

January 2019

P F S W

PFSW GLOBAL COMMERCE SOLUTIONS

LiveArea



P F S

IMPORTANT CAUTIONS REGARDING FORWARD LOOKING STATEMENTS

The matters discussed in this presentation, particularly information regarding future revenue, earnings, business plans and goals, consist of forward-looking information within the meaning of **Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934** and are subject to the safe harbor created by these sections and involve risks and uncertainties, which could cause actual results to differ materially from the forward-looking information. Such statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. These statements are based on assumptions and estimates that management believes are reasonable based on currently available information; however, management's assumptions and the Company's future performance are both subject to a wide range of business risks and uncertainties, and there is no assurance that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially. The Company undertakes no obligation to publicly update or revise any forward-looking statements. All forward-looking information contained herein is subject to the risk factors and uncertainties described in the Company's filings with the Securities and Exchange Commission, which risk factors and uncertainties are incorporated by reference as though fully set forth herein.

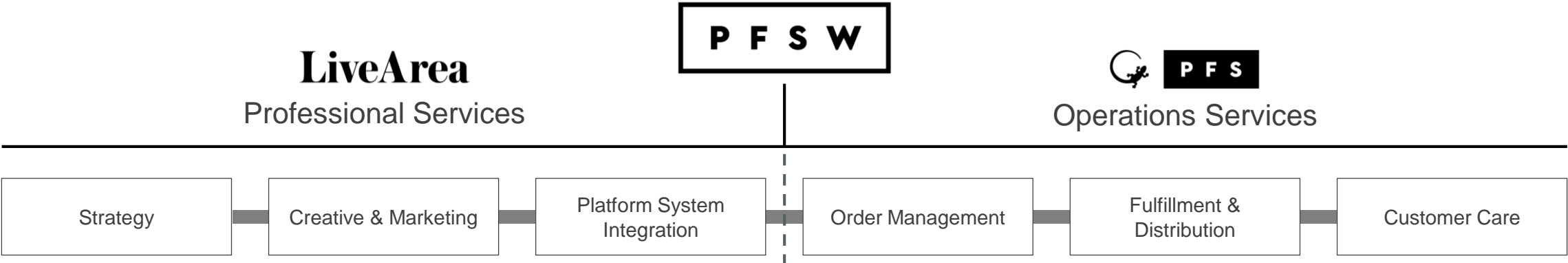
This presentation contains certain non-GAAP measures including **Service Fee Equivalent Revenue, Non-GAAP Net Income (Loss), EBITDA and Adjusted EBITDA**. Service fee equivalent revenue represents service fee revenue plus the gross profit earned on product revenue and does not alter existing revenue recognition. Non-GAAP net income (loss) represents net income (loss) calculated in accordance with U.S. GAAP as adjusted for the impact of non-cash stock-based compensation expense, acquisition-related, restructuring and other (income) costs, amortization of acquisition-related intangible assets and deferred tax expense for goodwill amortization. EBITDA represents earnings (or losses) before interest, income taxes, depreciation, and amortization. Adjusted EBITDA further eliminates the effect of stock based compensation, as well as acquisition-related, restructuring and other (income) costs. Service Fee Equivalent Revenue, Non-GAAP Net Income (Loss), EBITDA, and Adjusted EBITDA are used by management, analysts, investors and other interested parties in evaluating our operating performance compared to that of other companies in our industry, as the calculation of Non-GAAP Net Income (Loss) eliminates the effect of non-cash stock-based compensation, acquisition-related, restructuring and other costs, amortization of acquisition related intangible assets and deferred tax expense for goodwill amortization. EBITDA eliminates the effect of financing, income taxes, and the accounting effects of capital spending, and the amortization of acquisition-related intangible benefits, and Adjusted EBITDA further eliminates non-cash stock-based compensation and acquisition-related, restructuring and other costs, which items may vary from different companies for reasons unrelated to overall operating performance. Service Fee Equivalent Revenue allows client contracts with similar operational support models but different financial models to be combined as if all contracts were being operated on a service fee revenue basis. The non-GAAP measures are not intended to be considered in isolation of, as a substitute for or superior to our GAAP financial information. We have included reconciliations later in this presentation of the non-GAAP measures to the nearest GAAP measure.

WHO WE ARE













PFSW is a Global Commerce Services Company.

PFSW manages the entire online customer shopping experience for major branded manufacturers and retailers. We do this through two business units:

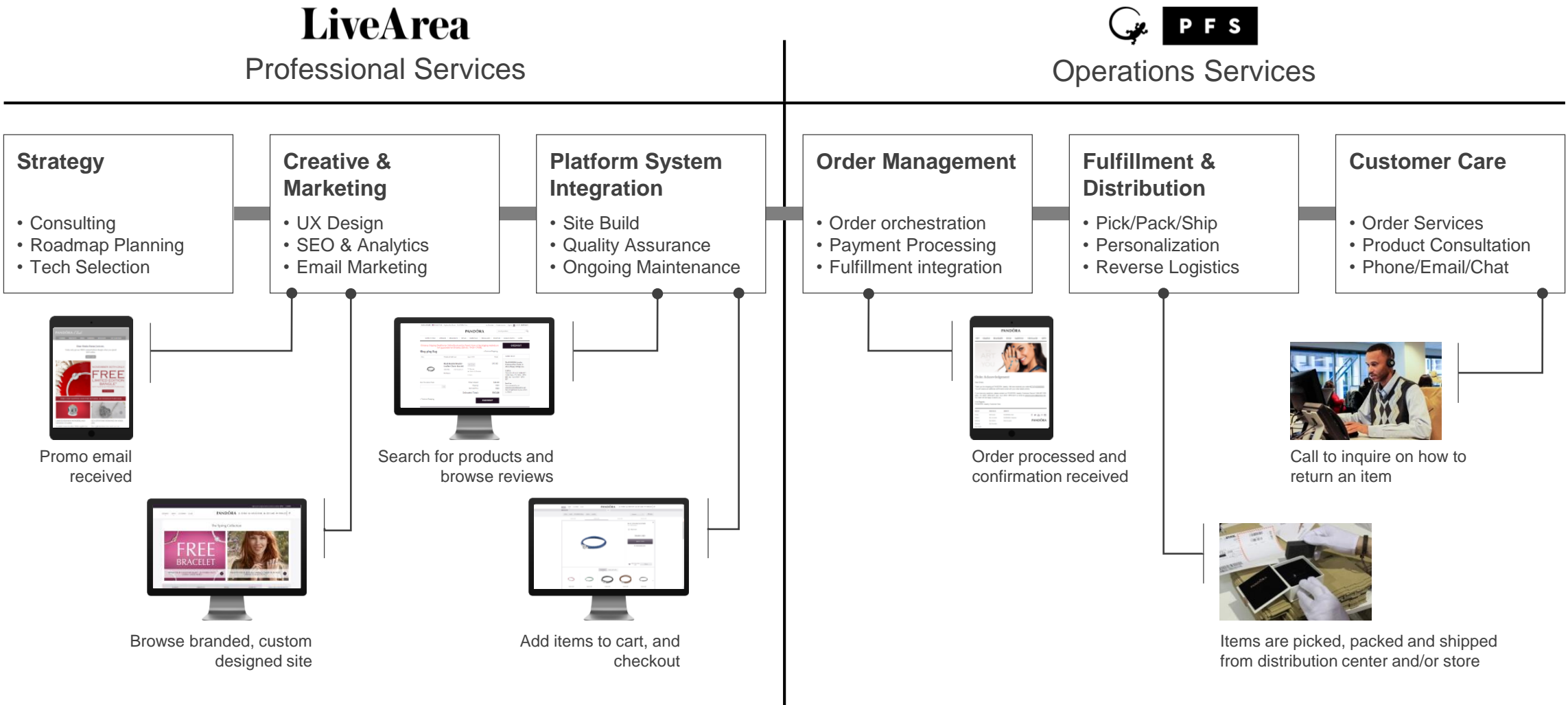
- The Professional Services unit, **LiveArea**, provides services related to the digital experience of shopping online.
- The Operations Services unit, **PFS**, provides services related to the physical experience of customer service, payment and receiving/returning product.
- Together, these two units provide the full range of eCommerce services that brands need to create a distinctive shopping experience.



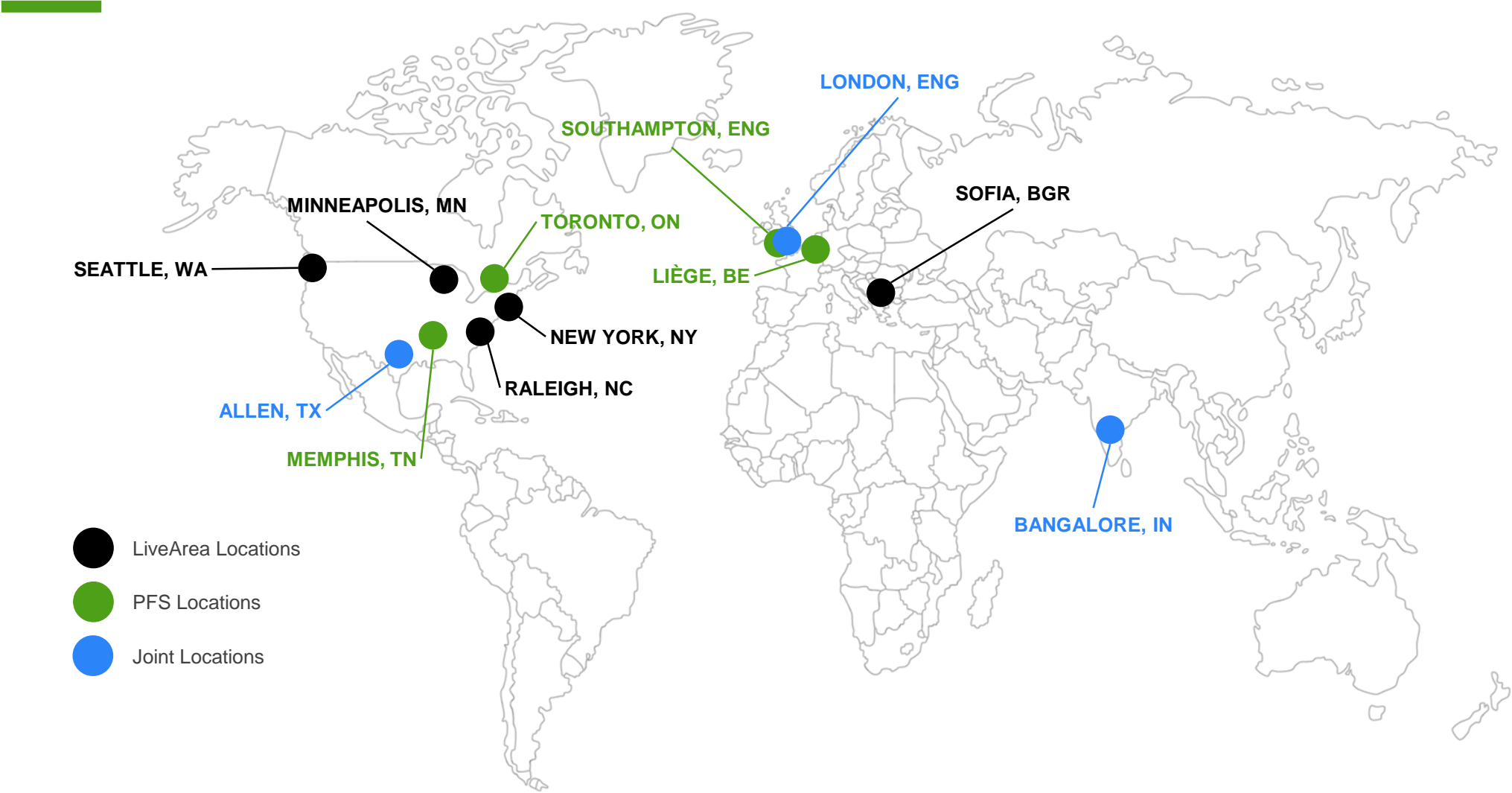
SELECTED CLIENT PORTFOLIO

PANDORA	BEALLS	RÖKA™		charming charlie	Daily Mail.com		asics®
GIORGIO ARMANI fragrances & beauty	LANCÔME PARIS	LAURA MERCIER PARIS NEW YORK	BCBGMAXAZRIA	URBAN DECAY	SHU UEMURA ART OF HAIR.	journelle	YVES SAINT LAURENT collection
	KÉRASTASE PARIS	TJ-maxx	RALPH LAUREN		thrive causemetics	Aaron's®	HERVE LEGER
SUUNTO		clarisonic	charlotte russe		Elizabeth Arden NEW YORK	GRAHAM & BROWN	DULUTH TRADING CO.
	Party City	GORE® WEAR	 Lexmark	PENDLETON	 PUREOLOGY serious colour care	Onitsuka Tiger	CLARINS
P&G	 salomon	 scansource	MOVADO THE ART OF DESIGN.	MARC JACOBS BEAUTY	Campus Market Supported by DCM		ANASTASIA BEVERLY HILLS

A COMPLETE CUSTOMER EXPERIENCE

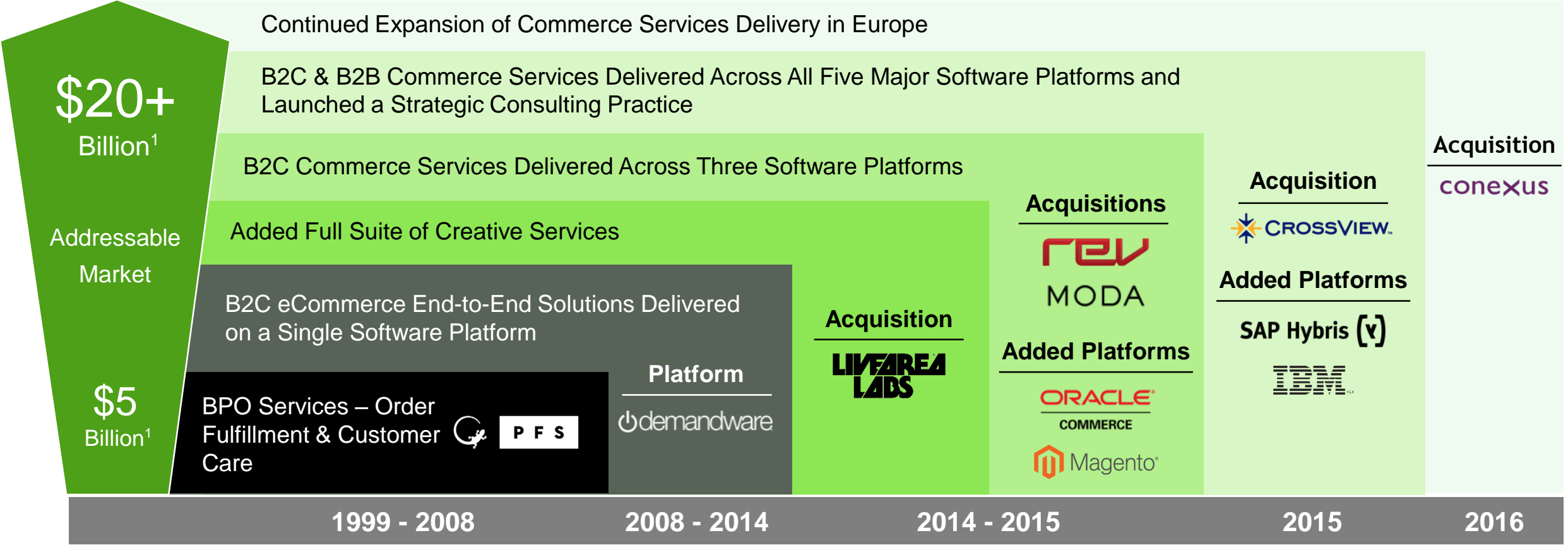


GLOBAL LOCATIONS



ADDRESSABLE MARKET EXPANSION

Build out of LiveArea professional services capabilities and geographic reach.









1. Combination of Three Sources: A) Order Fulfillment Services in the US: Market Research Report, IBISWorld, March 2015. Includes industry services such as storing goods, receiving orders, packaging and shipping the orders to end consumers, collecting payment for orders and handling returns and exchanges B) Forrester Research Commerce Platform Technology Forecast, 2014 To 2019 (US) C) Forrester Research Digital Marketing Forecast 2014 to 2019 (US); excludes all data but search, email and social media fees

COMPETITIVE LANDSCAPE

	Fulfillment	Customer Care	Order Management	Omni-channel
	●	●	●	●
	●	●	●	●
	●			
	●		●	
	●			
	●			

PFS most often competes directly with companies that offer a suite of commerce operations services, but also competes against 3PL's and call center outsourcing providers.

	Creative Design	System Integration	Digital Marketing	Consulting
	●	●	●	●
	●	●	●	●
	●	●		●
	●	●	●	●
	●	●	●	●
	●	●		●

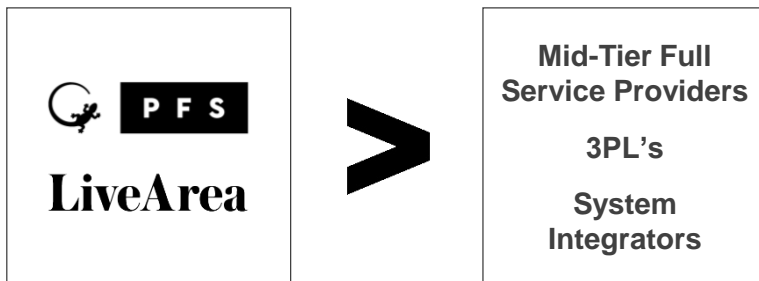
LiveArea competes against other systems integrators and agencies in the commerce industry. They vary in size as well as specialties - with some specializing in consulting vs. design.

WHY WE WIN

Combining the two business units enables us to offer a full service that competitors can't match.

Our advantageous understanding of the entire eCommerce ecosystem, from the beginning of the shopping process to the final delivery of an order, gives us a significant competitive edge.

- High-end design and marketing approach optimized across the five enterprise platforms distinguishes from the boutique agencies.
- Ability to deliver services across all five enterprise platforms globally with an agnostic approach differentiates from pure system integrators.
- Personalization experience creating highly branded fulfillment and customer care solutions exceeds what the large outsourcing providers can produce.
- Capability to scale operations surpasses mid-tier end-to-end competition.
- Comprehend and communicate the effects that different strategies and decisions have on other departments of the business – even if we aren't the provider of the entire solution.



WHAT ABOUT amazon?

Does PFSW compete with Amazon?

Amazon does not compete directly with PFSW, but rather our clients. The massive marketplace has disrupted the conventional online retail market by eating into our clients' direct sales and eroding their margins all from a platform they can't control.

How is the PFS model different than Fulfillment by Amazon?

The Fulfillment by Amazon service is primarily for Amazon marketplace sellers and at Amazon, they own the customer data and experience. Our clients own their customer data which provides valuable insights allowing them to more effectively market and grow customer value. Additionally, our clients have 100% brand control to create the shopping experience that differentiates themselves from Amazon.

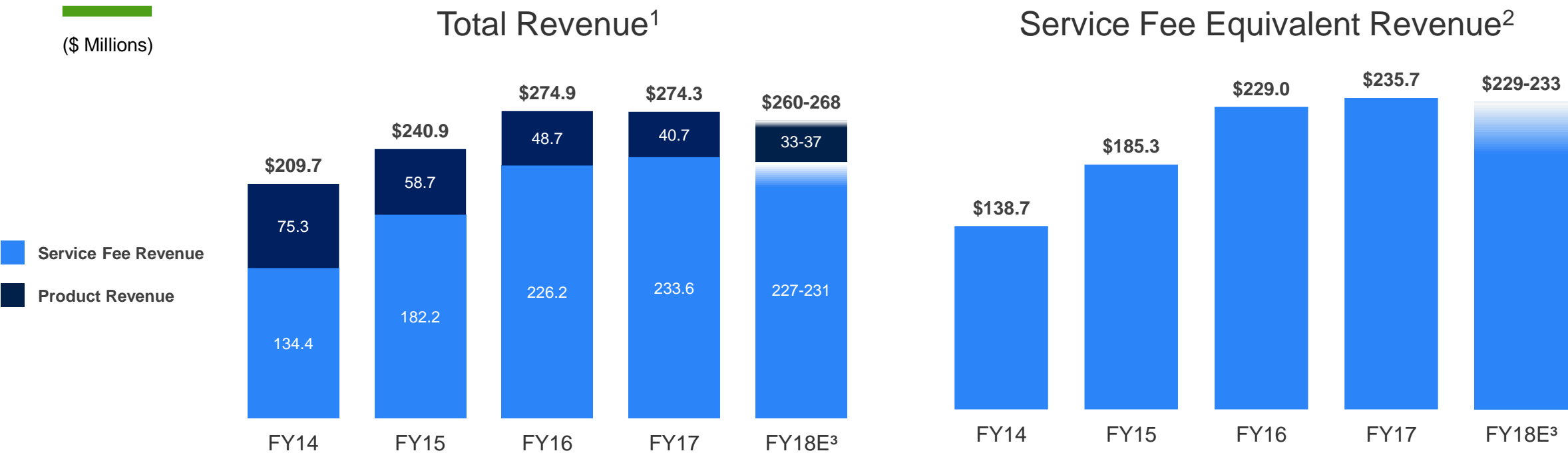
How is PFS evolving to help our clients compete against Amazon?

We are working to help our clients close the gap by minimizing transportation costs and offering same/next day delivery order execution via store integration technologies. Additionally, we are helping premier and luxury brands widen the customer experience gap by offering customized content, branded packaging, gift wrapping, engraving, and other value-add services.

FINANCIAL OVERVIEW



TOTAL REVENUE BREAKDOWN



De-emphasis of product business to focus on higher margin service fee revenue.

Service fee revenue growth driven by new and expanded client relationships and rapid professional services growth, including benefit from acquisitions.

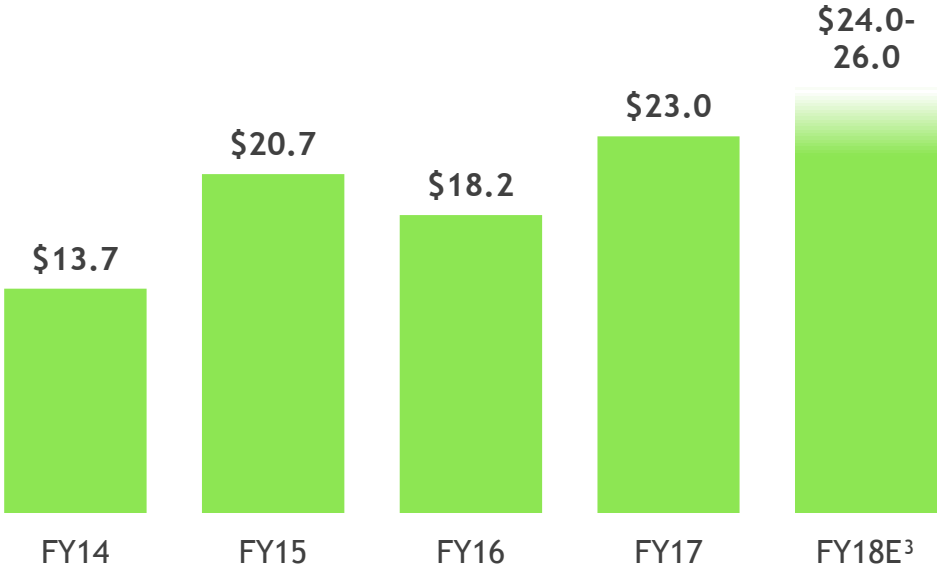
Recurring FY17 Service Fee Equivalent Revenue ~65%

1. Excludes pass-through revenue
2. Service Fee Equivalent Revenue is a non-GAAP financial measure. See Appendix for a reconciliation to the most comparable GAAP financial measure.
3. Company guidance issued and effective on 11/8/2018 only.

ADJUSTED EBITDA BREAKDOWN

(\$ Millions)

Adjusted EBITDA¹



Margin ²	10%	11%	8%	10%	10%
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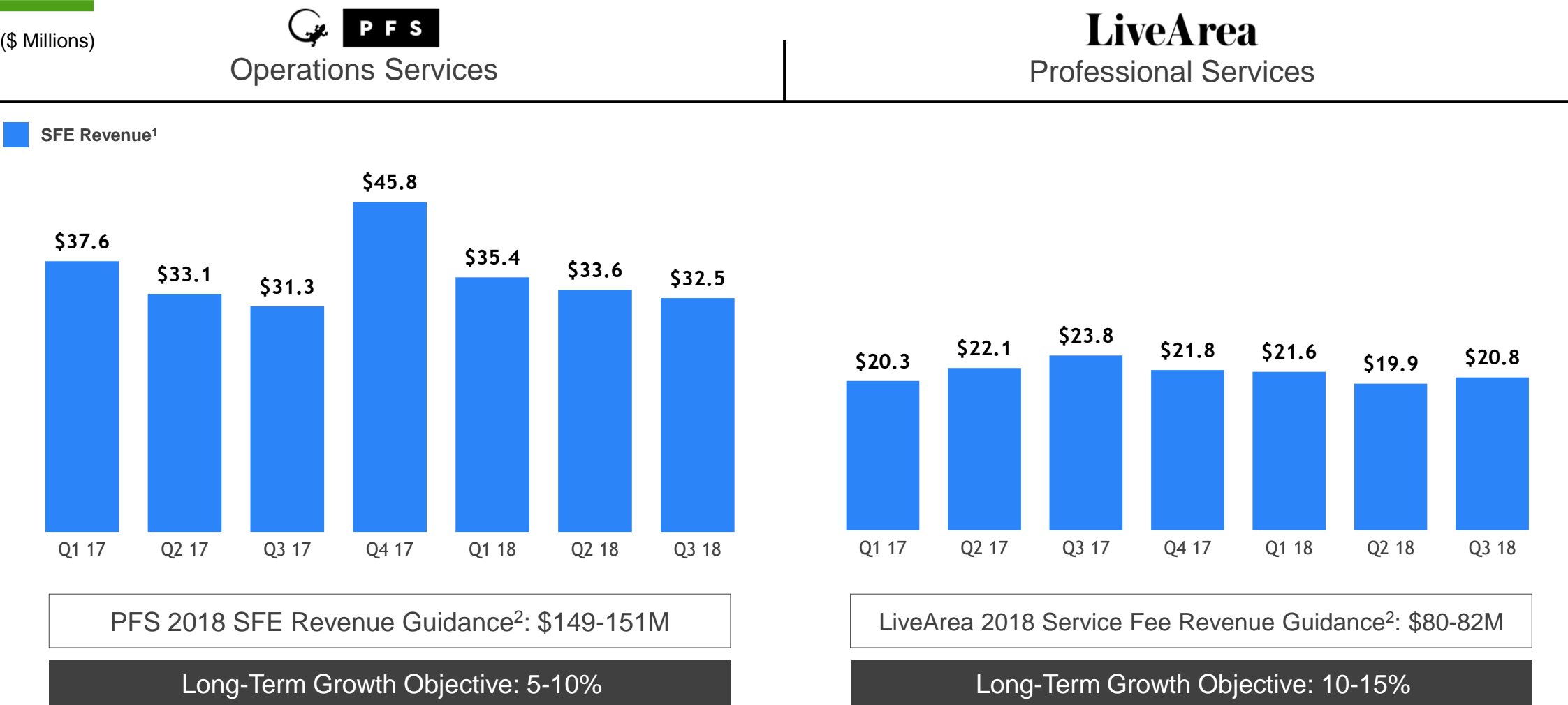
Long-Term Margin Objective: 12-13%

Adjusted EBITDA and margin expansion driven by:

- Emphasis on higher-margin service fee business.
- Leveraging global infrastructure.
- Continuous cost control initiatives and operating efficiencies.
- Accretive acquisitions.
- Incremental sales and marketing investments in 2015 and 2016 to further drive growth opportunities.
- Proactive churn of under-performing operations client engagements in 2017 and early 2018.

1. Service Fee Equivalent Revenue and Adjusted EBITDA are non-GAAP financial measures. See Appendix for a reconciliation to the most comparable GAAP financial measure.
2. AEBITDA Margin reflects percentage of Adjusted EBITDA to Service Fee Equivalent Revenue
3. Company guidance issued and effective on 11/8/2018 only.

BUSINESS UNIT REVENUE BREAKDOWN



BALANCE SHEET

(\$ Millions)

Select Balance Sheet Items	Dec 31, 2017	Sep 30, 2018
Cash & Restricted Cash	\$19.3	\$14.5
Accounts Receivable	72.1	52.9
Inventories	5.3	5.2
Property & Equipment, Net	24.2	21.9
Goodwill & Intangibles	49.1	47.5
Other	15.8	11.9
Total Assets	\$185.8	\$153.9
Accounts Payable	\$45.1	\$29.3
Accrued Expenses & Other	52.1	39.2
Debt	47.3	43.2
Total Liabilities	\$144.5	\$111.7
Total Shareholders' Equity	\$41.3	\$42.2

September 2018 Highlights

- \$14.5M cash.
- \$43.2M debt.
- Net debt position of \$28.7M.
- Amended senior bank facility in Nov 2018. Five year agreement with improved rate structure and terms.



PFS

2018 PEAK WEEK¹

Volume

Shipped approximately **35%** more volume globally compared to same period in 2017 with **3.7M** total lines shipped.

Technology

Expanded deployment of PFS's proprietary lighted pick cart technology, resulting in significant improvements in line output. Top picker eclipsed **8,000** lines in single day.

Efficiency

New receiving and operational flow processes resulted in dramatically improved efficiencies and output capabilities.

Fraud

Averted **88K+** fraud transactions worth approximately **\$10M**.

Customer Care

Scaled contact center headcount **60%+** to support high rate of calls answered in 30 seconds or less.

Engraving

Engraved **19K+** units across multiple health and beauty brands.

1. Defined as Thanksgiving Day (11/22/18) through 11/29/18.

GROWTH DRIVERS

**P F S**

GROWTH DRIVERS

Increase Wallet Share

Leverage our broad capabilities to up and cross-sell existing clients with complementary services. This includes new brands under the same parent agreement to gain economies of scale and efficiency. Also, capitalizing on the trend of consolidating outsourced services to simplify their current supply-chain operations.

Expand Technology

30% of retailers identified omnichannel efforts as a top priority that they haven't developed yet¹, creating significant demand to fully build out our Fulfillment-as-a-Service offering to help them scale and compete with Amazon. In January 2019, we announced our new product offering, RetailConnectSM, in partnership with Simon Property Group to enable omni-channel services in Simon properties.

Geographic Expansion

Western European online retail sales are projected to grow to over €4 trillion by 2022 with the UK representing the largest share (18%).² There are opportunities for geographic expansion with new and existing clients' to drive international growth on our global platform.

Mergers & Acquisitions

Although we do not have specific M&A plans for 2019, we will remain opportunistic with omnichannel technology and high value-added services that enhance our intellectual property. This includes technologies around personalization, automation, reverse logistics, and in-store experience capabilities.

1. Source: "The State of Retailing Online 2017" a Shop.org study conducted by Forrester.

2. Source: Forrester Data: Online Retail Forecast, 2017 to 2022 (Western Europe)

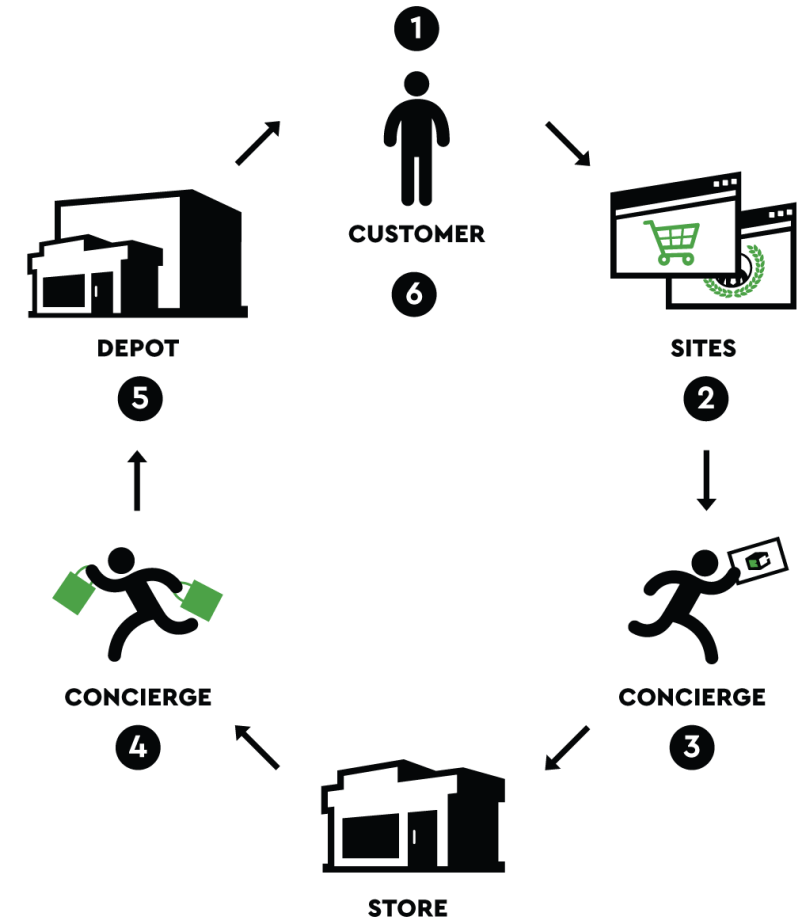
PFS **GROWTH DRIVERS**



RetailConnect is PFS's answer to store-fulfillment problems.

With PFS fulfillment technology deployed into Simon retail centers, retailers open up omni-channel offerings to their customers with minimal disruption to their store operations.

- Two models contingent on retailers' existing system capabilities.
- Retailer Advantages:
 - Improves same store sales and overall margins
 - Saves the eCommerce sale/minimizes online stocks-outs
 - Shaves delivery times and reduces freight costs
- Pilot program in Q1 2019 at a Simon center in the DFW area, with full roll-out planned in Q2 2019.



LiveArea **GROWTH DRIVERS**

Accelerate Tech Services for SMB

The emergence of high-function, low-cost eCommerce platforms such as Shopify and Big Commerce has strengthened the SMB market for services support - particularly with design and digital marketing services. Global spending on SMB commerce technology platforms expects 26% annual growth, reaching \$3.2 billion by 2021¹.

B2B Companies Developing eCommerce

B2B eCommerce sales are projected to reach \$1.2 trillion by 2021², and more than 50% of B2B manufacturers without an eCommerce Site expect to build one within 1 year³. As these B2B companies look to save operating costs while increasing revenues, they will look to create B2C-like online shopping experiences. Our strong IBM and SAP Hybris practices are set up well to respond to this opportunity.

Build Out Content Management Practice

Capitalize on industry movement toward more flexible solution models driven by evolving CMS needs. The line between web content management and commerce systems is increasingly blurry⁴, and our opportunity lies in delivering content driven technology services, as opposed to commerce driven services.

Mergers & Acquisitions

Although we do not have specific M&A plans in 2019, we will remain opportunistic in growing our practice capabilities and enhancing geographic coverage by focusing on under-scale private agencies, consultancies, and system integrators.

1. Source: Forrester Data: Commerce Platform Technology Forecast, 2016 To 2021 (Global)

2. Source: Forrester Data B2B eCommerce Forecast, 2016 to 2021 (US)

3. B2BecNews 2018 E-Commerce and Manufacturing Survey

4. Source: Content and Commerce Technology: Traditional Marriage Dynamics Don't Apply Anymore, Forrester Research, November 2016

Key Stats¹

TRADING DATA @ (1/10/19)

Stock Price
\$6.36

\$4.84/\$11.86
52 WEEK LOW/HIGH

56,103
AVG. DAILY VOL. (3 MO.)

19.3M
SHARES OUTSTANDING

78%
PUBLIC FLOAT, EST.

87%
INSTITUTIONAL/STRATEGIC
OWNER HOLDINGS

VALUATION MEASURES @ (1/10/19)

Enterprise Value
\$151.4M

\$122.5M
MARKET CAP

0.6x
EV/FY17 SFE REVENUE²

6.6x
EV/ FY17 ADJ. EBITDA²

FINANCIAL HIGHLIGHTS FY 2017

Service Fee Equivalent
Revenue²
\$235.7M

\$326.8M
TOTAL REVENUE

\$23.0M
ADJ. EBITDA²

\$7.1M
NON-GAAP NET INCOME²

\$19.1M
CASH & EQUIVALENTS

\$185.8M
TOTAL ASSETS

\$47.3M
TOTAL DEBT

\$144.5M
TOTAL LIABILITIES

\$41.3M
TOTAL EQUITY

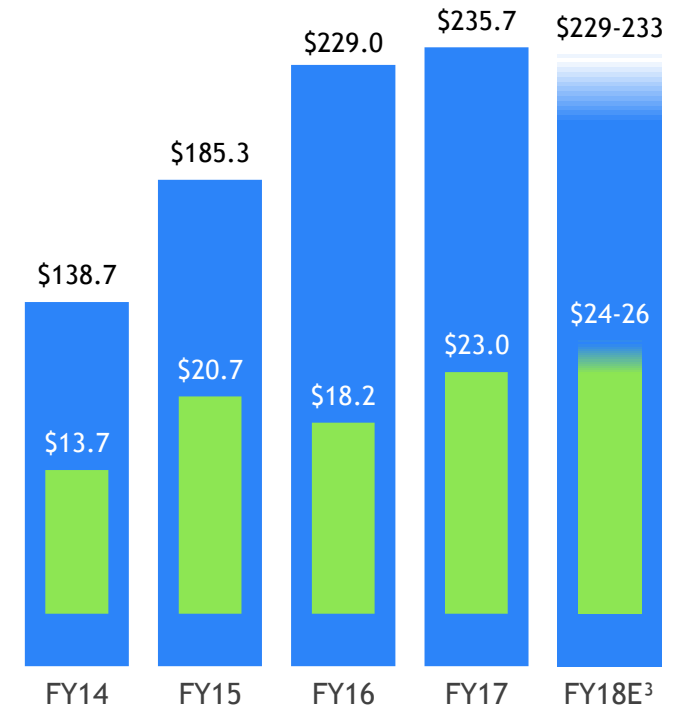
STOCK TREND



4 Year CAGR (using FY18E³)

Service Fee Equivalent Revenue ²	15%
Adj. EBITDA ²	16%

(\$ Millions)



1. Source: Capital IQ
 2. Service fee equivalent (SFE) revenue, Adjusted EBITDA and Non-GAAP net income are non-GAAP financial measures. See Appendix for a reconciliation to the most comparable GAAP financial measure.
 3. Reflects mid point of company guidance reiterated and effective on 11/8/18 only.

THANK YOU

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Investor Relations Contact: Liolios | Scott Liolios or Sean Mansouri | 949-574-3860 | PFSW@liolios.com

BOARD OF DIRECTORS

James Reilly Chairman of the Board	<ul style="list-style-type: none"> • BOD member since 1999 • Managing Partner of Stonepine Advisors, LLC, an investment banking firm
Mike Willoughby Chief Executive Officer	<ul style="list-style-type: none"> • Promoted to CEO in March 2013 • 20+ years of business development and digital marketing experience
David Beatson Independent Director	<ul style="list-style-type: none"> • BOD member since 2000 • Chief Executive Officer of Ascent Advisors, LLC a logistics and supply chain consulting firm
Monica Luechtefeld Independent Director	<ul style="list-style-type: none"> • BOD member since 2014 • Recognized leader in eCommerce and previously held various executive roles at Office Depot
Benjamin Rosenzweig Independent Director	<ul style="list-style-type: none"> • BOD member since 2013 • Partner at Privet Fund Management LLC
Shinichi Nagakura Independent Director	<ul style="list-style-type: none"> • BOD member since 2013 • Officer at transcosmos inc., a leading Japanese BPO company, for the last 15 years
Peter Stein Independent Director	<ul style="list-style-type: none"> • BOD member since 2016 • Executive-in-residence at Lerer Hippeau Ventures, and previously Global CEO at Razorfish

LEADERSHIP TEAM

Mike Willoughby Chief Executive Officer	<ul style="list-style-type: none"> • Promoted to CEO in March 2013 • 20+ years of business development and digital marketing experience
Tom Madden Chief Financial Officer	<ul style="list-style-type: none"> • Appointed CFO in 1997 • 30+ years of finance and accounting experience
Travis Hess Chief Revenue Officer & LiveArea General Manager	<ul style="list-style-type: none"> • Hired in 2015 to lead global sales across all business segments, appointed as LiveArea GM in 2018 • 20+ years leading sales organizations in multi-channel commerce, digital agency, and enterprise BPO organizations
Zach Thomann EVP & PFS General Manager	<ul style="list-style-type: none"> • Promoted to EVP in January 2019, appointed as PFS GM in 2018 • 15+ years of client services, and order fulfillment operations experience
Mark Fuentes SVP & Chief Information Officer	<ul style="list-style-type: none"> • Promoted to CIO in April 2016 • 20+ years of IT development, operations and client services experience
Chris McComas SVP of Operations	<ul style="list-style-type: none"> • Hired in 2015 to lead Oracle technology practice - promoted to SVP in January 2018 • 15+ years of cross-functional eCommerce experience in agency and technology environments

REVENUE & GAAP FINANCIALS

Why we measure Service Fee Equivalent Revenue

Service Fee Revenue

- Service Fee Revenue represents our primary business activity across more than 160 clients
- **No inventory ownership required**
- Generates service fees based on recurring transaction-based activity and projects.

FY 17 Activity:

~\$2B Client Merchandise Fulfilled

= \$234M GAAP Service Fee Revenue or “Service Fee Equivalent Revenue”

Product Revenue

- Our Product Revenue activity relates to one client
- **Client requires us to take title of their inventory, and U.S. GAAP requires us to record the full value of their merchandise sold as Product Revenue**
- Gross profit of product revenue is therefore the best estimate of our service fees

FY 17 Activity:

\$40.7M Client Merchandise Fulfilled

= \$40.7M GAAP Product Revenue

= \$2M in Gross Profit or “Service Fee Equivalent Revenue”

\$234M + \$2M = \$236M Total Service Fee Equivalent Revenue

RECONCILIATION TABLES

(\$ Millions)

Reconciliation of Net Income (Loss) to EBITDA, Adjusted EBITDA & Non-GAAP Net Income (Loss)

		2015					2016					2017					2018			
	2014 Cons	March Cons	June Cons	Sept Cons	Dec Cons	FY Cons	March Cons	June Cons	Sept Cons	Dec Cons	FY Cons	March Cons	June Cons	Sept Cons	Dec Cons	FY Cons	March Cons	June Cons	Sept Cons	YTD Cons
Net Income (Loss)	\$ (4.6)	\$ (1.7)	\$ (1.9)	\$ (3.7)	\$ (0.6)	\$ (7.9)	\$ (0.8)	\$ (2.2)	\$ (1.0)	\$ (3.5)	\$ (7.5)	\$ (4.9)	\$ (2.6)	\$ (0.1)	\$ 3.6	\$ (4.0)	\$ (0.7)	\$ (0.6)	\$ (0.7)	\$ (2.1)
Income tax expense	(0.1)	0.3	0.2	0.2	0.8	1.5	0.5	0.2	0.3	1.3	2.3	0.8	0.3	0.5	0.2	1.8	0.8	0.6	0.8	2.1
Interest expense	0.8	0.3	0.2	0.7	0.5	1.8	0.5	0.6	0.7	0.5	2.3	0.6	0.7	0.8	0.7	2.8	0.6	0.6	0.6	1.8
Depreciation and amortization	11.5	3.0	3.0	3.0	3.0	12.0	2.8	2.9	2.6	3.1	11.4	3.1	2.9	2.8	2.8	11.6	2.5	2.6	2.4	7.5
Amortization of acquisition-related intangible assets	0.1	0.2	0.2	1.0	1.2	2.8	0.8	0.9	1.2	1.1	4.0	0.8	0.8	0.8	1.0	3.3	0.4	0.4	0.4	1.2
EBITDA	\$ 7.8	\$ 2.1	\$ 1.8	\$ 1.4	\$ 4.9	\$ 10.2	\$ 3.8	\$ 2.4	\$ 3.8	\$ 2.5	\$ 12.5	\$ 0.5	\$ 2.1	\$ 4.7	\$ 8.3	\$ 15.5	\$ 3.6	\$ 3.5	\$ 3.4	\$ 10.6
Stock-based compensation	3.1	0.8	1.2	1.5	1.2	4.6	0.8	0.6	0.3	0.4	2.1	0.5	1.2	0.8	0.8	3.3	0.6	1.4	1.1	3.1
Acquisition related, restructuring & other (income) costs	2.8	0.8	1.1	2.6	1.3	5.8	(0.8)	0.9	(0.5)	4.0	3.5	2.7	1.1	0.1	0.3	4.2	0.1	0.5	1.0	1.6
Adjusted EBITDA	\$ 13.7	\$ 3.7	\$ 4.1	\$ 5.4	\$ 7.5	\$ 20.7	\$ 3.8	\$ 3.9	\$ 3.6	\$ 6.9	\$ 18.2	\$ 3.7	\$ 4.4	\$ 5.6	\$ 9.4	\$ 23.0	\$ 4.4	\$ 5.3	\$ 5.5	\$ 15.3
Net Income (Loss)	\$ (4.6)	\$ (1.7)	\$ (1.9)	\$ (3.7)	\$ (0.6)	\$ (7.9)	\$ (0.8)	\$ (2.2)	\$ (1.0)	\$ (3.5)	\$ (7.5)	\$ (4.9)	\$ (2.6)	\$ (0.1)	\$ 3.6	\$ (4.0)	\$ (0.7)	\$ (0.6)	\$ (0.7)	\$ (2.1)
Stock-based compensation	3.1	0.8	1.2	1.5	1.2	4.6	0.8	0.6	0.3	0.4	2.1	0.5	1.2	0.8	0.8	3.3	0.6	1.4	1.1	3.1
Amortization of acquisition - related intangible assets	0.1	0.2	0.2	1.0	1.2	2.8	0.8	0.9	1.2	1.1	4.0	0.8	0.8	0.8	1.0	3.3	0.4	0.4	0.4	1.2
Acquisition related, restructuring & other (income) costs	2.8	0.8	1.1	2.6	1.3	5.8	(0.8)	0.9	(0.5)	4.0	3.5	2.7	1.1	0.1	0.3	4.2	0.1	0.5	1.0	1.6
Deferred tax expense (income) - goodwill amortization	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2	0.2	(0.4)	0.1	0.1	0.1	0.1	0.4
Non-GAAP Net Income (Loss)	\$ 1.4	\$ 0.1	\$ 0.6	\$ 1.5	\$ 3.1	\$ 5.4	\$ 0.0	\$ 0.2	\$ (0.1)	\$ 2.0	\$ 2.1	\$ (0.7)	\$ 0.6	\$ 1.8	\$ 5.3	\$ 7.0	\$ 0.6	\$ 1.7	\$ 1.9	\$ 4.2

RECONCILIATION TABLES

(\$ Millions)

Reconciliation of Total Revenue to Service Fee Equivalent Revenue - PFSW Consolidated Results

	2013	2014	2015	2016	2017	YTD Q3 2018
Total revenue	\$ 241,603	\$ 247,048	\$ 288,269	\$ 334,643	\$ 326,825	\$ 233,173
Pass-through revenue	(37,644)	(37,379)	(47,435)	(59,783)	(52,582)	(43,573)
Cost of product revenue	(85,237)	(71,019)	(55,587)	(45,883)	(38,504)	(25,819)
Service Fee Equivalent Revenue	<u>\$ 118,722</u>	<u>\$ 138,650</u>	<u>\$ 185,247</u>	<u>\$ 228,977</u>	<u>\$ 235,739</u>	<u>\$ 163,781</u>

RECONCILIATION TABLES

(\$ Millions)

Reconciliation of Total Revenue to Service Fee Equivalent Revenue - PFS Operations Services

	2017				2018		
	March Qtr	June Qtr	Sept Qtr	Dec Qtr	March Qtr	June Qtr	Sept Qtr
Total PFS Operations revenue	\$ 58,236	\$ 55,660	\$ 52,809	\$ 70,102	\$ 56,487	\$ 56,615	\$ 56,277
Pass-through revenue	(9,911)	(13,079)	(12,488)	(14,999)	(11,800)	(14,574)	(15,702)
Cost of product revenue	(10,724)	(9,505)	(8,995)	(9,283)	(9,316)	(8,403)	(8,099)
Service Fee Equivalent Revenue	<u>\$ 37,601</u>	<u>\$ 33,076</u>	<u>\$ 31,326</u>	<u>\$ 45,820</u>	<u>\$ 35,371</u>	<u>\$ 33,638</u>	<u>\$ 32,476</u>