

Third-Quarter 2008 Earnings Presentation

Non-GAAP Financial Measures

October 23, 2008

Non-GAAP Financial Measures

“Adjusted Diluted EPS”: Diluted earnings per share for the 2008 fourth quarter and full year expectations are discussed in this release using a non-GAAP financial measure that excludes the effect of restructuring charges and charges associated with our securities-related litigation matters (full year only). Management believes that it is helpful to exclude these effects to better understand and analyze the current period’s results given the discrete nature the charges and with respect to the litigation its relation to prior year events. A reconciliation of this non-GAAP financial measure and the most directly comparable financial measure calculated and presented in accordance with GAAP is set forth on slide 4.

“Adjusted Effective Tax Rate”: The effective tax rate for the third quarter 2008 is discussed in this presentation using a non-GAAP financial measure that excludes the benefit to taxes relating to the settlement of certain previously unrecognized tax benefits and the effect of charges associated with restructuring. Management believes that it is helpful to exclude these effects to better understand and analyze the current period’s effective tax rate given the discrete nature of these items in the period.. A reconciliation of this non-GAAP financial measure and the most directly comparable financial measure calculated and presented in accordance with GAAP is set forth on slide 5.

“Adjusted Revenue”: We discussed the revenue growth for the first and second quarter of 2008 using non-GAAP financial measures. To understand trends in the business, we believe that it is helpful to adjust the revenue growth rates to illustrate the impact of the acquisition of GIS by including their estimated revenue for the comparable 2007 periods. We refer to this adjusted revenue as “as adjusted” revenue in the following reconciliation tables. Management believes these measures give investors an additional perspective on revenue trends, as well as the impact to the Company of the acquisition of GIS that was completed in May 2007. A reconciliation of these non-GAAP financial measures and the most directly comparable financial measures calculated and presented in accordance with GAAP is set forth on slides 6 and 7.

Management believes that these non-GAAP financial measures provide an additional means of analyzing the current periods’ results against the corresponding prior periods’ results. However, these non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company’s reported results prepared in accordance with GAAP.

Non-GAAP Financial Measures

“Constant Currency”: To understand trends in the business, we believe that it is helpful to adjust revenue to exclude the impact of changes in the translation of foreign currencies into U.S. dollars. We refer to this adjusted growth as “constant currency”. Currencies for our developing market countries (Latin America, Brazil, the Middle East, India, Eurasia and Central-Eastern Europe) are reflected at actual exchange rates for both actual and constant revenue growth rates, since these countries generally have volatile currency and inflationary environments, and our operations in these countries have historically implemented pricing actions to recover the impact of inflation and devaluation. Management believes the constant currency measure gives investors an additional perspective of revenue trends. The currency impact can be determined as the difference between actual growth rates and constant currency growth rates as reported on the applicable slides.

“Cash from core operations; Core cash flow”: This measure of cash flows excludes the effect of investments made in finance receivables and on-lease equipment, which are the basis for growth in our leasing operation. These investments are viewed as income-producing assets and are important to the growth of our business. Management believes this measure gives investors an additional perspective of cash flow from operating activities. See reconciliation of cash from core operations to cash flow from operations on slide 8.

Management believes that these non-GAAP financial measures provide an additional means of analyzing the current periods’ results against the corresponding prior periods’ results. However, these non-GAAP financial measures should be viewed in addition to, and not as a substitute for, the Company’s reported results prepared in accordance with GAAP.

Earnings Expectations

| | Actual | Guidance | |
|-----------------------------------|---------------|------------------------|------------------------|
| | Q3 08 | Q4 08 | FY 08 |
| GAAP EPS | \$0.29 | \$0.03 - \$0.05 | \$0.28 - \$0.30 |
| Litigation | | | \$0.55 |
| Q4 Restructuring | | \$0.31 | \$0.31 |
| Adjusted Diluted EPS ¹ | \$0.29 | \$0.34 – \$0.36 | \$1.14 – \$1.16 |

Q3 2008 Adjusted Effective Tax Rate Reconciliation

| (in millions) | Three Months Ended September 30, 2008 | | |
|-----------------|--|-----------------|-----------------------|
| | Pre-Tax Income | Income Taxes | Effective Tax Rate |
| As Reported | \$ 238 | \$ 15 | 6.3 % |
| Restructuring | \$ 14 | \$ 5 | |
| Tax Settlements | \$ - | \$ 41 | |
| As Adjusted | <u>\$ 252</u> | <u>\$ 61</u> | <u>24.2 %</u> |

Q1 2008 Non-GAAP Reconciliation

| (in millions) | Three Months Ended March 31, | | % Change | Currency | % Change at Constant Currency* |
|--------------------------|---------------------------------|----------|----------|----------|--------------------------------------|
| | 2008 | 2007 | | | |
| Equipment Sales Revenue: | | | | | |
| As Reported | \$ 1,098 | \$ 931 | 18 % | (5 %) | 13 % |
| As Adjusted | \$ 1,098 | \$ 1,078 | 2 % | (4 %) | (2 %) |
| Post Sale Revenue: | | | | | |
| As Reported | \$ 3,237 | \$ 2,905 | 11 % | (4 %) | 7 % |
| As Adjusted | \$ 3,237 | \$ 3,052 | 6 % | (4 %) | 2 % |
| Total Revenues: | | | | | |
| As Reported | \$ 4,335 | \$ 3,836 | 13 % | (4 %) | 9 % |
| As Adjusted | \$ 4,335 | \$ 4,130 | 5 % | (4 %) | 1 % |

Revenue "As Adjusted" adds GIS' results for Q1 2007 to our 2007 reported revenue.

Q2 2008 Non-GAAP Reconciliation

| (in millions) | Three Months Ended June 30, | | % Change | Currency | % Change at Constant Currency* |
|--------------------------|--------------------------------|----------|----------|----------|--------------------------------------|
| | 2008 | 2007 | | | |
| Equipment Sales Revenue: | | | | | |
| As Reported | \$ 1,160 | \$ 1,141 | 2% | (4%) | (2%) |
| As Adjusted | \$ 1,160 | \$ 1,179 | (2%) | (3%) | (5%) |
| Post Sale Revenue | | | | | |
| As Reported | \$ 3,373 | \$ 3,067 | 10% | (4%) | 6% |
| As Adjusted | \$ 3,373 | \$ 3,126 | 8% | (4%) | 4% |
| Total Revenues: | | | | | |
| As Reported | \$ 4,533 | \$ 4,208 | 8% | (4%) | 4% |
| As Adjusted | \$ 4,533 | \$ 4,305 | 5% | (4%) | 1% |

Revenue “As Adjusted” includes a full quarter of GIS’ results for Q2 2007.

Cash Flow

| (in millions) | <u>Q3 2008</u> | <u>YTD 2008</u> |
|---|-----------------|-----------------|
| Net income | \$ 258 | \$ 229 |
| Depreciation and amortization | 175 | 498 |
| Provisions for receivables and inventory | 65 | 173 |
| Provision for litigation, net | - | 795 |
| Restructuring and asset impairment charges | 14 | 80 |
| Cash payments for restructurings | (33) | (92) |
| Contributions to pension benefit plans | (205) | (271) |
| Net change in A/R and billed portion of F/R | (60) | (128) |
| Net change in inventories | (10) | (175) |
| Net change in accounts payable and accrued compensation | 94 | (49) |
| Net change in income tax assets and liabilities | (15) | (302) |
| Other, net | (41) | (81) |
| Cash from Core Operations* | \$ 242 | \$ 677 |
| Increase in equipment on operating leases | (81) | (242) |
| Decrease in finance receivables | 99 | 319 |
| Cash from Operations | \$ 260 | \$ 754 |
| CAPEX (incl. internal use software) | (85) | (244) |
| Acquisitions, net of cash acquired | (11) | (153) |
| Net change in escrow and other restricted investments | (266) | (403) |
| Other cash from investing | 6 | 94 |
| Cash from Investing | \$ (356) | \$ (706) |
| Net debt payments on secured financings | (45) | (192) |
| Net cash proceeds on other debt | 329 | 900 |
| Payments to acquire treasury stock, including fees | (92) | (804) |
| Dividends on common stock | (37) | (116) |
| Other, net | (2) | (39) |
| Cash from Financing | \$ 153 | \$ (251) |
| Change in cash and cash equivalents | 30 | (226) |
| Ending Cash and Cash Equivalents | \$ 873 | \$ 873 |