
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):
November 4, 2009

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.)

**17655 WATERVIEW PARKWAY
DALLAS, TEXAS 75252**
(Address and Zip Code of Principal Executive Offices)

(972) 348-5100
(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 is a slide 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

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
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.

Alliance Data Systems Corporation

Date: November 4, 2009

By: /s/ Edward J. Heffernan
Edward J. Heffernan
President and Chief Executive Officer

EXHIBIT INDEX

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Alliance Data
NYSE: ADS



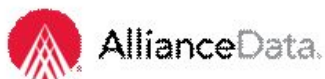
Fourth Quarter
2009



Alliance Data: A Unique Business Model

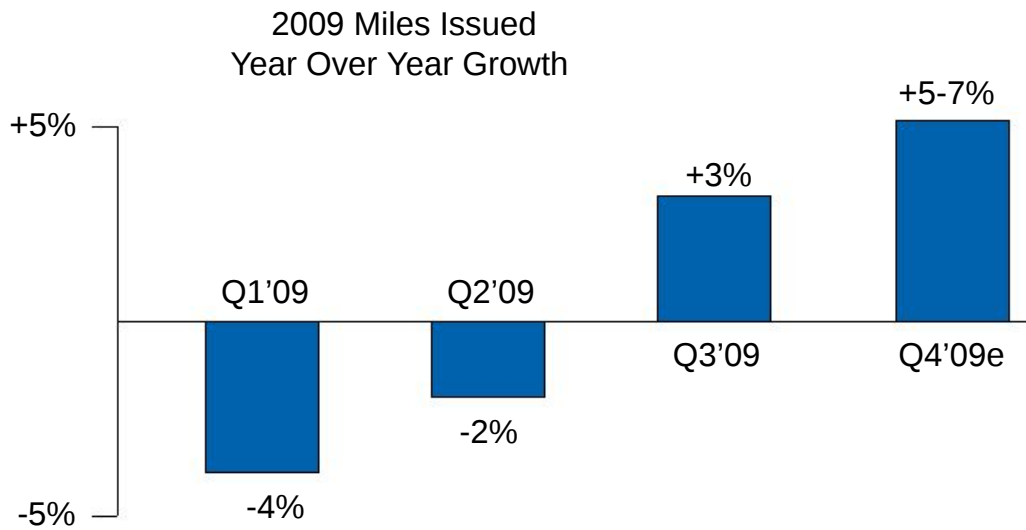
Largest and Most Comprehensive Provider of Transaction-based Marketing and Loyalty Solutions

- Highly sophisticated transaction-based programs are measurable, trackable and allow for micro-segmentation of clients' customers.
- Drives high, measurable ROIs for our clients and displaces traditional marketing channels—a \$670 billion market.
- Comprehensive nature of our programs cuts across many traditional industries.
 - Multi-channel marketing strategy
 - Data products
 - Database design and build
 - Analytics
 - Permission-based email
 - Customer care
 - Processing
 - Credit



LoyaltyOne

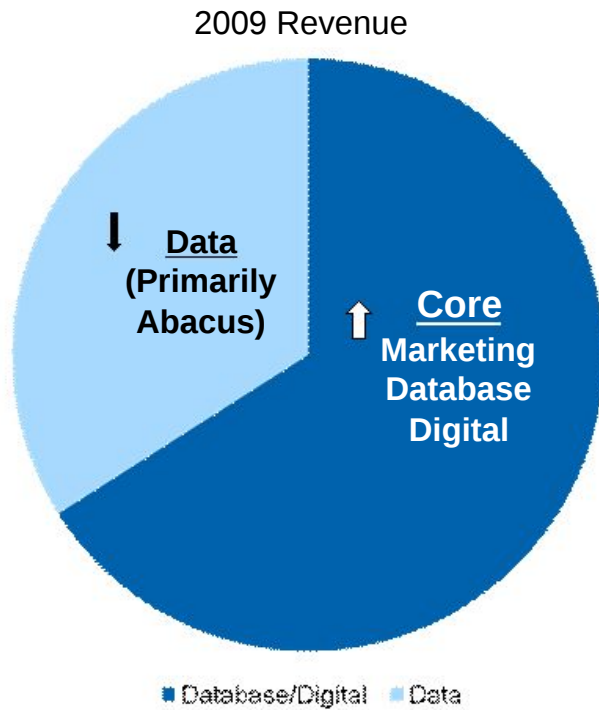
Canada – Air Miles



International Expansion Brazil – Dotz

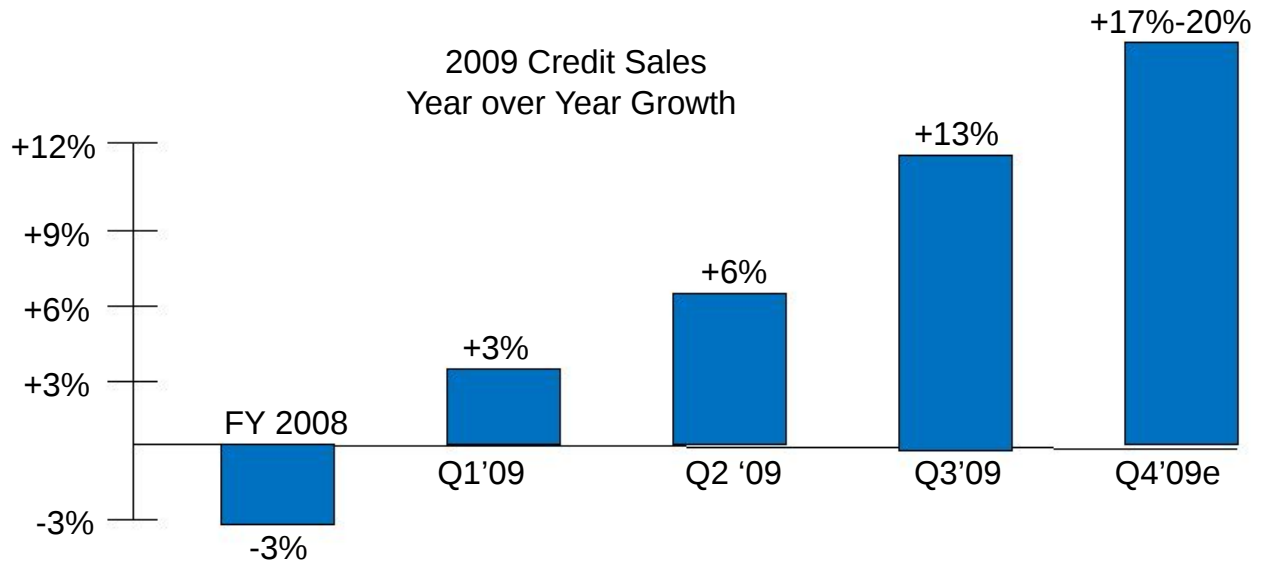
- New Coalition

Epsilon



- Double-digit Growth in Core Business (Marketing, Database, Digital)
- Data Business Soft Due to Weak Catalog Volumes
- Total Business
 - Year to Date: Flat
 - Year to Date Record Signings
 - Twice Normal Pace
- Q4: Bounce Back to Growth

Private Label Services & Credit



Credit Losses:	2007	2008	Q1 '09	Q2 '09	Q3 '09	Q4 '09e
Avg. Unemployment Rate	4.7%	6.1%	8.1%	9.3%	9.6%	10.0%
Total Credit Losses	<u>5.8%</u>	<u>7.3%</u>	<u>8.8%</u>	<u>9.8%</u>	<u>9.4%</u>	<u>9.5%</u>
Spread	(110bps)	(120bps)	(70bps)	(50bps)	+20bps	+50bps



Finishing 2009

Q4 Outlook

- Loyalty – Continuation of Solid Results
- Loyalty – FX
- Epsilon – Bounces Back to Growth
- Private Label
 - Charming Shoppes (\$500 Million File)
 - Gain on Charming Purchase
 - Core - Excluding Charming
 - Credit Sales/Portfolio Growth Double-Digits
 - Stable Funding Rates
 - Stable (Mid-9's) Credit Losses
 - Oct. 9.9%, Nov. 9.4%, Dec. 9.4%

- Share Count – Lower



Maintain Full-Year Cash EPS of \$5.15 ↑ 17%
(includes \$160MM or \$1.75/share in Headwinds)



2010



Building 2010

2009 Clean Jump-off Rate

	Revenue	EBITDA	Cash EPS
Q3 '09 Actual	\$483MM	\$141MM	\$1.40
One Timers (Tax Credit)	0	0	<0.18>
Go Forward (Charming)	<u>\$25MM</u>	<u>\$10MM</u>	<u>0.11</u>
2009 Quarterly Jump-Off Rate	\$508MM	\$151MM	\$1.33
Annualized Jump-off Rate	\$2.0BN	\$604MM	\$5.32



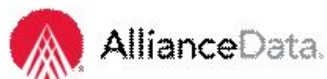
2010 Outlook

	2009 Clean Jump-off (incl. <u>Charming</u>)		2010 <u>Guidance</u>
Revenues	\$2.0 BN	—————>	\$2.15 BN
EBITDA	\$604MM	—————>	\$650MM
CASH EPS	\$5.32/sh	—————>	\$6.00/sh



2010 Outlook

- Epsilon:
- Signings in Database/Digital Running 2x Normal
 - 8% Topline, 10% EBITDA Growth
- Private Label:
- Core Credit Sales & Portfolio Growth Double Digit + Charming
 - Funding & Loss Rates Stable
 - Double-digit Financial Growth + Charming → Exceptional Year
 - Guidance Includes (\$20MM) One-timer (Card Act Requirements)
- Loyalty:
- Revenue Solid (Driven by Miles Redeemed)
 - Cash Flow Strong (Driven by Miles Issued)
 - EBITDA Soft (Driven by Prior Years' Miles Issued)
 - Historically, Double-digit Issuance → Double-digit EBITDA
 - 2010: Wtd. Avg. Rate Drops to from 10% Norm to 6%
 - EBITDA Mid-Single Digits
 - Guidance Includes Brazil Coalition & Int'l Efforts (\$15 - \$20 MM)



2010 Summary

- Strong Year Across All Businesses

- Tempered By:

- (\$20MM) One-Time Expense (Card Act)
 - (\$15-20MM) Expenses For Brazil / Int'l Coalitions
 - Soft EBITDA Growth at Loyalty (Timing)
 - Not Assumed In Guidance: Strong Macro Turn

- Long-Term “Fully Normalized” Incremental

- Epsilon: +\$ 15MM \$0.17 (Abacus)
 - Private Label: +\$ 20MM \$0.23 (Consumer Spend)
 - Private Label: +\$150MM \$1.70 (Losses: 9.5% →6.5%)
 - +\$185MM +\$2.10/Sh.



Alliance Data's Safe Harbor Statement/Forward-Looking Statements

- This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to us or our management. When we make forward-looking statements, we are basing them on our management's beliefs and assumptions, using information currently available to us. Although we believe that the expectations reflected in the forward-looking statements are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed in our filings with the Securities and Exchange Commission.
- If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Any forward-looking statements contained in this presentation reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. These risks, uncertainties and assumptions include those made with respect to and any developments related to the termination of the proposed merger with an affiliate of The Blackstone Group, including risks and uncertainties arising from actions that the parties to the merger agreement or third parties may take in connection therewith. We have no intention, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.
- "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in this presentation regarding Alliance Data Systems Corporation's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K for the most recently ended fiscal year. Risk factors may be updated in Item 1A in each of the Company's Quarterly Reports on Form 10-Q for each quarterly period subsequent to the Company's most recent Form 10-K.



Financial Measures

- In addition to the results presented in accordance with generally accepted accounting principles, or GAAP, the Company presents financial measures that are non-GAAP measures, such as adjusted EBITDA, operating EBITDA and cash earnings per share. The Company believes that these non-GAAP measures, viewed in addition to and not in lieu of the Company's reported GAAP results, provide useful information to investors regarding its 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. Definitions of these financial terms and reconciliations of these financial measures to comparable GAAP measures are available on the Company's website, but only for prior reported periods and not on a forward-looking basis. The non-GAAP measures presented herein may not be comparable to similarly titled measures presented by other companies, and are not identical to corresponding measures used in our various agreements or public filings.

