

SunGard VPM Inc.  
Form 424B3  
May 06, 2011

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FILED PURSUANT TO RULE 424(B)(3)  
File Number 333-166304  
SUNGARD DATA SYSTEMS INC.  
SUPPLEMENT NO. 9 TO  
MARKET-MAKING PROSPECTUS DATED JUNE 18, 2010

THE DATE OF THIS SUPPLEMENT IS MAY 6, 2011

ON MAY 5, 2011, SUNGARD DATA SYSTEMS INC. FILED THE ATTACHED  
FORM 10-Q FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2011

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**United States  
Securities and Exchange Commission  
Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

**Quarterly report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934  
For the quarterly period ended March 31, 2011**

**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.	000-53654
II	
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)**

<b>Delaware</b>	<b>20-3059890</b>
<b>Delaware</b>	<b>20-3060101</b>
<b>Delaware</b>	<b>51-0267091</b>
<b>(State or other jurisdiction of incorporation or organization)</b>	<b>(IRS Employer Identification No.)</b>
<b>680 East Swedesford Road, Wayne, Pennsylvania 19087</b>	
<b>(Address of principal executive offices, including zip code)</b>	
<b>484-582-2000</b>	
<b>(Registrants telephone number, including area code)</b>	

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 <input type="checkbox"/>	No <input type="checkbox"/>
SunGard Capital Corp. II	Yes <input type="checkbox"/>	No <input type="checkbox"/>
SunGard Data Systems Inc.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

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

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(§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	<input type="radio"/>	No	<input type="radio"/>
SunGard Capital Corp. II	Yes	<input type="radio"/>	No	<input type="radio"/>
SunGard Data Systems Inc.	Yes	<input type="radio"/>	No	<input type="radio"/>

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	<input type="radio"/>	Accelerated filer	<input type="radio"/>	Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>
SunGard Capital Corp. II	Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>	Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>
SunGard Data Systems Inc.	Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>	Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>

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	<input type="radio"/>	No	<input type="radio"/>
SunGard Capital Corp. II	Yes	<input type="radio"/>	No	<input type="radio"/>
SunGard Data Systems Inc.	Yes	<input type="radio"/>	No	<input type="radio"/>

The number of shares of the registrants common stock outstanding as of March 31, 2011:

SunGard Capital Corp.	255,421,947 shares of Class A common stock and 28,380,147 shares of Class L common stock
SunGard Capital Corp. II	100 shares of common stock
SunGard Data Systems Inc.	100 shares of common stock

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**Part I. FINANCIAL INFORMATION**

Explanatory Note

This Form 10-Q 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 SCC II 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, 2010	March 31, 2011
<b><i>Assets</i></b>		
Current:		
Cash and cash equivalents	\$ 778	\$ 776
Trade receivables, less allowance for doubtful accounts of \$41 and \$51	894	781
Earned but unbilled receivables	167	193
Prepaid expenses and other current assets	178	209
Clearing broker assets	230	316
Deferred income taxes	10	10
Total current assets	2,257	2,285
Property and equipment, less accumulated depreciation of \$1,135 and \$1,199	918	923
Software products, less accumulated amortization of \$1,301 and \$1,366	809	766
Customer base, less accumulated amortization of \$1,158 and \$1,223	2,000	1,948
Other intangible assets, less accumulated amortization of \$23 and \$22	187	178
Trade name, less accumulated amortization of \$7 and \$9	1,023	1,021
Goodwill	5,774	5,813
<b>Total Assets</b>	<b>\$ 12,968</b>	<b>\$ 12,934</b>
<b><i>Liabilities and Equity</i></b>		
Current:		
Short-term and current portion of long-term debt	\$ 9	\$ 10
Accounts payable	64	55
Accrued compensation and benefits	302	224
Accrued interest expense	103	107
Other accrued expenses	421	336
Clearing broker liabilities	210	291
Deferred revenue	997	987
Total current liabilities	2,106	2,010
Long-term debt	8,046	8,068
Deferred income taxes	1,212	1,206
Total liabilities	11,364	11,284

Commitments and contingencies

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Noncontrolling interest in preferred stock of SCCII subject to a put option	54	<b>48</b>
Class L common stock subject to a put option	87	<b>69</b>
Class A common stock subject to a put option	11	<b>9</b>
Stockholders' equity:		
Class L common stock, convertible, par value \$.001 per share; cumulative 13.5% per annum, compounded quarterly; aggregate liquidation preference of \$4,699 million and \$4,857 million; 50,000,000 shares authorized, 28,670,331 and 28,706,654 shares issued		
Class A common stock, par value \$.001 per share; 550,000,000 shares authorized, 258,037,523 and 258,364,528 shares issued		
Capital in excess of par value	2,703	<b>2,726</b>
Treasury stock, 326,329 and 326,507 shares of Class L common stock; and 2,940,981 and 2,942,581 shares of Class A common stock	(34)	<b>(34)</b>
Accumulated deficit	(2,970)	<b>(3,047)</b>
Accumulated other comprehensive income (loss)	(29)	<b>36</b>
Total SunGard Capital Corp. stockholders' deficit	(330)	<b>(319)</b>
Noncontrolling interest in preferred stock of SCCII	1,782	<b>1,843</b>
Total equity	1,452	<b>1,524</b>
<b>Total Liabilities and Equity</b>	<b>\$ 12,968</b>	<b>\$ 12,934</b>

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

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**SunGard Capital Corp.**  
**Consolidated Statements of Operations**  
(In millions)  
(Unaudited)

	Three Months Ended March 31,	
	2010	2011
Revenue:		
Services	\$ 1,104	\$ 1,104
License and resale fees	68	74
Total products and services	1,172	1,178
Reimbursed expenses	28	32
	1,200	1,210
Costs and expenses:		
Cost of sales and direct operating	568	559
Sales, marketing and administration	271	283
Product development	96	108
Depreciation and amortization	74	72
Amortization of acquisition-related intangible assets	120	125
	1,129	1,147
Operating income	71	63
Interest income		1
Interest expense and amortization of deferred financing fees	(159)	(137)
Other expense		(2)
Loss from continuing operations before income taxes	(88)	(75)
Benefit from income taxes	32	52
Loss from continuing operations	(56)	(23)
Income from discontinued operations, net of tax	2	
Net loss	(54)	(23)
Income attributable to the noncontrolling interest (including \$6 million and \$1 million in temporary equity)	(47)	(54)
Net loss attributable to SunGard Capital Corp.	\$ (101)	\$ (77)

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

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**SunGard Capital Corp.**  
**Consolidated Statements of Cash Flows**  
(In millions)  
(Unaudited)

<i>(in millions)</i>	Three Months ended March 31,	
	2010	2011
<b><i>Cash flow from operations:</i></b>		
Net loss	\$ (54)	\$ (23)
Income from discontinued operations, net of tax	2	
Loss from continuing operations	(56)	(23)
Reconciliation of loss from continuing operations to cash flow from operations:		
Depreciation and amortization	194	197
Deferred income tax benefit	(29)	(18)
Stock compensation expense	8	6
Amortization of deferred financing costs and debt discount	11	10
Other noncash items	1	3
Accounts receivable and other current assets	155	60
Accounts payable and accrued expenses	(194)	(167)
Clearing broker assets and liabilities, net	1	(4)
Deferred revenue	(25)	(11)
Cash flow from continuing operations	66	53
Cash flow from discontinued operations	13	
Cash flow from operations	79	53
<b><i>Investment activities:</i></b>		
Cash paid for acquired businesses, net of cash acquired	(13)	(19)
Cash paid for property and equipment and software	(76)	(64)
Other investing activities	8	1
Cash used in continuing operations	(81)	(82)
Cash provided by (used in) discontinued operations		
Cash used in investment activities	(81)	(82)
<b><i>Financing activities:</i></b>		
Cash received from issuance of common stock	1	
Cash received from borrowings, net of fees	3	14
Cash used to repay debt	(22)	(1)
Other financing activities		(2)
Cash provided by (used in) continuing operations	(18)	11
Cash provided by (used in) discontinued operations		

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Cash provided by (used in) financing activities	(18)	<b>11</b>
Effect of exchange rate changes on cash	(7)	<b>16</b>
Decrease in cash and cash equivalents	(27)	<b>(2)</b>
Beginning cash and cash equivalents includes cash of discontinued operations: (2010: \$22)	664	<b>778</b>
Ending cash and cash equivalents includes cash of discontinued operations: (2010: \$36)	\$ 637	\$ <b>776</b>

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

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**SunGard Capital Corp. II**  
**Consolidated Balance Sheets**  
(In millions except share and per-share amounts)  
(Unaudited)

	December 31, 2010	March 31, 2011
<b>Assets</b>		
Current:		
Cash and cash equivalents	\$ 778	\$ 776
Trade receivables, less allowance for doubtful accounts of \$41 and \$51	894	781
Earned but unbilled receivables	167	193
Prepaid expenses and other current assets	178	209
Clearing broker assets	230	316
Deferred income taxes	10	10
<b>Total current assets</b>	<b>2,257</b>	<b>2,285</b>
Property and equipment, less accumulated depreciation of \$1,135 and \$1,199	918	923
Software products, less accumulated amortization of \$1,301 and \$1,366	809	766
Customer base, less accumulated amortization of \$1,158 and \$1,223	2,000	1,948
Other intangible assets, less accumulated amortization of \$23 and \$22	187	178
Trade name, less accumulated amortization of \$7 and \$9	1,023	1,021
Goodwill	5,774	5,813
<b>Total Assets</b>	<b>\$ 12,968</b>	<b>\$ 12,934</b>
<b>Liabilities and Stockholders Equity</b>		
Current:		
Short-term and current portion of long-term debt	\$ 9	\$ 10
Accounts payable	64	55
Accrued compensation and benefits	302	224
Accrued interest expense	103	107
Other accrued expenses	422	336
Clearing broker liabilities	210	291
Deferred revenue	997	987
<b>Total current liabilities</b>	<b>2,107</b>	<b>2,010</b>
Long-term debt	8,046	8,068
Deferred income taxes	1,211	1,206
<b>Total liabilities</b>	<b>11,364</b>	<b>11,284</b>
Commitments and contingencies		
Preferred stock subject to a put option	37	30

Stockholders' equity:

Preferred stock, par value \$.001 per share; cumulative 11.5% per annum, compounded quarterly; aggregate liquidation preference of \$1,818 million and \$1,873 million; 14,999,000 shares authorized, 9,924,392 and 9,936,969 issued  
 Common stock, par value \$.001 per share; 1,000 shares authorized, 100 shares issued and outstanding

Capital in excess of par value	3,747	<b>3,758</b>
Treasury stock, 112,987 and 113,048 shares	(14)	<b>(14)</b>
Accumulated deficit	(2,137)	<b>(2,160)</b>
Accumulated other comprehensive income (loss)	(29)	<b>36</b>
 Total stockholders' equity	 1,567	 <b>1,620</b>
 <b>Total Liabilities and Stockholders' Equity</b>	 \$ 12,968	 \$ <b>12,934</b>

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

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**SunGard Capital Corp. II**  
**Consolidated Statements of Operations**  
(In millions)  
(Unaudited)

	Three months ended March 31,	
	2010	2011
Revenue:		
Services	\$ 1,104	\$ 1,104
License and resale fees	68	74
Total products and services	1,172	1,178
Reimbursed expenses	28	32
	1,200	1,210
Costs and expenses:		
Cost of sales and direct operating	568	559
Sales, marketing and administration	271	283
Product development	96	108
Depreciation and amortization	74	72
Amortization of acquisition-related intangible assets	120	125
	1,129	1,147
Operating income	71	63
Interest income		1
Interest expense and amortization of deferred financing fees	(159)	(137)
Other expense		(2)
Loss from continuing operations before income taxes	(88)	(75)
Benefit from income taxes	32	52
Loss from continuing operations	(56)	(23)
Income from discontinued operations, net of tax	2	
Net loss	\$ (54)	\$ (23)

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



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**SunGard Capital Corp. II**  
**Consolidated Statements of Cash Flows**  
(In millions)  
(Unaudited)

<i>(in millions)</i>	Three Months ended March 31,	
	2010	2011
<b><i>Cash flow from operations:</i></b>		
Net loss	\$ (54)	\$ (23)
Income from discontinued operations, net of tax	2	
Loss from continuing operations	(56)	(23)
Reconciliation of loss from continuing operations to cash flow from operations:		
Depreciation and amortization	194	197
Deferred income tax benefit	(29)	(18)
Stock compensation expense	8	6
Amortization of deferred financing costs and debt discount	11	10
Other noncash items	1	3
Accounts receivable and other current assets	155	60
Accounts payable and accrued expenses	(193)	(167)
Clearing broker assets and liabilities, net	1	(4)
Deferred revenue	(25)	(11)
Cash flow from continuing operations	67	53
Cash flow from discontinued operations	13	
Cash flow from operations	80	53
<b><i>Investment activities:</i></b>		
Cash paid for acquired businesses, net of cash acquired	(13)	(19)
Cash paid for property and equipment and software	(76)	(64)
Other investing activities	8	1
Cash used in continuing operations	(81)	(82)
Cash provided by (used in) discontinued operations		
Cash used in investment activities	(81)	(82)
<b><i>Financing activities:</i></b>		
Cash received from borrowings, net of fees	3	14
Cash used to repay debt	(22)	(1)
Other financing activities		(2)
Cash provided by (used in) continuing operations	(19)	11
Cash provided by (used in) discontinued operations		
Cash provided by (used in) financing activities	(19)	11

Effect of exchange rate changes on cash	(7)	<b>16</b>
Decrease in cash and cash equivalents	(27)	<b>(2)</b>
Beginning cash and cash equivalents includes cash of discontinued operations: (2010: \$22)	664	<b>778</b>
Ending cash and cash equivalents includes cash of discontinued operations: (2010: \$36)	\$ 637	\$ <b>776</b>

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

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**SunGard Data Systems Inc.**  
**Consolidated Balance Sheets**  
(In millions except share and per-share amounts)  
(Unaudited)

	December 31, 2010	March 31, 2011
<b>Assets</b>		
Current:		
Cash and cash equivalents	\$ 778	\$ 776
Trade receivables, less allowance for doubtful accounts of \$41 and \$51	894	781
Earned but unbilled receivables	167	193
Prepaid expenses and other current assets	178	209
Clearing broker assets	230	316
Deferred income taxes	10	10
<b>Total current assets</b>	<b>2,257</b>	<b>2,285</b>
Property and equipment, less accumulated depreciation of \$1,135 and \$1,199	918	923
Software products, less accumulated amortization of \$1,301 and \$1,366	809	766
Customer base, less accumulated amortization of \$1,158 and \$1,223	2,000	1,948
Other intangible assets, less accumulated amortization of \$23 and \$22	187	178
Trade name, less accumulated amortization of \$7 and \$9	1,023	1,021
Goodwill	5,774	5,813
<b>Total Assets</b>	<b>\$ 12,968</b>	<b>\$ 12,934</b>
<b>Liabilities and Stockholder's Equity</b>		
Current:		
Short-term and current portion of long-term debt	\$ 9	\$ 10
Accounts payable	64	55
Accrued compensation and benefits	302	224
Accrued interest expense	103	107
Other accrued expenses	423	338
Clearing broker liabilities	210	291
Deferred revenue	997	987
<b>Total current liabilities</b>	<b>2,108</b>	<b>2,012</b>
Long-term debt	8,046	8,068
Deferred income taxes	1,207	1,201
<b>Total liabilities</b>	<b>11,361</b>	<b>11,281</b>
Commitments and contingencies		
Stockholder's equity:		

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Common stock, par value \$.01 per share; 100 shares authorized, issued and outstanding		
Capital in excess of par value	3,773	<b>3,777</b>
Accumulated deficit	(2,137)	<b>(2,160)</b>
Accumulated other comprehensive income (loss)	(29)	<b>36</b>
Total stockholder s equity	1,607	<b>1,653</b>
<b>Total Liabilities and Stockholder s Equity</b>	<b>\$ 12,968</b>	<b>\$ 12,934</b>

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**SunGard Data Systems Inc.**  
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Benefit from income taxes	32	52
Loss from continuing operations	(56)	(23)
Income from discontinued operations, net of tax	2	
Net loss	\$ (54)	\$ (23)

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**SunGard Data Systems Inc.**  
**Consolidated Statements of Cash Flows**  
(In millions)  
(Unaudited)

	Three Months ended March 31,	
	2010	2011
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Net loss	\$ (54)	\$ (23)
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Cash provided by (used in) discontinued operations		
Cash provided by (used in) financing activities	(19)	11

Effect of exchange rate changes on cash	(7)	<b>16</b>
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Ending cash and cash equivalents includes cash of discontinued operations: (2010: \$36)	\$ 637	\$ <b>776</b>

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

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**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 Company has four reportable segments: Financial Systems ( FS ), Higher Education ( HE ), Public Sector ( PS ) and Availability Services ( AS ). Effective January 1, 2011, the Company s K-12 business was transferred from PS to HE. The balances at December 31, 2010 and for the three months ended March 31, 2010 have been revised to include this business in HE. 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, 2010. 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, 2011.

The presentation of certain prior year amounts has been revised to conform to the current year presentation.

**2. Acquisitions and Discontinued Operations:****Acquisitions**

The Company seeks to acquire businesses that broaden its existing product lines and service offerings by adding complementary products and service offerings and by expanding its geographic reach. During the three months ended March 31, 2011, the Company completed two acquisitions in its FS segment. Cash paid, net of cash acquired and subject to certain adjustments, was \$19 million.

**Discontinued Operations**

In December 2010, the Company sold its PS UK business. The results for the discontinued operations for the three months ended March 31, 2010 were as follows (in millions):

	Three Months ended March 31, 2010
Revenue	\$ 49
Operating income	3
Income before income taxes	3
Provision for income taxes	(1)
Income from discontinued operations	\$ 2
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**Table of Contents****3. Goodwill:**

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

	Cost					Cumulative Impairment				Total
	FS	HE	PS	AS	Subtotal	HE	PS	AS	Subtotal	
Balance at December 31, 2010	\$ 3,450	\$ 1,048	\$ 436	\$ 2,203	\$ 7,137	\$ (32)	\$ (205)	\$ (1,126)	\$ (1,363)	\$ 5,774
2011 acquisitions	4				4					4
Adjustments related to the Transaction and prior year acquisitions	(1)				(1)					(1)
Effect of foreign currency translation	28			8	36					36
Balance at March 31, 2011	\$ 3,481	\$ 1,048	\$ 436	\$ 2,211	\$ 7,176	\$ (32)	\$ (205)	\$ (1,126)	\$ (1,363)	\$ 5,813

Effective January 1, 2011, the Company's K-12 business was transferred from PS to HE. The balances at December 31, 2010 have been revised to include this business in HE.

**4. Clearing Broker Assets and Liabilities:**

Clearing broker assets and liabilities are comprised of the following (in millions):

	December 31, 2010	March 31, 2011
Segregated customer cash and treasury bills	\$ 57	\$ 67
Collateral for securities borrowed	154	231
Receivables from customers and other	19	18
Clearing broker assets	\$ 230	\$ 316
Payables to customers	\$ 19	\$ 19
Collateral for securities loaned	137	213
Payable to brokers and dealers	54	59
Clearing broker liabilities	\$ 210	\$ 291

Segregated customer cash and treasury bills are held by the Company on behalf of customers. Securities borrowed and loaned are collateralized financing transactions which are cash deposits made to or received from other broker/dealers. Receivables from and payables to customers represent amounts due or payable on cash and margin transactions.

**5. Debt and Derivatives:**

On January 31, 2011, SunGard entered into the First Refinancing Amendment to its Amended and Restated Senior Secured Credit Agreement, dated as of June 9, 2009 ( "Credit Agreement" ) to, among other things, (a) eliminate the LIBOR and base rate floors and (b) reduce the Eurocurrency rate spread from 3.75% to 3.5% and the base rate spread from 2.75% to 2.5% with no impact on maturity.

On March 11, 2011, SunGard entered into the Second Refinancing and Incremental Amendment to its Credit Agreement to, among other things, obtain new revolving credit commitments in an aggregate amount equal to \$300 million that will terminate on May 11, 2013, thereby increasing the Company's revolving credit commitments by \$50 million, to \$880 million, all of which now have been extended to (or expire on) May 11, 2013.



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The Company 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 senior secured credit facilities. Each of these swap agreements 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. The net receipt or payment from the interest rate swap agreements is included in interest expense. The Company does not enter into interest rate swaps for speculative or trading purposes. A summary of the Company's interest rate swaps follows:

Inception	Maturity	Notional Amount (in millions)	Interest rate paid	Interest rate
				received (LIBOR)
January/February 2009	February 2012	\$ 1,200	1.78%	1-Month
February 2010	May 2013	500	1.99%	3-Month
Total / Weighted Average interest rate		\$ 1,700	1.84%	

The fair values of interest rate swaps above designated as cash flow hedging instruments, included in other accrued expenses on the consolidated balance sheets, are \$38 million and \$26 million as of December 31, 2010 and March 31, 2011, respectively.

The table below summarizes the impact of the effective portion of interest rate swaps on the balance sheets and statements of operations for the three months ended March 31, 2010 and 2011 (in millions):

Classification	Three Months ended March 31,	
	2010	2011
Loss recognized in Accumulated Other Comprehensive Loss (OCI)	\$ (20)	\$ (1)
Loss reclassified from accumulated OCI into income	22	13

The Company has no ineffectiveness related to its swap agreements.

The Company expects to reclassify in the next twelve months approximately \$25 million from OCI into earnings related to the Company's interest rate swaps based on the borrowing rates at March 31, 2011.

**6. Fair Value Measurements:**

The following table summarizes assets and liabilities measured at fair value on a recurring basis at March 31, 2011 (in millions):

	Fair Value Measures Using			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Cash and cash equivalents money market funds	\$ 278	\$	\$	\$ 278
<b>Liabilities</b>				
Interest rate swap agreements and other	\$	\$ 22	\$	\$ 22

The following table summarizes assets and liabilities measured at fair value on a recurring basis at December 31, 2010 (in millions):

	Fair Value Measures Using			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Cash and cash equivalents money market funds	\$ 210	\$	\$	\$ 210
Clearing broker assets treasury bills	2			2
	\$ 212	\$	\$	\$ 212
<b>Liabilities</b>				
Interest rate swap agreements and other	\$	\$ 34	\$	\$ 34

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).

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Cash and cash equivalents money market funds and Clearing broker assets U.S. treasury bills 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 following table presents the carrying amount and estimated fair value of the Company's debt, including current portion and excluding the interest rate swaps, as of December 31, 2010 and March 31, 2011 (in millions):

	December 31, 2010		March 31, 2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Floating rate debt	\$ 4,707	\$ 4,644	\$ 4,727	\$ 4,702
Fixed rate debt	3,348	3,432	3,351	3,481

The fair value of the Company's floating rate and fixed rate long-term debt is primarily based on market rates.

**7. Comprehensive Income (Loss):**

Comprehensive income (loss) consists of net income (loss) adjusted for other increases and decreases affecting stockholder's equity that are excluded from the determination of net income (loss). The calculation of comprehensive income (loss) follows (in millions):

	Three Months Ended March 31,	
	2010	2011
Net loss	\$ (54)	\$ (23)