

Edgar Filing: AFFILIATED COMPUTER SERVICES INC - Form 425

AFFILIATED COMPUTER SERVICES INC

Form 425

October 28, 2009

Filed by Affiliated Computer Services, Inc.
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934

Subject Company: Affiliated Computer Services, Inc.

Commission File No.: 1-12665

A C S expertise in action Corporate Overview October 2009



expertise in action A C S Strategy Lynn Blodgett, A C S President & Chief Executive Officer

Strategy Our operating philosophy Grow Make long-term decisions Evolve our business Advance our cost competitive culture expertise in action A C S

Strategy: Grow Increased sales headcount = increased sales New business signings (ARR) \$1,000 \$800 \$600 \$400
\$200 \$0 \$ in millions FY07 \$607 FY08 \$801 FY09 \$1,018 expertise in action A C S

Strategy: Long-term decisions Client for life Long-term focus Strengthen client relationship Win-win expertise in action A C S

Strategy: Evolve Core competency in acquisitions Evaluate our portfolio Innovation expertise in action A C S

Innovation powers growth Health Enterprise AMP Enterprise Architecture ITIL-Aligned Service Management A C S
Benefits iPhone App Electronic Payment Cards (EPC) expertise in action A C S

Strategy: Cost competitive culture Increase global delivery model Project Compete increased global production by approximately 4,000 Delivered run-rate savings of approximately \$100 million Savings provide opportunity to invest in our business Sales Innovation Clients expertise in action A C S

Strategy: Cost competitive culture We significantly expanded global production Commercial employee base June 30, 2008 38% Offshore 30,952 18,927 Domestic Offshore June 30, 2009 52% Offshore 28,324 31,035 Domestic Offshore expertise in action A C S

Strategy: XRX + A C S Why This? 1. Xerox needs to continue to diversify into services 2. There are two major options Professional services / systems integration BPO 3. BPO is better because Xerox has already entered the market Managed print services Litigation support Mortgage processing BPO is a larger, less crowded market 4. Document / image technology is core to business processing 5. Xerox is the world leader, by far, in image / document technology expertise in action A C S

Strategy: XRX + A C S Why This? 6. Xerox technology can be applied to a vast array of BPO processes with significant savings 7. Xerox can create substantial value by applying unstructured data technology to BPO processes creating a significant competitive advantage 8. A C S is the world leader in diversified BPO 9. A C S can immediately leverage Xerox Global account management structure to sell more Unstructured data recognition technology to reduce its \$3 billion labor spend Global brand credibility to boost sales Xerox R&D to solve BPO0 problems 10. A C S can substantially reduce Xerox administrative and customer care costs making Xerox base business more competitive expertise in action A C S

expertise in action A C S Government Segment Tom Burlin, Executive Vice President & Chief Operating Officer

Government Segment Revenue distribution Commercial Government 60% 40% State & Local Gov't Healthcare
Transportation Federal 12% 25% 30% 33% Characteristics of our Government Segment: Recurring revenue Diverse
service offerings Revenue generating services Mission critical services Federally funded / needs based services
Leveragable technology solutions expertise in action A C S

expertise in action A C S Government Solutions

Government Solutions Key service offerings Healthcare Medicaid solutions and fiscal agent operations Pharmacy benefits Health information analytics Enrollment broker Medicaid eligibility Fraud and abuse protection Electronic health records Health information exchange Population health management Care and disease management Federal Loan servicing Healthcare payment processing Health information exchange/EHR Document records management Electronic payment card services Customer Care IT services Cyber security operations State & Local Constituent Services Child support payment processing Human services program modernization Eligibility processing & case management Electronic payment services Unemployment services Customer care, N11 Citizen relief and disaster recovery Public safety and justice solutions Finance & Administration Tax and revenue services Human resources and ERP Records management IT services and systems integration Unclaimed property data management systems Abandoned stock portfolio maintenance Emerging Energy Environment Weatherization Global expansion

Government Solutions We win because... A C S is a leader in government business process services Deep understanding of government programs Operations partner to government We touch millions of citizen's lives every day — reliable, responsive Longevity and commitment to market Applied innovation

Government Solutions Applied innovation Electronic Payment Cards (EPC) Saves millions in check processing for variety of government programs: Temporary Assistance Unemployment Child Support In-home Care Provider Payments Social Security and SSI Applied EPC in 18 states and federal government in 4 years across 25 programs Sophisticated EPPIC platform solution expertise in action A C S

Government Solutions Oklahoma Department of Human Services \$12 million in savings The Challenge Highly satisfied client achieving results in all areas — savings, efficiencies, accuracy, citizen service improvements, high satisfaction with providers, reduced fraud and cited as a national model Improve efficiency Improve service across all programs Eliminate manual processes Increase accuracy Reduce overpayments Reduce costs overall The Solution Electronic Payment Cards (EPC) Electronic Benefits Transfer (EBT) e-Childcare solution EPPIC platform Enrollment planning and design Payment deposits (multiple options) Transaction processing 24/7 customer service The Result Saves \$12M per year 100% payment accuracy 100% accuracy on transactions for 300,000 cardholders Faster payments, secure, convenient From 20% child care provider satisfaction rating to 90% Award-winning expertise in action A C S

Government Solutions Update on key contracts Department of Education Indiana Eligibility US Department of the Treasury expertise in action A C S

Government Solutions Our path to growth Continue invest in scalable platforms Leverage commercial solutions
Capture short-term Stimulus projects Develop new offerings and new markets: Health Information Technology
Energy and Environment Expand globally Enter adjacent markets via acquisitions expertise in action A C S

expertise in action A C S Transportation Solutions

Transportation Solutions Key service offerings TSG SALES OFFICES ACROSS 12 COUNTRIES* AMERICAS Washington DC, US Edmonton, CA Toronto, CA Lima, Peru Santiago, CL Mexico City, MX EUROPE Paris, FR Valence, FR Zurich, CH Bern, CH London, UK Milan, IT Madrid, ES MIDDLE EAST Dubai, UAE ASIA Beijing, CN *Over 20 sales offices across the US. TSG PROJECTS IN MORE THAN 30 COUNTRIES FOCUS ON SIX CORE MARKETS Roadways Public Transport Photo Enforcement On-Street Parking Off-Street Parking Commercial Trucking END-TO-END SERVICE CAPABILITIES System Integration Multi-modal, multi-agency multi-payment integration Enterprise level software development End-to-end technology integration Turn-Key Solutions Electronic toll lanes Transit ticketing GPS-based asset management Photo enforcement Parking revenue Back Office Operations Customer services centers USD\$ billions collected and processed annually Business analytics Data warehousing Violations Processing Capture most types of roadway violations License plate recognition systems Processing Past due collections Infrastructure Investment Build-operate-transfer (BOT) projects Equity investments Long-term concessions Revenue sharing arrangements

Transportation Solutions A C S participates in a large global market Market opportunity Total \$11B 100% 80 60 40
20 0 5.2 Rest of the world Rest of US tolling market A C S USA Roadways 1.8 A C S- Rest of the world Rest of
Western Europe A C S West. Europe Public Transport 1.5 Rest of US A C S US/Canada Photo enf. 1.1 Remaining
market in current A C S core geography A C S current share in core geography Onstreet parking 1.2 Total available
market in rest of the world Remaining market in current A C S core geography Offstreet Parking 0.2 0.1 Company
Estimates expertise in action A C S

Transportation Solutions Alternative to standard government procurements Build Contractor Designs program and technical solution Provides overall integration and program management Installs next generation technology (smart cards, cameras, etc.) Provides investment Municipality Establishes objectives Has program oversight Operate Contractor Operates the program for 5 to 15 years typically Collects a percentage of users' fees to pay back investment Municipality Has program oversight Transfer Contractor Ensures continuity with transfer of staff, required intellectual property, and technology Municipality Operates the program going forward expertise in action ACS

Transportation Solutions A C S leads speed enforcement market in U.S. 120 Speed Cameras Implemented the largest digital mobile and fixed speed enforcement program in the United States today. The Challenge Reduce dangerous driving and speeding through County school zones Costly enforcement and limited police resources The Solution Deploy a combination of mobile speed and fixed speed cameras throughout the County's school zones Vendor responsible for all processing operations and maintenance THE RESULT In process of identifying/installing 60 additional fixed sites 70% reduction in aggressive speeding in enforced zones expertise in action A C S

Transportation Solutions Our path to growth Increase sales force Build-Operate-Transfer (BOT) programs Focus on industry trends (e.g., HOT lanes, speed enforcement) Enter new verticals in adjacent markets Leverage core competency in acquisitions expertise in action A C S

expertise in action A C S Questions? Tom Burlin, Executive Vice President & Chief Operating Officer

expertise in action A C S Commercial Segment Tom Blodgett, Executive Vice President & Chief Operating Officer

Commercial Segment Revenue distribution Commercial Government 40% 60% IT Solutions Enterprise Sol & Services Business Process Solutions 32% 33% 35% Characteristics of our Commercial Segment: Recurring revenue Diverse client base Mission critical services Diverse service offerings Global production model Leveragable technology solutions expertise in action A C S

expertise in action A C S IT Solutions

IT Solutions Key service offerings Comprehensive IT Services Remote & hosted managed services Server monitoring & management Managed storage, backup & recovery Managed network services Utility computing IT Commercial Services Managed IT procurement Asset management services Telecommunications expense management End User Computing Services Help desk / service desk management Desktop On site support & maintenance Messaging solutions IT Strategy & Architecture Service Infrastructure design & consultancy Consolidation & optimization Storage & backup assessment Virtualization Critical Operations & Risk Management Disaster recovery / business continuity Security services Application Services Lawson application management SAP application management Application development & maintenance expertise in action A C S

Information Technology Solutions Our strategy The A C S IT Services strategy is to enable our client's growth and success through a six-pronged approach: EMEA expansion Client Intimacy Innovation Operational Excellence Alliance/Analyst/Advisor Relations Transformation Capabilities Our mission is a shared one because it is only through our clients that we will be successful expertise in action A C S

IT Solutions Why we win... Innovation Retains Client Innovative solutions retained the client and expanded services
THE CHALLENGE Client needed flexible operations partner Client needed vision for the future of IT delivery THE
SOLUTION Advanced Monitoring Solution Dual Datacenter and advance DR strategy Advanced Network
Management for end-to-end Network visibility Server Automation tool to meet Security Compliance and Server
Automation needs AMP to automate, standardize, and simplify data flow AMP to provide a foundation for cloud
computing The Result Innovation partner Client intimacy Expanded service offerings New revenue opportunities
Leveragable solutions expertise in action A C S

IT Solutions Our path to growth Investment in sales Continued investment in innovation Vendor alliances Growth through acquisitions expertise in action A C S

expertise in action A C S Enterprise Solutions & Services

Enterprise Solutions & Services Key service offerings Buck Consultants Communication Compensation Health and Productivity HR Technology and Administration Human Capital Management Retirement Finance & Accounting Procure to pay Order to cash Accounting Treasury / Payroll Closing & Reporting Financial planning & analysis Total Benefits Outsourcing Full scope of benefits admin. for H&W, DB, and DC Customized benefits calculator Event/transaction processing Regulatory/Plan compliance Design and implementation of employee communication programs Commercial Education Customer Care Imaging / Document Management Billing Services Online payments Loan origination and servicing Financial Aid Processing Return of Title IV Refund Human Resources Outsourcing Employee services center Workforce administration Employee data management Payroll processing Compensation Talent Management Relocation Services Expat Administration HR Analytics HR Transformation Learning Services Learning strategy, assessment, content design, development and management Instructor led, e-learning and virtual classroom Learning administration and delivery Forecasting, reporting, logistics, and learner care Translation services Tuition management services

Enterprise Solutions & Services Applied innovation — A C S Learning virtual worlds Recruiting Onboarding
Orientation Process Training Practice Simulations Coaching Mentoring Knowledge Sharing Face-to-Face Facilitated
Sessions

Enterprise Solutions & Services Total Benefits Outsourcing Transformation: A leverage-able solution positioned for growth Call Center Manila Operation Virtual Enterprise Skills Based expertise in action A C S

Enterprise Solutions & Services Total Benefits Outsourcing Transformation: A leverage-able solution positioned for growth Call Center Skills Based Manila Operation Virtual Enterprise Portal Integrated Standardized Efficient expertise in action A C S

Enterprise Solutions & Services Total Benefits Outsourcing Transformation: A leverage-able solution positioned for growth Call Center Skills Based Manila Operation Virtual Enterprise Portal Integrated Standardized Efficient Workflow Management Tool Streamlined Global Workforce Defined Processes Workflow Automation expertise in action A C S

Enterprise Solutions & Services Total Benefits Outsourcing Transformation: A leverage-able solution positioned for growth Call Center Skills Based Manila Operation Virtual Enterprise Portal Integrated Standardized Efficient Workflow Management Tool Streamlined Global Workforce Defined Processes Workflow Automation Service Delivery Model Global Capacity Technology Scalability expertise in action A C S

Enterprise Solutions & Services Our path to growth Continue sales investment Successful launch of fiscal 2009 bookings Gain market share in all key markets Acquire strategically Develop alternate loan markets Innovate, Automate, Optimize expertise in action A C S

expertise in action A C S Business Process Solutions

Business Process Solutions Key service offerings Communications & Consumer Goods Wireless: Customer acquisitions Customer care Device support Data wireless web support Loyalty plans Collections Retail / Consumer Goods: Supply chain efficiency Inventory management Data collection Customer care Managed Mobility Services Healthcare Payer & Insurance Customer Care Healthcare Payer Transaction processing Recovery services Insurance: Bill review / membership & billing Healthcare Provider Consulting Analytics Revenue cycle management Applications delivery Information technology outsourcing Transactional BPO Transactional: Ticketing/ fulfillment On-line check-in support Data capture, storage & retrieval Payment processing Customer care: Customer support Frequent flier program assistance Online Web Booking support Collections Transportation/ logistics services: TripPak Credit applications Loan processing Lease administration expertise in action A C S

Business Process Solutions The core of exceptional customer service THE CHALLENGE Multi-supplier environment Inconsistent, inaccurate service High attrition among skilled workforce With an unrivaled global brand, the client has a reputation for pushing the boundaries of technological innovation. They needed an innovative partner with a reputation for pushing the boundaries of customer loyalty. THE SOLUTION Deliver exceptional customer experience through: Proactively address industry developments Shared market strategy and optimization Innovative Recruiting Technically savvy & customer focused Enthusiasts of Client's products Quick implementation and aggressive results #1 CSAT RANKING THE RESULT #1 CSAT spot after just 3 months 93% CSAT - Best results over internal and external providers Fully operational within one month of signing After two months, client increased scope to 1300 agents in three sites: Oregon, Kentucky and North Carolina Adopted concept center approach. Cloned client culture and emulated retail stores to increase agent recruiting and performance. Decreased attrition and increased CSAT expertise in action A C S

Business Process Solutions Client success story: Wellpoint™ Communications 2nd largest health insurer with about 35M members THE CHALLENGE Multiple site with no unifying strategy No Budget Predictability Lack Efficiencies Facilities and equipment outdated Lack of Alignment the 50+ 3rd party vendors WELLPOINT THE SOLUTION Acquired assets “On-board/re-badge” WellPoint employees Assume and manage existing 3rd Party contracts and equipment leases Build and transition operations to new facility Partner with third party to deliver technology system for data consolidation and document management Go “at risk” for postage savings driven by consolidation By understanding the real issues and goals of the client, the A C S team structured a deal that provided better results for the client and positioned us as the front leader for the solution. THE RESULT Growth comes from happy clients Understand the client’s ultimate goals Tenacity and flexibility Innovation, innovation, innovation “It takes a village” Step outside expertise in action A C S

Business Process Solutions Our path to growth Penetrate and radiate Expand service capability Develop end-to-end revenue cycle solution Leverage "Healthcare Communication" Targeted international expansion Innovation through acquisition expertise in action A C S

expertise in action A C S Questions? Tom Blodgett, Executive Vice President & Chief Operating Officer

expertise in action A C S Financial Update Kevin Kyser, Executive Vice President & Chief Financial Officer

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Financial Diverse revenue Commercial Solutions ~60% of A C S revenue Information Technology Solutions 21%
Communications & Consumer Goods 7% Human Capital Management Solutions 14% Healthcare Payer and Insurance
7% Commercial Education & Financial Svcs 4% Healthcare Provider 2% Finance & Accounting 2% Travel,
Transportation & Logistics 2% Mortgage & Financial Services 1% Government Solutions ~40% of A C S revenue
State & Local 13% Government Healthcare 10% Transportation Solutions 12% Federal Solutions 5%

Financial Update Revenue and margins driven by diverse business mix Revenue Growth Fiscal 2008 Finance & Accounting Human Capital Management IT Outsourcing Business Process Solutions Gov. Healthcare Federal Gov. Commercial Education & Financial Solutions Transportation State & Local Margins expertise in action A C S

Financial Update Revenue and margins driven by diverse business mix Revenue Growth Finance & Accounting IT
Outsourcing Human Capital Management Transportation State & Local Commercial Education & Financial Solutions
Gov. Healthcare Business Process Solutions Federal Gov. Fiscal 2009 Margins expertise in action A C S

Financial Update Financial rationale for out of cycle discounts Client for life Certainty of long-term revenue and profit
Healthy ROI expertise in action A C S

Financial Update Ramp of new business impacts key metrics Year 1 Year 2 Year 3 Year 4 Year 5 Year 6 \$6 \$5 \$4 \$3
\$2 \$1 \$0 -\$1 -\$2 -\$3 -\$4 in millions Revenue EBIT Note: Model above is based on Finance & Accounting contract
and may not be indicative of all new business signings. expertise in action A C S

Financial Update We are delivering good, consistent free cash flow Goals Free cash flow 6-8% of revenue Capex 5-7% of revenue Reduce DSO's Key drivers Capex on new business DSO reduction Supplier payment terms FY07 FY08 FY09 9% 8% 7% 6% 5% 4% 3% 2% 1% 0% expertise in action A C S

Financial Update Potential uses of cash Acquisitions Geographic expansion Increase service offerings Research & development Invest in the business Innovation projects Sales Retire 4.7% senior notes Repurchase shares expertise in action A C S

Financial Update Debt maturities by fiscal year \$2,000 \$1,500 \$1,000 \$500 \$0 \$250 \$1,725 \$250 FY 2010 FY 2011
FY 2012 FY 2013 FY 2014 FY 2015 Senior Notes Term Loan expertise in action A C S

A C S expertise in action Thank you!