

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):
February 22, 2016

ALLIANCE DATA SYSTEMS CORPORATION

(Exact Name of Registrant as Specified in Charter)

DELAWARE
(State or Other Jurisdiction
of Incorporation)

001-15749
(Commission
File Number)

31-1429215
(IRS Employer
Identification No.)

7500 DALLAS PARKWAY, SUITE 700
PLANO, TEXAS 75024
(Address and Zip Code of Principal Executive Offices)

(214) 494-3000
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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ITEM 7.01. Regulation FD Disclosure

Attached as Exhibit 99.1 is a presentation to be given to investors and others by senior officers of Alliance Data Systems Corporation.

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No. **Document Description**

99.1 Investor Presentation Materials.

Note: The information contained in this report (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 22, 2016

Alliance Data Systems Corporation

By: /s/ Charles L. Horn
Charles L. Horn
Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Document Description</u>
99.1	Investor Presentation Materials.

Company Overview

NYSE: ADS



Investor Presentation
First Quarter 2016





AllianceData.

- End-to-end, data-driven marketing solutions
- Wrapped inside a 17,000 person services organization

Platforms: Loyalty, Card & Coalition

LoyaltyOne

AllianceData.
CARD SERVICES

EPSILON

brandloyalty

CONVERSANT
The power of personal.

dotz

Data

1st Party Transactional / SKU Data | Offline & Online



Segmentation & Insights



Personalized Marketing Campaigns



Omni-Channel Distribution



Mobile



Email



Direct Mail



Video



POS



Social



In store



Display



AllianceData.

AllianceData.
CARD SERVICES

EPSILON

LoyaltyOne

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Past – Present – Future

	<u>Pre- Recession</u>	<u>Great Recession</u>	<u>Recovery</u>	→							
<i>US\$ billions, except per-share amounts</i>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016E</u>	<u>CAGR</u>
Revenue	\$2.0	\$2.0	\$2.0	\$2.8	\$3.2	\$3.6	\$4.3	\$5.3	\$6.4	\$7.1	15%
Adjusted EBITDA, net*	\$0.6	\$0.6	\$0.6	\$0.6	\$0.8	\$1.0	\$1.2	\$1.4	\$1.7	\$1.9	14%
Core EPS	\$3.88	\$4.42	\$5.16	\$5.86	\$7.63	\$8.71	\$10.01	\$12.56	\$15.05	\$16.75	18%

Note: 2016E uses spot rates of 0.72 CDN/USD and 1.12 EUR/USD.

Great Recession: We Grew

- Epsilon & LoyaltyOne were approximately 50 percent of ADS revenue (similar to today)
- Epsilon & LoyaltyOne revenue grew at a 6 percent CAGR during 'Great Recession'
- Card Services generated over 600bps pre-tax ROA at the bottom
- Continued strong free cash flow
 - Bought back over 30 percent of ADS shares at an average price of about \$50

* Net of portfolio funding costs and non-controlling interest in BrandLoyalty.



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2016 Game Plan

Epsilon and LoyaltyOne:

- Approximately 50 percent of ADS revenue
- Combined, these businesses tend to have steady growth rates regardless of macro-economy
- Overall, mid to high-single-digit revenue and adjusted EBITDA growth

Card Services:

- Card receivables growth of 5x market with very solid pipeline
- Strong profitability (ROA 2-3x market)
- Loss rates trending to 5.0 percent in 2016 and 5.5 percent in 2017

FX:

- Headwinds to core EPS decreasing to 20 - 25 cents in 2016 from 46 cents in 2015

Free Cash Flow:

- Support ongoing growth
- Increase buyback to \$1 billion and put M&A on 'back-burner'
- Maintain prudent leverage ratio of approximately 3.0x

Guidance:

- \$7.1 billion in revenues, +10 percent, \$16.75 core EPS, +11 percent at FX spot rates
- \$7.2 billion in revenues, + 12 percent, \$17.00 core EPS, +13 percent using the same exchange rates as 2015 (constant currency)



Longer-Term

- ADS has both cyclical & non-cyclical businesses
- Epsilon and LoyaltyOne
 - Expect continued growth through any economic downturn
- Card Services
 - Can absorb 50bps annual increases in loss rates and still grow earnings
- Free Cash Flow
 - \$800 million to \$1 billion of annual free cash flow, which can be allocated to buybacks
- Looking for \$20 to \$21 in core EPS in 2018
- 'Dusting off' the 2008-09 Great Recession playbook
 - We grew then, we can grow now
 - It is our best share repurchase opportunity since 2009 (ADS stock < intrinsic value)



Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of words such as “believe,” “expect,” “anticipate,” “estimate,” “intend,” “project,” “plan,” “likely,” “may,” “should” or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding our expected operational and financial performance and anticipated future foreign exchange rates, credit card loss rates and macro-economic conditions.

We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, and no assurances can be given that our expectations will prove to have been correct. These risks and uncertainties include, but are not limited to, factors set forth in the Risk Factors section in our Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K.

Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.



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Financial Measures

In addition to the results presented in accordance with generally accepted accounting principles, or GAAP, the Company may present financial measures that are non-GAAP measures, such as constant currency financial measures, adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA, net of funding costs and non-controlling interest, core earnings and core earnings per diluted share (core EPS). The Company believes that these non-GAAP financial measures, viewed in addition to and not in lieu of the Company's reported GAAP results, provide useful information to investors regarding the Company's performance and overall results of operations. These metrics are an integral part of the Company's internal reporting to measure the performance of reportable segments and the overall effectiveness of senior management. Reconciliations to comparable GAAP financial measures are available in the accompanying schedules and on the Company's website. The financial measures presented are consistent with the Company's historical financial reporting practices. Core earnings and core earnings per diluted share represent performance measures and are not intended to represent liquidity measures. The non-GAAP financial measures presented herein may not be comparable to similarly titled measures presented by other companies, and are not identical to corresponding measures used in other various agreements or public filings.



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