cash provided by (used in) continuing operations	(1,784)	**(201)**
Cash provided by (used in) discontinued operations		
Cash provided by (used in) financing activities	(1,784)	**(201)**
Effect of exchange rate changes on cash	3	**(12)**

Increase (decrease) in cash and cash equivalents	(174)	**(8)**
Beginning cash and cash equivalents includes cash of discontinued operations: 2012, $6; 2013, $-	873	**546**
Ending cash and cash equivalents includes cash of discontinued operations: 2012, $-; 2013, $-	$ 699	**$ 538**
Supplemental information:		
Interest paid	$ 228	**$ 183**
Income taxes paid, net of refunds of $5 million and $4 million, respectively	$ 279	**$ 52**

The accompanying notes are an integral part of these consolidated financial statements.

10

Table of Contents

SUNGARD CAPITAL CORP.

SUNGARD CAPITAL CORP. II

SUNGARD DATA SYSTEMS INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation:

SunGard Data Systems Inc. (SunGard) was acquired on August 11, 2005 (the LBO) in a leveraged buy-out by a consortium of private equity investment funds associated with Bain Capital Partners, The Blackstone Group, Goldman Sachs & Co., Kohlberg Kravis Roberts & Co., Providence Equity Partners, Silver Lake and TPG (collectively, the Sponsors).

SunGard is a wholly owned subsidiary of SunGard Holdco LLC, which is wholly owned by SunGard Holding Corp., which is wholly owned by SunGard Capital Corp. II (SCCII), which is a subsidiary of SunGard Capital Corp. (SCC). All four of these companies were formed for the purpose of facilitating the LBO and are collectively referred to as the Holding Companies. SCC, SCCII and SunGard are separate reporting companies and, together with their direct and indirect subsidiaries, are collectively referred to as the Company. The Holding Companies have no other operations beyond those of their ownership of SunGard.

SunGard is one of the world s leading software and technology services companies and has three segments: Financial Systems (FS), Availability Services (AS) and Public Sector & Education (PS&E), which is comprised of the Company s Public Sector business and K-12 Education business. The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. All significant intercompany transactions and accounts have been eliminated.

The accompanying interim consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), consistent in all material respects with those applied in the Company s Annual Report on Form 10-K for the year ended December 31, 2012. Interim financial reporting does not include all of the information and footnotes required by GAAP for annual financial statements. The interim financial information is unaudited, but, in the opinion of management, includes all adjustments, consisting only of normal recurring adjustments necessary to provide a fair statement of results for the interim periods presented. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2013.

As discussed in Note 2 and Note 13, the presentation of certain prior-year amounts has been revised to conform to the current-year presentation.

Recent Accounting Pronouncements

On July 27, 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2012-02, *Intangibles Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment*. The Update simplifies the guidance for testing the decline in the realizable value (impairment) of indefinite-lived intangible assets other than goodwill. Examples of intangible assets subject to the guidance include indefinite-lived trademarks, licenses, and distribution rights. The amendment allows an organization the option to first assess qualitative factors to determine whether it is necessary to perform the quantitative impairment test. An organization electing to perform a qualitative assessment is no longer required to calculate the fair value of an indefinite-lived intangible asset unless the organization determines, based on a qualitative assessment, that it is more likely than not that the asset is impaired. Under former guidance, an organization was required to test an indefinite-lived intangible asset for impairment on at least an annual basis by comparing the fair value of the asset with its carrying amount. If the carrying amount of an indefinite-lived intangible asset exceeded its fair value, an impairment loss was recognized in an amount equal to the difference. The amendments in this Update are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. The Company has not yet adopted this Update and has used the former, more extensive testing during its 2012 impairment tests. The Company intends to evaluate the Update as it performs its 2013 impairment review in the third quarter.

In July 2013, the FASB issued guidance regarding the presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. Under certain circumstances, unrecognized tax benefits should be presented in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward. The guidance is a change in financial statement presentation only and has no material impact in the consolidated financial results. The guidance is effective beginning January 1, 2014 on either a prospective or retrospective basis.

2. Expense Classification:

During a review of spending by functional area, the Company identified a misclassification of certain expenses in 2010, 2011 and 2012. The misclassification stems from the treatment of certain offshore resources by functional area. It resulted in an understatement of product development and maintenance expense with an offsetting overstatement within cost of sales and direct operating expense and sales, marketing and administration expense. There was no impact on total reported expenses for any period and therefore no impact on operating or net income.

Table of Contents

The impact within the functional expense areas, including the impact of a business sold in the third quarter of 2012 and currently presented in discontinued operations, is as follows for the three and six months ended June 30, 2012:

	Three months ended June 30, 2012			
	As reported	Impact of discontinued operations	As reported-adjusted for discontinued operations	As revised
Cost of sales and direct operating	$ 446	$ (12)	$ 434	$ 433
Sales, marketing and administration	266		266	261
Product development and maintenance	97		97	103
Total functional expenses	$ 809	$ (12)	$ 797	$ 797

	Six months ended June 30, 2012			
	As reported	Impact of discontinued operations	As reported-adjusted for discontinued operations	As revised
Cost of sales and direct operating	$ 915	$ (24)	$ 891	$ 886
Sales, marketing and administration	524	(3)	521	514
Product development and maintenance	185		185	197
Total functional expenses	$ 1,624	$ (27)	$ 1,597	$ 1,597

3. Discontinued Operations:

In January 2012, the Company sold its Higher Education (HE) business and used the net cash proceeds (as defined in its senior secured credit agreement) of $1,222 million, which is the gross transaction value of $1,775 million less applicable taxes and fees, to repay a pro-rata portion of its outstanding term loans. In July 2012, the Company sold its FS subsidiary SunGard Global Services (France) for gross proceeds of 14 million. The results for discontinued operations for the three and six months ended June 30, 2012 reflect the impact of these sales.

The results for the discontinued operations for the three and six months ended June 30, 2012 and 2013 were as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2013	2012	2013
Revenue	$ 13	$	$ 50	$
Operating income (loss)			(3)	
Gain on sale of business			563	
Income (loss) before income taxes			560	
Benefit from (provision for) income taxes			(249)	
Income (loss) from discontinued operations	$	$	$ 311	$

4. Goodwill and Intangibles:

Goodwill

The following table summarizes changes in goodwill by segment (in millions):

	Cost				Accumulated Impairment			
	FS	**AS**	**PS&E**	**Subtotal**	**AS**	**PS&E**	**Subtotal**	**Total**
Balance at December 31, 2012	$ 3,516	$ 2,243	$ 544	$ 6,303	$ (1,547)	$ (217)	$ (1,764)	$ 4,539
Effect of foreign currency translation	(16)	(12)		(28)				(28)
Other	(1)			(1)				(1)
Balance at June 30, 2013	$ 3,499	$ 2,231	$ 544	$ 6,274	$ (1,547)	$ (217)	$ (1,764)	$ 4,510

Intangible Assets

Based on amounts recorded at June 30, 2013, total expected amortization of all acquisition-related intangible assets in each of the years ended December 31 follows (in millions):

2013	$ 340
2014	290
2015	234
2016	214
2017	207

Table of Contents

5. Accumulated Other Comprehensive Income:

The following table summarizes the unrealized gains (losses) on derivative instruments including the impact of components reclassified into net income from accumulated other comprehensive income for the three and six months ended June 30, 2012 and 2013 (in millions):

Other Comprehensive Income Components	Three months ended June 30, 2012	Three months ended June 30, 2013	Six months ended June 30, 2012	Six months ended June 30, 2013	Affected Line Item in the Statement of Comprehensive Income for Components Reclassified from OCI
Unrealized gain (loss) on derivative instruments and other	$	$ (1)	$	$	
Less: gain (loss) on derivatives reclassified into income					
Interest rate contracts	2	1	6	4	Interest expense and amortization of deferred financing fees
Forward currency hedges	2	(1)	2	(2)	Cost of sales and direct operating
Total reclassified into income	4		8	2	
Less: income tax benefit (expense)	(1)		(2)	(1)	
Unrealized gain (loss) on derivative instruments, net of tax	$ 3	$ (1)	$ 6	$ 1	

The following table provides a rollforward of the components of accumulated other comprehensive loss, net of tax, through June 30, 2013 as follows (in millions):

	Gains and Losses on Derivative Instruments	Currency Translation	Other	Total Accumulated Other Comprehensive Income (loss)
Balance at December 31, 2012	$ 2	$ (4)	$ (1)	$ (3)
Other comprehensive income before reclassifications		(44)	(5)	(49)
Amounts reclassified from accumulated other comprehensive income net of tax	1			1
Net current-period other comprehensive income	1	(44)	(5)	(48)
Balance at June 30, 2013	$ 3	$ (48)	$ (6)	$ (51)

6. Debt and Derivatives:

On January 2, 2013, SunGard repaid a $50 million revolving credit advance borrowed under its secured accounts receivable facility.

On March 8, 2013, SunGard amended and restated its senior secured credit agreement (Credit Agreement) to, among other things, (i) issue an additional term loan of $2,200 million (tranche E) maturing on March 8, 2020, the proceeds of which were used to (a) repay in full the $1,719 million tranche B term loan and (b) repay $481 million of the tranche C term loan; (ii) replace the $880 million of revolving commitments with $850 million of new revolving commitments, which will mature on March 8, 2018; and (iii) modify certain covenants and other provisions in order to, among other things (x) modify (and in the case of the term loan facility, remove) the financial maintenance covenants included therein and (y) permit the Company to direct the net cash proceeds of permitted dispositions otherwise requiring a pro rata prepayment of term loans to the prepayment of specific tranches of term loans at the Company s sole discretion. The interest rate on tranche E is LIBOR plus 3% with a 1% LIBOR floor, which at June 30, 2013 was 4%. SunGard is required to repay installments in quarterly principal amounts of 0.25% of its funded tranche E principal amount through the maturity date, at which time the remaining aggregate principal balance is due. Tranche E and the new revolving commitments are subject to certain springing maturities which are described in the Credit Agreement. As a result of this transaction, the Company incurred a loss on the extinguishment of debt of approximately $5 million.

On each of March 28, 2013 and June 28, 2013, SunGard voluntarily prepaid $50 million of its tranche A term loan. The related loss on the extinguishment of debt was not material to the Company s operations, financial position or cash flows.

Table of Contents

Debt consisted of the following (in millions):

	December 31, 2012	June 30, 2013
Senior Secured Credit Facilities:		
Secured revolving credit facility	$	**$**
Tranche A, effective interest rate of 1.96% and 1.94%	207	**107**
Tranche B, effective interest rate of 4.35%	1,719	
Tranche C, effective interest rate of 4.17% and 4.41%	908	**427**
Tranche D, effective interest rate of 4.50% and 4.50%	720	**716**
Tranche E, effective interest rate of 4.04%		**2,195**
Total Senior Secured Credit Facilities	3,554	**3,445**
Senior Secured Notes due 2014 at 4.875%, net of discount of $4 and $2	246	**248**
Senior Notes due 2018 at 7.375%	900	**900**
Senior Notes due 2020 at 7.625%	700	**700**
Senior Subordinated Notes due 2019 at 6.625%	1,000	**1,000**
Secured accounts receivable facility, at 3.71% and 3.69%	250	**200**
Other, primarily foreign bank debt and capital lease obligations	12	**13**
Total debt	6,662	**6,506**
Short-term borrowings and current portion of long-term debt	(63)	**(392)**
Long-term debt	$ 6,599	**$ 6,114**

SunGard uses interest rate swap agreements to manage the amount of its floating rate debt in order to reduce its exposure to variable rate interest payments associated with the Credit Agreement. Each swap agreement is designated as a cash flow hedge. SunGard pays a stream of fixed interest payments for the term of the swap, and in turn, receives variable interest payments based on LIBOR. At June 30, 2013, one-month and three-month LIBOR was 0.19% and 0.27%, respectively. The net receipt or payment from the interest rate swap agreements is included in interest expense. As a result of amending the Credit Agreement and issuing tranche E in March 2013, SunGard settled $500 million of interest rate swaps in March 2013 that were due to mature in May 2013. The interest rates in the table above reflect the impact of the swaps.

A summary of the Company s interest rate swaps at June 30, 2013 follows (in millions):

Inception	Maturity	Notional Amount (in millions)	Interest rate paid	Interest rate received (LIBOR)
August-September 2012	February 2017	$ 400	0.69%	1-Month
June 2013	June 2019	100	1.86%	3-Month
Total / Weighted Average		$ 500	0.93%	

The fair values of interest rate swaps designated as cash flow hedging instruments, included in other accrued expenses on the consolidated balance sheets, are $5 million as of December 31, 2012. At June 30, 2013, the fair values of interest rate swaps are $5 million and are included in other intangible assets.

The Company has no ineffectiveness related to its swap agreements. The Company expects to reclassify in the next twelve months approximately $3 million from other comprehensive income (loss) into earnings related to the Company s interest rate swaps based on the borrowing rates at June 30, 2013.

Table of Contents

7. Fair Value Measurements:

The following table summarizes assets and liabilities measured at fair value on a recurring basis at June 30, 2013 (in millions):

	Fair Value Measures Using			
	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents money market funds	$ 220	$	$	$ 220
Interest rate swap agreements		5		5
Currency forward contracts		1		1
Total	220	6		226
Liabilities				
Interest rate swap agreements	$	$	$	$

The following table summarizes assets and liabilities measured at fair value on a recurring basis at December 31, 2012 (in millions):

	Fair Value Measures Using			
	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents money market funds	$ 227	$	$	$ 227
Interest rate swap agreements				
Currency forward contracts		4		4
Total	$ 227	$ 4	$	$ 231
Liabilities				
Interest rate swap agreements and other	$	$ 4	$	$ 4

A Level 1 fair value measure is based upon quoted prices in active markets for identical assets or liabilities. A Level 2 fair value measure is based upon quoted prices for similar assets and liabilities in active markets or inputs that are observable. A Level 3 fair value measure is based upon inputs that are unobservable (for example, cash flow modeling inputs based on assumptions).

Cash and cash equivalents money market funds are recognized and measured at fair value in the Company s financial statements. Fair values of the interest rate swap agreements are calculated using a discounted cash flow model using observable applicable market swap rates and assumptions and are compared to market valuations obtained from brokers.

The Company uses currency forward contracts to manage its exposure to fluctuations in costs caused by variations in Indian Rupee (INR) and British Pound Sterling (GBP) exchange rates. These forward contracts are designated as cash flow hedges. The fair value of these currency forward contracts is determined using currency exchange market rates, obtained from independent, third party banks, at the balance sheet date. This fair value of forward contracts is subject to changes in currency exchange rates. The Company has no ineffectiveness related to its use of currency forward contracts.

The following table presents the carrying amount and estimated fair value of the Company s debt, including the current portion and excluding the interest rate swaps, as of December 31, 2012 and June 30, 2013 (in millions):

	December 31, 2012	June 30, 2013

	Carrying Value	Fair Value	Carrying Value	Fair Value
Floating rate debt	$ 3,803	$ 3,826	**$ 3,645**	**$ 3,656**
Fixed rate debt	2,859	3,023	**2,861**	**2,963**

The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, to the extent the underlying liability will be settled in cash, approximate carrying values because of the short-term nature of these instruments. The derivative financial instruments are carried at fair value. The fair value of the Company s floating rate and fixed rate long-term debt (Level 2) is determined using actual market quotes and benchmark yields received from independent vendors.

15

Table of Contents

8. Equity:

A rollforward of SCC s equity for 2013 follows (in millions):

	SunGard Capital Corp. stockholders				Noncontrolling interest		
	Class L - temporary equity	Class A - temporary equity	Permanent equity	Total	Temporary equity	Permanent equity	Total
Balance at December 31, 2012	$ 45	$ 5	$ (961)	$ (911)	$ 26	$ 1,575	$ 1,601
Net income (loss)			(104)	(104)	1	71	72
Foreign currency translation			(44)	(44)			
Net unrealized gain on derivative instruments			1	1			
Other			(5)	(5)			
Comprehensive income (loss)			(152)	(152)	1	71	72
Stock compensation expense			23	23			
Termination of put options due to employee terminations and other	(8)	(1)	11	2	(4)	2	(2)
Purchase of treasury stock			(4)	(4)		(2)	(2)
Transfer intrinsic value of vested restricted stock units	12		(21)	(9)	8		8
Other			(6)	(6)			
Balance at June 30, 2013	$ 49	$ 4	$ (1,110)	$ (1,057)	$ 31	$ 1,646	$ 1,677

A rollforward of SCC s equity for 2012 follows (in millions):

	SunGard Capital Corp. stockholders				Noncontrolling interest		
	Class L - temporary equity	Class A - temporary equity	Permanent equity	Total	Temporary equity	Permanent equity	Total
Balance at December 31, 2011	$ 47	$ 6	$ (663)	$ (610)	$ 28	$ 2,038	$ 2,066
Net income (loss)			105	105		122	122
Foreign currency translation			(11)	(11)			
Net unrealized gain on derivative instruments			6	6			
Comprehensive income (loss)			100	100		122	122
Stock compensation expense			20	20			
Termination of put options due to employee terminations and other	(8)	(1)	10	1	(5)	3	(2)
Purchase of treasury stock			(5)	(5)		(2)	(2)
Transfer intrinsic value of vested restricted stock units	11	1	(19)	(7)	7		7
Other			(8)	(8)			
Balance at June 30, 2012	$ 50	$ 6	$ (565)	$ (509)	$ 30	$ 2,161	$ 2,191

In June 2013, certain senior executives of the Company were granted a new form of long-term incentive equity award (Appreciation Units) to be settled in stock. The Appreciation Units vesting terms are either market-based dependent upon the performance of the Company s Unit price (Performance-based) or time-based. Performance-based Appreciation Units will vest only if the average value per Unit (defined as 1.3 shares of Class A common stock and 0.1444 shares of Class L common stock of SunGard Capital Corp. and 0.05 shares of preferred stock of SunGard Capital Corp. II) at each measurement date (as defined in the agreements) increases over a base Unit value specified in the agreements and may be subject to continued employment through June 1, 2017. Time-based Appreciation Units will vest in annual installments over a period of years as specified in the applicable award agreement, subject to continued employment. The Company determined the fair value of the Performance-based Appreciation Units using a Monte Carlo valuation model and will record the aggregate expense of $22 million over the four-year measurement period on a straight-line basis regardless of vesting, subject to continued employment, if applicable. Time-based Appreciation Units were valued using the Black-Scholes pricing model at $4 million in the aggregate, which will be expensed over the four year service period on a straight-line basis.

9. Income Taxes:

In the second quarter, included in the benefit recorded in income tax expense is a discrete item of $9 million related to a benefit associated with a tax accounting method change related to certain lease-related reserves.

Table of Contents

10. Segment Information:

The Company has three reportable segments: FS, AS and PS&E. The Company evaluates the performance of its segments based on Segment Internal Adjusted EBITDA. Segment Internal Adjusted EBITDA, a non-GAAP measure, is defined as operating income before the following items:

- depreciation and amortization,
- amortization of acquisition-related intangible assets,
- goodwill impairment,
- severance and facility closure charges,
- stock compensation,
- management fees, and
- certain other costs.

While these charges may be recurring, management excludes them in order to better analyze the segment results and evaluate the segment performance. This analysis is used extensively by management and is also used to communicate the segment results to the Company s board of directors. In addition, management reviews Internal Adjusted EBITDA and Segment Internal Adjusted EBITDA on a constant currency basis, especially when comparing to the prior year results. While Internal Adjusted EBITDA and Segment Internal Adjusted EBITDA are useful for analysis purposes, they should not be considered as alternatives to the Company s reported GAAP results. Also, Internal Adjusted EBITDA and Segment Internal Adjusted EBITDA may not be comparable to similarly titled measures used by other companies. Internal Adjusted EBITDA and Segment Internal Adjusted EBITDA are similar, but not identical, to adjusted EBITDA as defined in the Credit Agreement for purposes of SunGard s debt covenants. The operating results apply to each of SCC, SCCII and SunGard unless otherwise noted.

The operating results for the three months ended June 30, 2013 and 2012 for each segment follow (in millions):

Three Months Ended June 30, 2013	**FS**	**AS**	**PS&E**	**Sum of segments**
Revenue	**$ 632**	**$ 344**	**$ 52**	**$ 1,028**
Internal Adjusted EBITDA	**178**(1)	**112**	**18**	**308**
Internal Adjusted EBITDA margin	**28.2%**	**32.5%**	**32.9%**	**29.9%**
Year to year revenue change	**(6)%**	**(2)%**	**2%**	**(4)%**
Year to year Internal Adjusted EBITDA change	**%**	**(5)%**	**12%**	**(1)%**

Three Months Ended June 30, 2012	**FS**	**AS**	**PS&E**	**Sum of segments**
Revenue	$ 670	$ 351	$ 51	$ 1,072
Internal Adjusted EBITDA	178	118	16	312
Internal Adjusted EBITDA margin	26.6%	33.7%	30.0%	29.1%

Table of Contents

Reconciliation of Segment Internal Adjusted EBITDA to income (loss) from continuing operations before income taxes:

	Three Months Ended	
	June 30, 2012	June 30, 2013
Internal Adjusted EBITDA (sum of segments)	$ 312	**$ 308**
Corporate	(11)	**(11)**
Depreciation [(2)]	(70)	**(76)**
Amortization of acquisition-related intangible assets	(100)	**(86)**
Severance and facility closure costs	(7)	**(3)**
Stock compensation expense	(9)	**(12)**
Management fees	(4)	**(3)**
Other costs (included in operating income)	(6)	**(6)**
Interest expense, net	(101)	**(98)**
Loss on extinguishment of debt	(36)	
Other income (expense)		**(2)**
Income (loss) from continuing operations before income tax	$ (32)	**$ 11**

Depreciation and amortization and capital expenditures by segment follow (in millions):

Three Months Ended June 30, 2013	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	**$ 20**	**$ 32**	**$ 2**	**$ 54**	**$ 1**	**$ 55**
Depreciation[(2)]	**23**	**51**	**1**	**75**	**1**	**76**
Amortization of acquisition-related intangible assets	**44**	**38**	**4**	**86**		**86**

Three Months Ended June 30, 2012	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	$ 23	$ 30	$ 2	$ 55	$	$ 55
Depreciation[(2)]	20	48	2	70		70
Amortization of acquisition-related intangible assets	53	43	4	100		100

The operating results for the six months ended June 30, 2013 and 2012 for each segment follow (in millions):

Six Months Ended June 30, 2013	FS	AS	PS&E	Sum of segments
Revenue	**$ 1,232**	**$ 689**	**$ 102**	**$ 2,023**
Internal Adjusted EBITDA	**308**(1)	**217**	**32**	**557**
Internal Adjusted EBITDA margin	**25.0%**	**31.5%**	**31.1%**	**27.5%**
Year to year revenue change	**(4)%**	**(2)%**	**%**	**(4)%**
Year to year Internal Adjusted EBITDA change	**1%**	**(6)%**	**(1)%**	**(2)%**

Six Months Ended June 30, 2012	FS	AS	PS&E	Sum of Segments
Revenue	$ 1,288	$ 706	$ 102	$ 2,096
Internal Adjusted EBITDA	304	231	32	567
Internal Adjusted EBITDA margin	23.6%	32.7%	31.3%	27.0%

Table of Contents

Reconciliation of Internal Adjusted EBITDA to income (loss) from continuing operations before income taxes:

	Six Months Ended	
	June 30, 2012	June 30, 2013
Internal Adjusted EBITDA (sum of segments)	$ 567	**$ 557**
Corporate	(25)	**(24)**
Depreciation (2)	(141)	**(149)**
Amortization of acquisition-related intangible assets	(201)	**(173)**
Severance and facility closure costs	(9)	**(6)**
Stock compensation expense	(20)	**(23)**
Management fees	(6)	**(5)**
Other costs (included in operating income)	(8)	**(10)**
Interest expense, net	(223)	**(206)**
Loss on extinguishment of debt	(51)	**(5)**
Other income (expense)	2	**(1)**
Income (loss) from continuing operations before income tax	$ (115)	**$ (45)**

Depreciation and amortization and capital expenditures by segment follow (in millions):

Six Months Ended June 30, 2013	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	**$ 41**	**$ 55**	**$ 4**	**$ 100**	**$ 1**	**$ 101**
Depreciation(2)	**45**	**100**	**3**	**148**	**1**	**149**
Amortization of acquisition-related intangible assets	**88**	**77**	**8**	**173**		**173**

Six Months Ended June 30, 2012	FS	AS	PS&E	Sum of segments	Corporate	Total
Capital expenditures	$ 43	$ 68	$ 4	$ 115	$	$ 115
Depreciation(2)	41	96	4	141		141
Amortization of acquisition-related intangible assets	106	86	9	201		201

(1) During the second quarter of 2013, the Company completed a review of its accounting practices related to vacation pay obligations. In countries where the vacation policy stipulated that vacation days earned in the current year must be used in that same year, the Company adjusted its quarterly estimate of accrued vacation costs to better match expense recognition with amounts payable to employees when leaving the Company. The impact of the change in estimate was an aggregate decrease to costs and expenses of $10 million for the three month period ended June 30, 2013. The impact of this change is expected to be negligible for the full year.

(2) Includes amortization of capitalized software.

11. Employee Termination Benefits and Facility Closures:

The following table provides a rollforward of the liability balances for workforce reductions and facility closures, which occurred through June 30, 2013 (in millions):

	Balance 12/31/2012	Expense	Paid	Other Adjustments*	Balance 6/30/2013
Workforce-related	$ 32	$ 9	$ (20)	$ (5)	$ 16
Facilities	22	1	(5)		18

Total	$ 54	$ 10	$ (25)	$ (5)	$ 34

* The other adjustments column in the table principally relates to changes in estimates from when the initial charge was recorded and also foreign currency translation and other adjustments.

Table of Contents

The workforce related actions are expected to be paid out over the next 18 months (the majority within 12 months). The facilities accruals are for ongoing obligations to pay rent for vacant space and are net of sublease reserves. The lengths of these obligations vary by lease with the majority ending in 2019.

12. Related Party Transactions:

In accordance with the Management Agreement between the Company and affiliates of the Sponsors, the Company recorded $4 and $3 million of management fees in sales, marketing and administration expenses during the three months ended June 30, 2012 and 2013, respectively. The Company recorded $6 and $5 million of management fees in sales, marketing and administration expenses during the six months ended June 30, 2012 and 2013, respectively. At December 31, 2012 and June 30, 2013, $4 million and $3 million, respectively, was included in other accrued expenses.

During the first quarter of 2012, in connection with the sale of HE, the Company paid the Sponsors $17.8 million of management fees, which are included in the results of discontinued operations.

For each of the six months ended June 30, 2012 and 2013, Goldman Sachs & Co. and/or its respective affiliates received fees of approximately $1 million in connection with amendments of SunGard s Credit Agreement. For the three months ended June 30, 2012 and 2013, no fees were paid to Goldman Sachs & Co. and/or its respective affiliates.

13. Supplemental Guarantor Condensed Consolidating Financial Statements:

SunGard s senior unsecured notes are jointly and severally, fully and unconditionally guaranteed on a senior unsecured basis and the senior subordinated notes are jointly and severally, fully and unconditionally guaranteed on an unsecured senior subordinated basis, in each case, subject to certain exceptions, by substantially all wholly owned, domestic subsidiaries of SunGard (collectively, the Guarantors). Each of the Guarantors is 100% owned, directly or indirectly, by SunGard. None of the other subsidiaries of SunGard, either direct or indirect, nor any of the Holding Companies, guarantee the senior notes and senior subordinated notes (Non-Guarantors). The Guarantors and SunGard Holdco LLC also unconditionally guarantee the senior secured credit facilities. The Guarantors are subject to release under certain circumstances as described below.

The indentures evidencing the guarantees provide for a Guarantor to be automatically and unconditionally released and discharged from its guarantee obligations in certain circumstances, including upon the earliest to occur of:

- The sale, exchange or transfer of the subsidiary s capital stock or all or substantially all of its assets;
- Designation of the Guarantor as an unrestricted subsidiary for purposes of the indenture covenants;
- Release or discharge of the Guarantor s guarantee of certain other indebtedness; or
- Legal defeasance or covenant defeasance of the indenture obligations when provision has been made for them to be fully satisfied.

Table of Contents

The following tables present the financial position, results of operations and cash flows of SunGard (referred to as Parent Company for purposes of this note only), the Guarantor subsidiaries, the Non-Guarantor subsidiaries and Eliminations as of December 31, 2012 and June 30, 2013, and for the three and six month periods ended June 30, 2012 and 2013 to arrive at the information for SunGard on a consolidated basis. SCC and SCCII are neither parties to nor guarantors of the debt issued as described in Note 5 of Notes to Consolidated Financial Statements included in the Company s Annual Report on Form 10-K for 2012.

(in millions)	Supplemental Condensed Consolidating Balance Sheet December 31, 2012				
	Parent Company	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Eliminations**	**Consolidated**
Assets					
Current:					
Cash and cash equivalents	$ 220	$ (3)	$ 329	$	$ 546
Intercompany balances		2,457	742	(3,199)	
Trade receivables, net	3	566(a)	331		900
Prepaid expenses, taxes and other current assets	1,312	70	89	(1,241)	230
Total current assets	1,535	3,090	1,491	(4,440)	1,676
Property and equipment, net		574	300		874
Intangible assets, net	112	2,413	404		2,929
Deferred income taxes	39			(39)	
Intercompany balances	254	7	76	(337)	
Goodwill		3,470	1,069		4,539
Investment in subsidiaries	8,620	2,101		(10,721)	
Total Assets	$ 10,560	$ 11,655	$ 3,340	$ (15,537)	$ 10,018
Liabilities and Stockholder s Equity					
Current:					
Short-term and current portion of long-term debt	$ 57	$	$ 6	$	$ 63
Intercompany balances	3,199			(3,199)	
Accounts payable and other current liabilities	70	1,983	632	(1,241)	1,444
Total current liabilities	3,326	1,983	638	(4,440)	1,507
Long-term debt	6,343	2	254		6,599
Intercompany debt	83		254	(337)	
Deferred and other income taxes	92	1,000	67	(39)	1,120
Other liabilities		50	26		76
Total liabilities	9,844	3,035	1,239	(4,816)	9,302
Total stockholder s equity	716	8,620	2,101	(10,721)	716
Total Liabilities and Stockholder s Equity	$ 10,560	$ 11,655	$ 3,340	$ (15,537)	$ 10,018

(a) This balance is primarily comprised of a receivable from the borrower under the secured accounts receivable facility, which is a non-Guarantor subsidiary, resulting from the normal, recurring sale of accounts receivable under the receivables facility. In a liquidation, the first $250 million (plus interest) of collections of accounts receivable sold to this subsidiary are due to the receivables facility lender. The remaining balance would be available for collection for the benefit of the Guarantors.

Table of Contents

(in millions)	Supplemental Condensed Consolidating Balance Sheet June 30, 2013				
	Parent Company	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current:					
Cash and cash equivalents	$ 192	$ 1	$ $345	$	$ $538
Intercompany balances		2,753	713	(3,466)	
Trade receivables, net	8	516(b)	220		744
Prepaid expenses, taxes and other current assets	1,395	77	106	(1,340)	238
Total current assets	1,595	3,347	1,384	(4,806)	1,520
Property and equipment, net		546	269		815
Intangible assets, net	115	2,272	364		2,751
Deferred income taxes	37			(37)	
Intercompany balances	251	5	78	(334)	
Goodwill		3,468	1,042		4,510
Investment in subsidiaries	8,640	2,040		(10,680)	
Total Assets	$ 10,638	$ 11,678	$ 3,137	$ (15,857)	$ 9,596
Liabilities and Stockholder s Equity					
Current:					
Short-term and current portion of long-term debt	$ 384	$ 1	$ 7	$	$ $392
Intercompany balances	3,466			(3,466)	
Accounts payable and other current liabilities	62	2,035	546	(1,340)	1,303
Total current liabilities	3,912	2,036	553	(4,806)	1,695
Long-term debt	5,908	2	204		6,114
Intercompany debt	83		251	(334)	
Deferred and other income taxes	91	951	45	(37)	1,050
Other liabilities		49	44		93
Total liabilities	9,994	3,038	1,097	(5,177)	8,952
Total stockholder s equity	644	8,640	2,040	(10,680)	644
Total Liabilities and Stockholder s Equity	$ 10,638	$ 11,678	$ 3,137	$ (15,857)	$ 9,596

(b) This balance is primarily comprised of a receivable from the borrower under the secured accounts receivable facility, which is a non-Guarantor subsidiary, resulting from the normal, recurring sale of accounts receivable under the receivables facility. In a liquidation, the first $200 million (plus interest) of collections of accounts receivable sold to this subsidiary are due to the receivables facility lender. The remaining balance would be available for collection for the benefit of the Guarantors.

Table of Contents

(in millions)	Supplemental Condensed Consolidating Schedule of Comprehensive Income Three Months Ended June 30, 2012				
	Parent Company	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Eliminations**	**Consolidated**
Total revenue	$	$ 732	$ 426	$ (86)	$ 1,072
Costs and expenses:					
Cost of sales and administrative expenses (excluding depreciation)	24	522	337	(86)	797
Depreciation		48	22		70
Amortization of acquisition-related intangible assets		85	15		100
Total costs and expenses	24	655	374	(86)	967
Operating income (loss)	(24)	77	52		105
Net interest income (expense)	(95)		(6)		(101)
Equity in earnings of unconsolidated subsidiaries (c)	44	13		(57)	
Other income (expense)	(36)				(36)
Income (loss) from continuing operations before income taxes	(111)	90	46	(57)	(32)
Benefit from (provision for) income taxes	97	(47)	(26)		24
Income (loss) from continuing operations	(14)	43	20	(57)	(8)
Income (loss) from discontinued operations, net of tax	6	1	(7)		
Net income (loss)	(8)	44	13	(57)	(8)
Comprehensive income (loss)	$ (49)	$ 14	$ (9)	$ (5)	$ (49)

(c) The Supplemental Condensed Consolidating Schedule of Comprehensive Income for Parent Company and Guarantor Subsidiaries for the three months ended June 30, 2012 has been revised to present all equity in earnings of unconsolidated subsidiaries in a single caption within Other income (expense). The portion of equity in earnings of unconsolidated subsidiaries which related to the investees income (loss) from discontinued operations had previously been presented separately in the Income (loss) from discontinued operations, net of tax caption for the Parent Company and Guarantor Subsidiaries. This revision has also been reflected in the Net income (loss) and Income (loss) from discontinued operations captions in the Supplemental Condensed Consolidating Schedule of Cash Flows for Parent Company and Guarantor Subsidiaries for the same periods.

While these revisions have no impact on the previously reported Net Income or total cash flows from operations of the Parent Company or Guarantor Subsidiaries, they resulted in the following changes to previously reported amounts. For the Parent Company in 2012, Equity in earnings of unconsolidated subsidiaries changed from $50 million to $44 million; Income (loss) from continuing operations changed from $(8) million to $(14) million; and Income (loss) from discontinued operations, net of tax changed from $- million to $6 million. For the Guarantor Subsidiaries in 2012, Equity in earnings of unconsolidated subsidiaries changed from $20 million to $13 million; Income (loss) from continuing operations changed from $50 million to $43 million; and Income (loss) from discontinued operations, net of tax changed from $(6) million to $1 million. These revisions had no impact on the consolidated results of the Company and were not material to the Supplemental Condensed Consolidating Schedule of Comprehensive Income or the Supplemental Condensed Consolidating Schedule of Cash Flows for any period.

Table of Contents

(in millions)	Supplemental Condensed Consolidating Schedule of Comprehensive Income Three Months Ended June 30, 2013				
	Parent Company	**Guarantor Subsidiaries**	**Non-Guarantor Subsidiaries**	**Eliminations**	**Consolidated**
Total revenue	$	$ 708	$ 418	$ (98)	$ 1,028
Costs and expenses:					
Cost of sales and administrative expenses (excluding depreciation)	26	511	316	(98)	755
Depreciation		51	25		76
Amortization of acquisition-related intangible assets		70	16		86
Total costs and expenses	26	632	357	(98)	917
Operating income (loss)	(26)	76	61		111
Net interest income (expense)	(91)	(1)	(6)		(98)
Equity in earnings of unconsolidated subsidiaries	94	47		(141)	
Other income (expense)			(2)		(2)
Income (loss) from continuing operations before income taxes	(23)	122	53	(141)	11
Benefit from (provision for) income taxes	38	(28)	(6)		4
Income (loss) from continuing operations	15	94	47	(141)	15
Income (loss) from discontinued operations, net of tax					