

Lender Processing Services Fourth Quarter 2010

Supplemental Materials

Forward-Looking Statements

This presentation contains forward-looking statements that involve a number of risks and uncertainties. Those forward-looking statements include all statements that are not historical facts, including statements about our beliefs and expectations. Forward-looking statements are based on management's beliefs, as well as assumptions made by and information currently available to management. Because such statements are based on expectations as to future economic performance and are not statements of historical fact, actual results may differ materially from those projected. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to: our ability to adapt our services to changes in technology or the marketplace; the impact of adverse changes in the level of real estate activity (including among others, loan originations and foreclosures) on demand for certain of our services; our ability to maintain and grow our relationships with our customers; the effects of our substantial leverage on our ability to make acquisitions and invest in our business; the level of scrutiny being placed on participants in the foreclosure process; risks associated with federal and state inquiries and examinations currently underway or that may be commenced in the future with respect to our default management operations, and with civil litigation related to these matters; changes to the laws, rules and regulations that regulate our businesses as a result of the current economic and financial environment; changes in general economic, business and political conditions, including changes in the financial markets; the impact of any potential defects, development delays, installation difficulties or system failures on our business and reputation; risks associated with protecting information security and privacy; and other risks and uncertainties detailed in the "Statement Regarding Forward-Looking Information," "Risk Factors" and other sections of the Company's Form 10-K, the Company's subsequent reports on Form 10-Q and other filings with the Securities and Exchange Commission.

Use of Non-GAAP Measures

Generally Accepted Accounting Principles (GAAP) is the term used to refer to the standard framework of guidelines for financial accounting. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions, and in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, LPS reports several non-GAAP measures, including “EBIT, as adjusted” (GAAP operating income adjusted for the impact of certain non-recurring adjustments, if applicable), “adjusted net earnings” (GAAP net earnings adjusted for the impact of certain non-recurring adjustments, if applicable, plus the after-tax purchase price amortization of intangible assets added through acquisitions), “adjusted net earnings per diluted share” (adjusted net earnings divided by diluted weighted average shares), and “adjusted free cash flow” (net cash provided by operating activities less additions to property, equipment and computer software, as well as non-recurring adjustments, if applicable). LPS provides these measures because it believes that they are helpful to investors in comparing year-over-year performance in light of certain non-recurring charges, and to better understand our financial performance, competitive position and future prospects. Non-GAAP measures should be considered in conjunction with the GAAP financial presentation and should not be considered in isolation or as a substitute for GAAP net earnings. A reconciliation of these non-GAAP measures to related GAAP measures is included in the 4Q10 earnings release.

Full Year 2010 Highlights

- Revenue growth of 3.6% year-over-year
- Adjusted EBIT increase of 5.5% year-over-year
- Adjusted net earnings growth of 8.7% year-over-year
- Adjusted EPS increase of 12.2% year-over-year
- Adjusted free cash flow of \$342 million
- Adjusted EPS guidance for FY2011: \$3.74 - \$3.81 (up 7 - 9% year-over-year)

Fourth Quarter 2010 Highlights

- Revenues increase 5.0% year-over-year
- Strong adjusted EBIT margin of 22.3% in 4Q10 (vs. 23.2% in 4Q09)
- Adjusted net earnings growth of 4.9% year-over-year
- Adjusted earnings per diluted share of 92 cents, increase of 12.2% year-over-year
- Adjusted free cash flow of \$134.4 million in 4Q10
- Repurchased 2.6 million shares in 4Q10 (7.4 million shares year-to-date)

Segment Revenue

(\$ in millions)	Quarter ended		% Growth vs PY
	12/31/10	12/31/09	
Technology, Data and Analytics:			
Mortgage Processing	\$ 100.3	\$ 104.2	-3.7%
Other TD&A	100.7	85.2	18.1%
Total	201.1	189.4	6.1%
Loan Transaction Services:			
Loan Facilitation Services	188.3	142.9	31.8%
Default Services	251.3	278.6	-9.8%
Total	439.7	421.6	4.3%
Corporate and Other	(1.9)	(2.9)	nm
Total Revenue	\$ 638.8	\$ 608.1	5.0%

Note: columns may not total due to rounding.

Segment EBIT

(\$ in millions)	Quarter ended		% Growth vs PY	12/31/10 Margin %	12/31/09 Margin %
	12/31/10	12/31/09			
Technology, Data and Analytics	\$ 60.4	\$ 63.5	-4.9%	30.0%	33.5%
Loan Transaction Services (1)	105.7	97.2	8.8%	24.0%	23.0%
Corporate and Other (2)	(23.5)	(19.8)	nm	nm	nm
Total EBIT	<u>\$ 142.6</u>	<u>\$ 140.9</u>	<u>1.2%</u>	<u>22.3%</u>	<u>23.2%</u>

Note: columns may not total due to rounding.

(1) Excludes a \$9.8 million non-recurring accrual adjustment relating to 2007 and 2008

(2) Excludes a \$4.3 million non-recurring personnel related charge

Consolidated Earnings

(\$ in millions, except per share data)	Quarter ended		% Growth vs PY
	12/31/10	12/31/09	
Net Earnings	\$70.7	\$74.9	-5.6%
Less non-recurring charges, net of tax	8.7	-	
Net Earnings, excluding non-recurring charges	79.4	74.9	6.1%
Purchase Price Amortization, net of tax	4.1	4.7	
Adjusted Net Earnings	\$83.5	\$79.6	4.9%
Adjusted Net Earnings per Diluted Share	\$0.92	\$0.82	12.2%

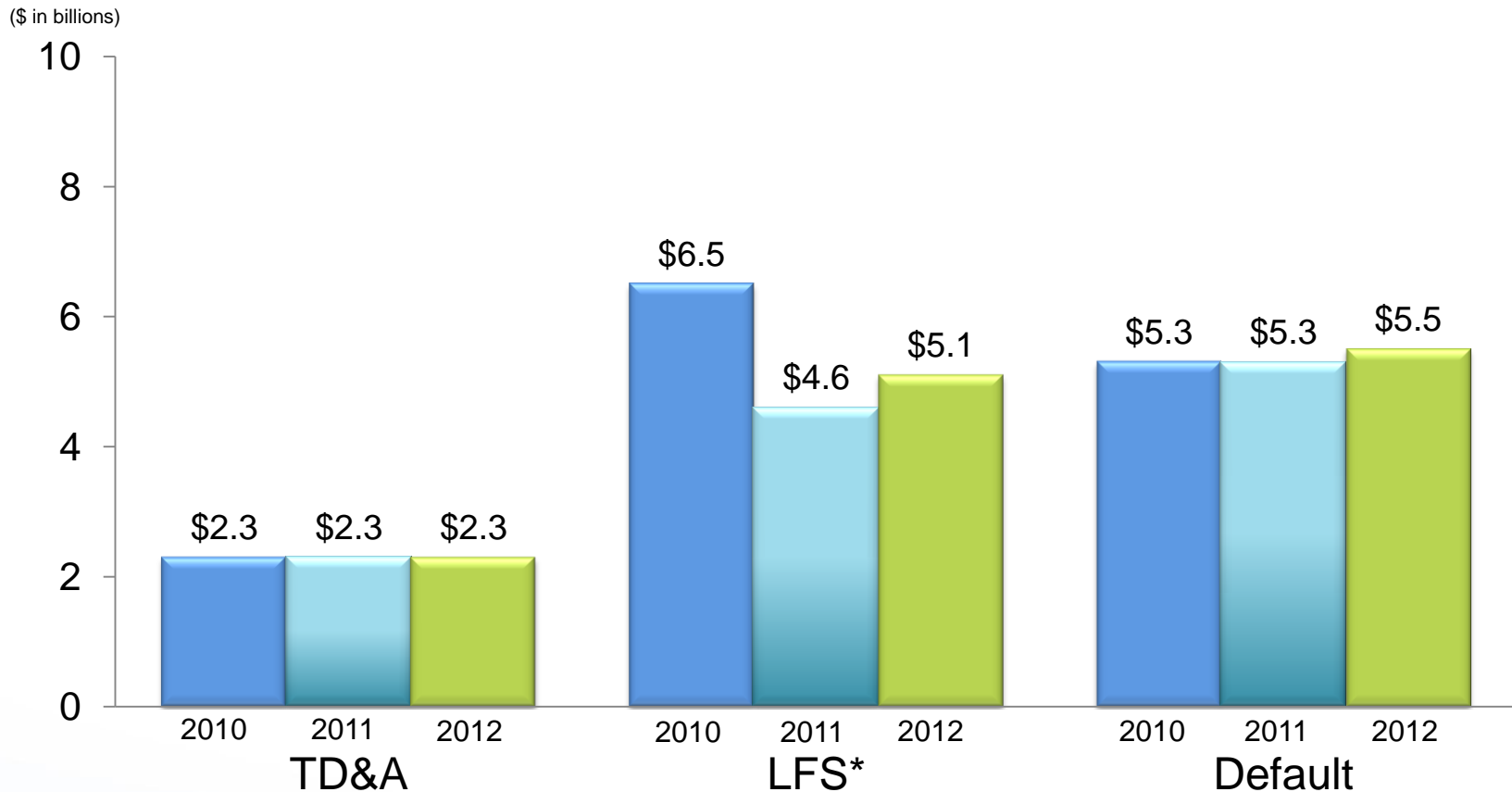
Note: columns may not total due to rounding.

Free Cash Flow

(\$ in millions)	Q1-10	Q2-10	Q3-10	Q4-10	YTD-10
Net Earnings	\$72.5	\$80.4	\$78.7	\$70.7	\$302.3
Less cash related non-recurring charge, net of tax	-	-	-	1.5	1.5
Net earnings, as adjusted	72.5	80.4	78.7	72.3	303.9
Adjustments to reconcile net earnings to net cash provided by operating activities:					
Depreciation and amortization	23.7	23.6	24.5	26.9	98.8
Other non-cash items	14.4	11.0	17.0	24.7	67.0
Working capital adjustments:					
Net change in accounts receivable	5.8	11.8	(34.7)	(0.6)	(17.8)
Net change in other working capital items	(7.3)	(29.1)	(0.5)	35.2	(1.7)
Net cash provided by operating activities	109.0	97.6	85.0	158.5	450.2
Capital expenditures	(28.0)	(29.1)	(26.9)	(24.2)	(108.3)
Adjusted Net Free Cash Flow	\$81.0	\$68.5	\$58.1	\$134.4	\$342.0

Note: columns may not total due to rounding.

LPS Core Addressable Market Revenue Opportunity



Core Addressable Market Revenue Opportunity of \$12B in 2011

* For LFS, primarily includes centralized refi + select services in other channels.

Source: company and industry estimates

2011 Guidance

(In millions, except per share data)

1Q 2011	
Adjusted EPS	\$0.81 - \$0.84
Full Year 2011	
Revenue	Flat year-over-year
Adjusted EBIT	Flat year-over-year
Adjusted EPS	\$3.74 - \$3.81 (up 7 - 9 %)
Diluted Shares	~ 86m
Adjusted Free Cash Flow	\$320m - \$340m
Capital Expenditures	\$105m - \$120m
Depreciation & Amortization ⁽¹⁾	\$100m - \$110m

(1) Includes approximately \$18 million of purchase accounting amortization