

2016 FIRST QUARTER

April 26, 2016



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FORWARD-LOOKING STATEMENTS

This presentation and comments made by management contain forward-looking statements including, among others, statements regarding the expected future operating results of TSYS. These statements are based on management's current expectations and assumptions and are subject to risks, uncertainties and changes in circumstances. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology as the words "believe," "expect," "anticipate," "intend," "plan," "potential," "estimate" or similar expressions. Actual results may differ materially from those set forth in the forward-looking statements due to a variety of factors. More information about these risks, uncertainties and factors may be found in TSYS' filings with the Securities and Exchange Commission, including its 2015 Annual Report on Form 10-K. TSYS does not assume any obligation to update any forward-looking statements as a result of new information, future developments or otherwise.

USE OF NON-GAAP FINANCIAL MEASURES

This slide presentation contains certain non-GAAP financial measures determined by methods other than in accordance with generally accepted accounting principles. Such non-GAAP financial measures include the following: net revenue; operating margin on net revenue; revenues measured on a constant currency basis; free cash flow; EBITDA, adjusted EBITDA, adjusted earnings per share, adjusted segment operating income and adjusted segment operating margin. The most comparable GAAP measures to these measures are revenues; operating margin; revenues; cash flows from operating activities; net income; net income; earnings per share, operating income and operating margin, respectively. Management uses these non-GAAP financial measures to assess the performance of TSYS' core business. TSYS believes that these non-GAAP financial measures provide meaningful additional information about TSYS to assist investors in evaluating TSYS' operating results. These non-GAAP financial measures should not be considered as a substitute for operating results determined in accordance with GAAP and may not be comparable to other similarly titled measures of other companies. The computations of the non-GAAP financial measures used in this slide presentation are set forth in the Appendix to this slide presentation.



M. Troy Woods

Chairman, President and Chief Executive Officer





Paul Todd

Chief Financial Officer



CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

	YTD 2016	YTD 2015	Percent Change
Total Revenues	\$739,378	\$662,156	11.7%
Net Revenue*	671,644	595,784	12.7
Adjusted EBITDA*	230,829	193,454	19.3
Adjusted EPS* from Continuing Operations	\$0.66	\$0.54	22.8

() Net Revenue, Adjusted EBITDA and Adjusted EPS definitions are contained in the Appendix*

2016 First Quarter CONSOLIDATED HIGHLIGHTS

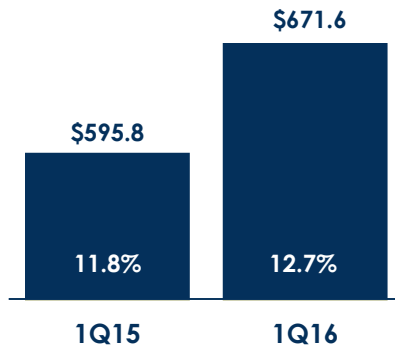
- Announced TransFirst acquisition
- Continued strong volume growth across all segments
- Increased adjusted operating margin by 178 basis points

Revenue by Segment*



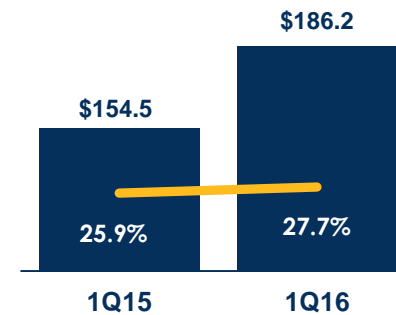
Consolidated Net Revenue
YOY Growth %

(\$ in millions)



Adjusted Operating Income
Operating Margin*

(\$ in millions)

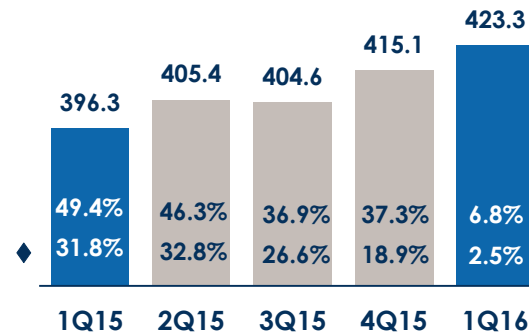


(*) Net Revenue

NORTH AMERICA SEGMENT HIGHLIGHTS

- Renewed focus on cross sell and proactive delivery of innovative solutions
- Record number Traditional AOF along with double-digit transaction growth
- Record quarter for net revenue and adjusted segment operating income

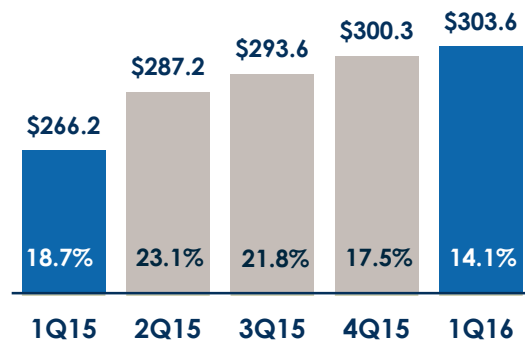
Traditional Accounts on File
(in millions) YOY Growth %



(♦) Growth Including Prepaid, Government Services and Single Use Accounts

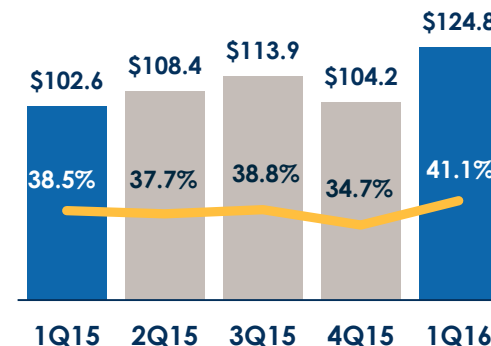
Segment Net Revenue
YOY Growth %

(\$ in millions)



Adjusted Segment Operating Income
Operating Margin*

(\$ in millions)



(*) Net Revenue

2016 First Quarter

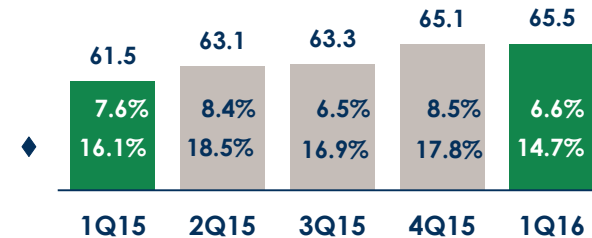
INTERNATIONAL SEGMENT HIGHLIGHTS

- Continued focus on growth and margin expansion
- Record number Traditional AOF along with transaction growth at 8.1%
- Net revenue up 9.2% constant currency

Traditional Accounts on File

YOY Growth %

(in millions)

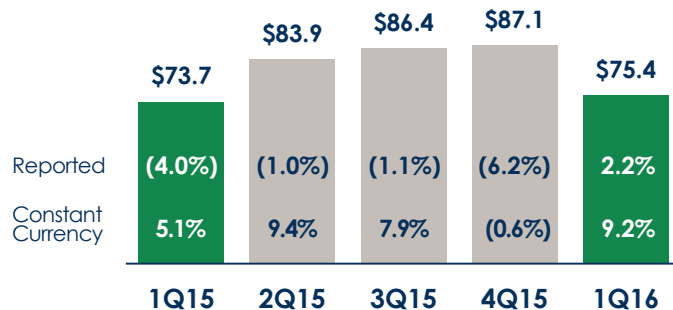


(♦) Growth Including Single Use Accounts

Segment Net Revenue

YOY Growth %

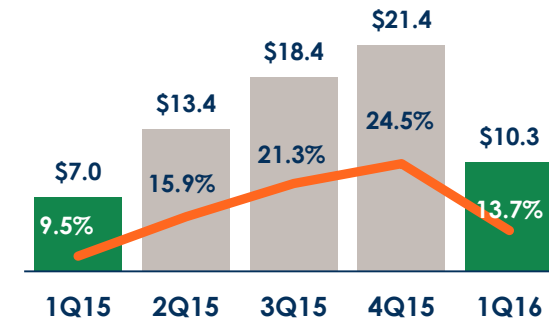
(\$ in millions)



Adjusted Segment Operating Income

Operating Margin*

(\$ in millions)



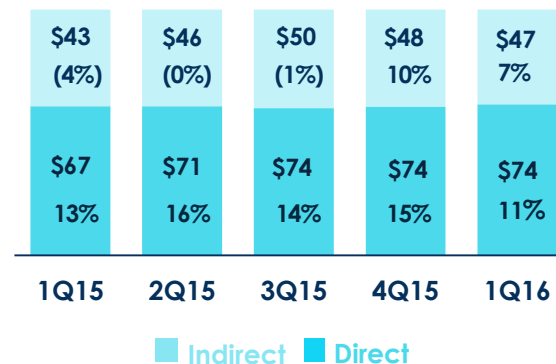
(*) Net Revenue

2016 First Quarter

MERCHANT SEGMENT HIGHLIGHT

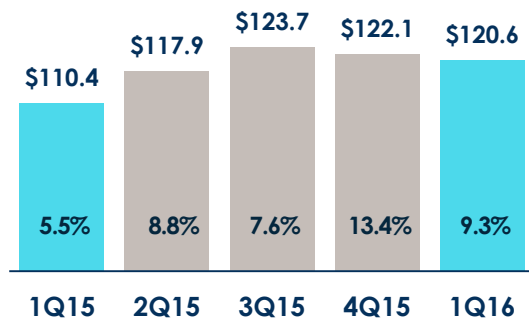
- Strong performance leading up to the TransFirst acquisition
- SMB sales volume up 11.9% YOY
- Net revenue up 9.3%

Segment Revenue by LOB
 (\$ in millions) YOY Growth %



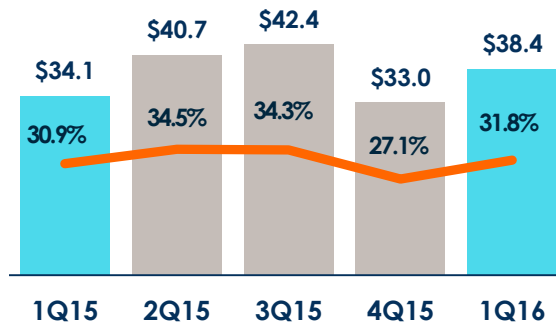
Segment Net Revenue
 YOY Growth %

(\$ in millions)



Adjusted Segment Operating Income
 Operating Margin*

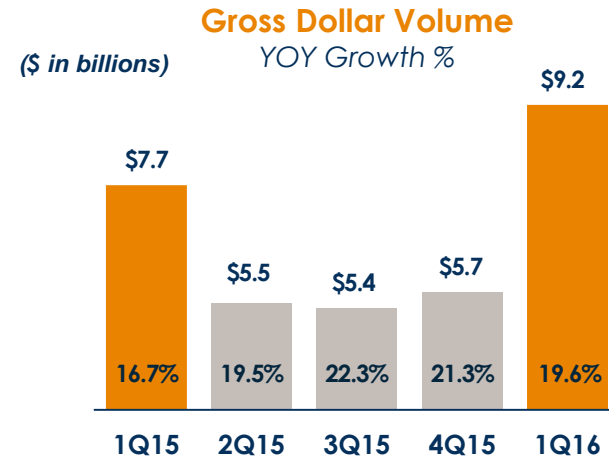
(\$ in millions)



(*) Net Revenue

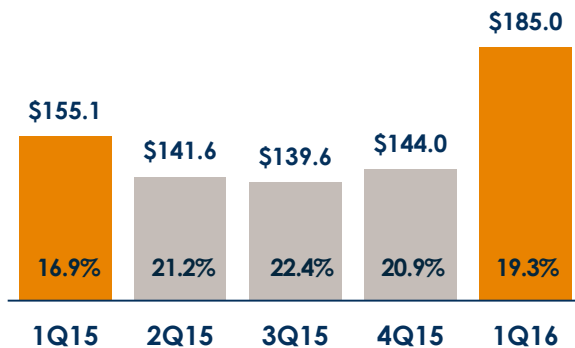
2016 First Quarter NETSPEND SEGMENT HIGHLIGHTS

- Launched small business pilot; signed 3 year renewal with Family Dollar
- Gross Dollar Volume (GDV) up 19.6%; exceeded 100,000 distributing locations and employers
- Record quarterly net revenue and adjusted segment operating income



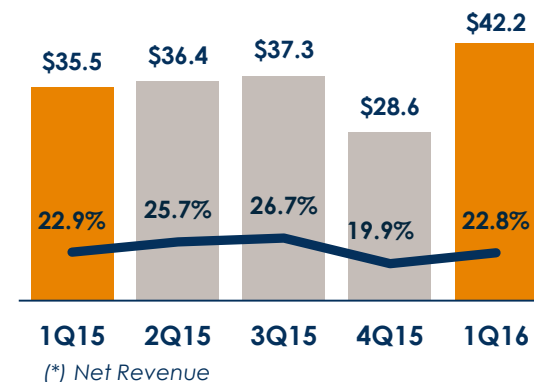
Segment Net Revenue
YOY Growth %

(\$ in millions)



Adjusted Segment Operating Income
Operating Margin*

(\$ in millions)



2016 First Quarter

SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

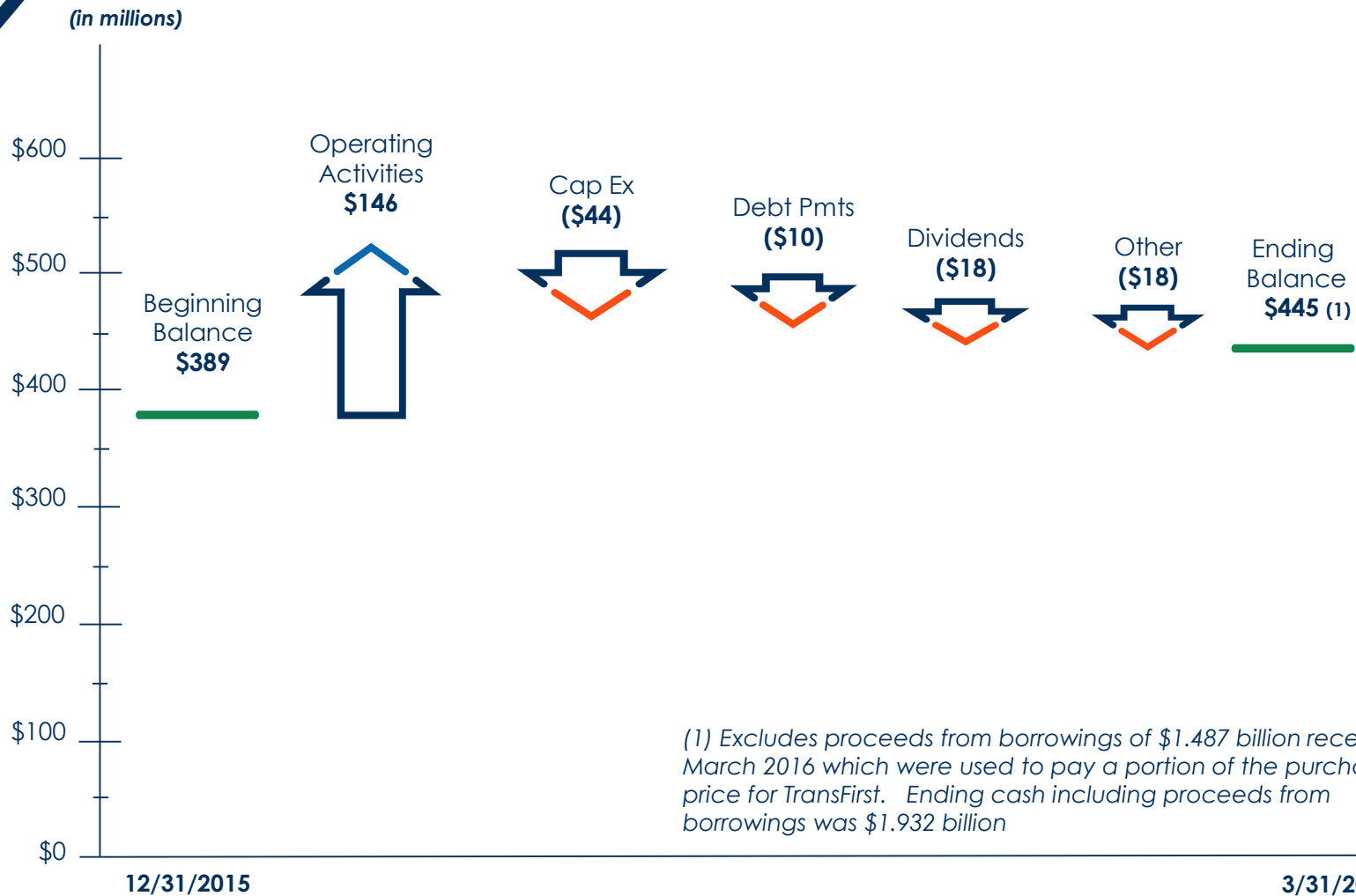
Three Months Ended March 31, 2016

(in thousands)

	Adjusted Segment Operating Income	Net Revenue	Adjusted Operating Margin
North America	\$124,788	\$303,641	41.10%
International	10,289	75,354	13.65%
Merchant	38,357	120,612	31.80%
NetSpend	42,201	184,992	22.81%
Intersegment	--	(12,955)	
Corporate administration excluding share-based compensation	(29,468)	--	
Adjusted operating margin	\$186,167	\$671,644	27.72%
Amortization of acquisition intangibles	(22,921)		
TransFirst M&A operating expenses	(3,401)		
Share-based compensation	(8,158)		
Operating income (US GAAP)	\$151,687		

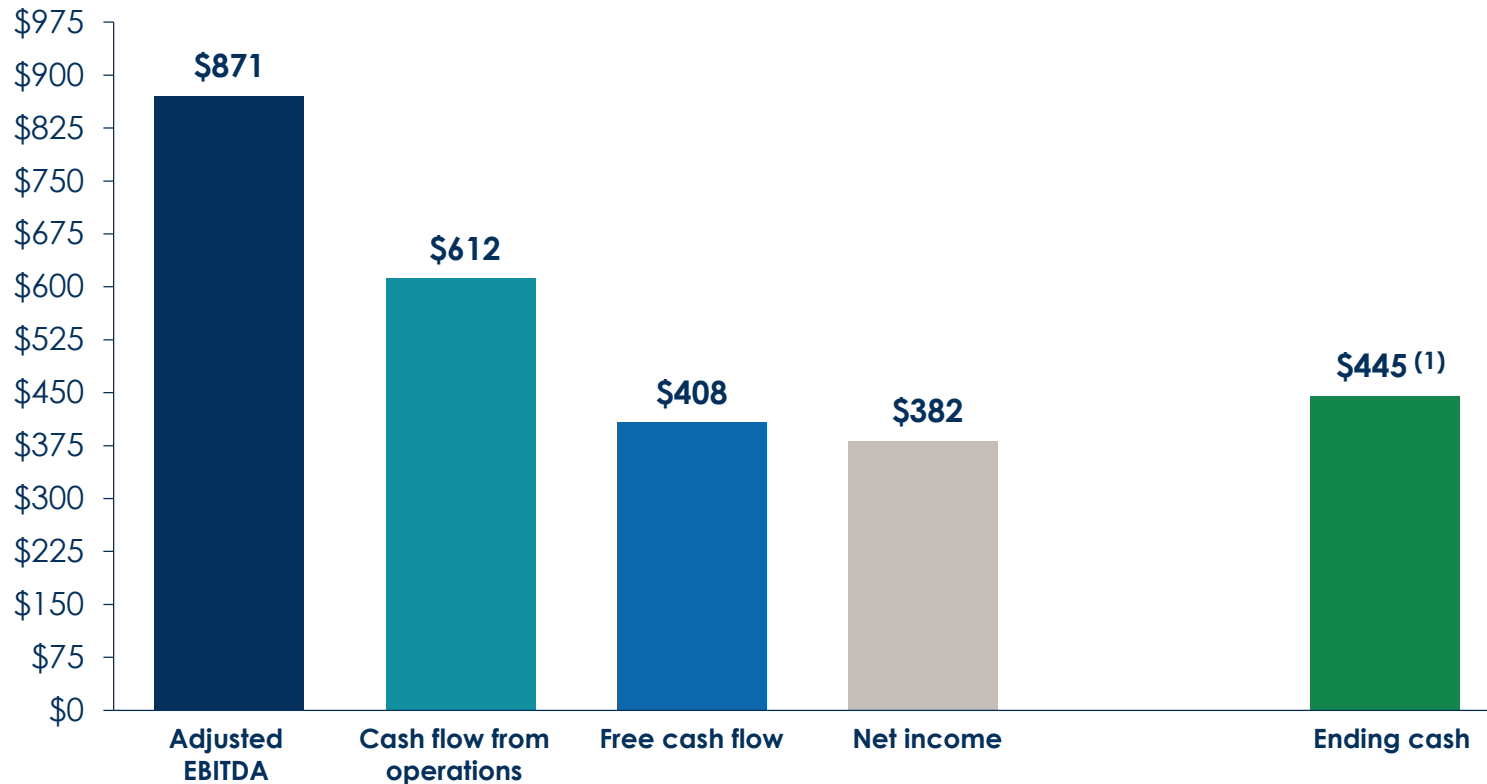
2016 First Quarter

ROLLFORWARD OF QUARTERLY CASH BALANCE



2016 First Quarter CASH FLOW STRENGTH: 2016 TTM Consolidated Financial Highlights

(in millions)



(TTM = Trailing Twelve Months)

(1) Excludes proceeds from borrowings of \$1.487 billion received in March 2016. Ending cash including proceeds from borrowings was \$1.932 billion

2016 First Quarter

2016 REVISED GUIDANCE*

(in millions, except per share data)

	Range	Range Percent Change
Total Revenues	\$4,182 to \$4,264	50% to 53%
Net Revenue	\$3,040 to \$3,102	22% to 24%
Adjusted EPS attributable to TSYS common shareholders from continuing operations	\$2.78 to \$2.85	13% to 16%
Average Basic Weighted Shares	183.6	

(* See Appendix for guidance assumptions)

Q&A



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APPENDIX



APPENDIX: Non-GAAP Items – Net Revenue, Adjusted EBITDA and Adjusted EPS

- Net revenue is defined as total revenues less reimbursable items (such as postage), as well as, merchant acquiring interchange and assessment fees charged by the card associations or payment networks that are recorded by TSYS as expense.
- Adjusted EBITDA is net income excluding equity in income of equity investments, nonoperating income/(expense), taxes, depreciation, amortization and stock-based compensation expenses and TransFirst merger & acquisition expenses.
- Adjusted EPS is adjusted earnings divided by weighted average shares outstanding used for basic EPS calculations. Adjusted earnings is net income excluding the after-tax impact of stock-based compensation expenses, amortization of acquisition intangibles, and TransFirst merger & acquisition expenses.
- Adjusted segment operating income is operating income at the segment level adjusted for amortization of acquisition intangibles.
- Adjusted segment operating margin is adjusted segment operating income divided by segment net revenue.
- The Company believes that these non-GAAP financial measures it presents are useful to investors in evaluating the Company's operating performance for the following reasons:
 - adjusted EBITDA and adjusted EPS are widely used by investors to measure a company's operating performance without regard to items, such as interest expense, income tax expense, depreciation and amortization, merger and acquisition expenses and employee stock-based compensation expense that can vary substantially from company to company depending upon their respective financing structures and accounting policies, the book values of their assets, their capital structures and the methods by which their assets were acquired; and
 - securities analysts use adjusted EBITDA and adjusted EPS as supplemental measures to evaluate the overall operating performance of companies.
- By comparing the Company's adjusted EBITDA and adjusted EPS in different historical periods, investors can evaluate the Company's operating results without the additional variations caused by employee stock-based compensation expense, which may not be comparable from period to period due to changes in the fair market value of the Company's common stock (which is influenced by external factors like the volatility of public markets and the financial performance of the Company's peers) and is not a key measure of the Company's operations.
- The Company's management uses the non-GAAP financial measures:
 - as measures of operating performance, because they exclude the impact of items not directly resulting from the Company's core operations;
 - for planning purposes, including the preparation of the Company's annual operating budget;
 - to allocate resources to enhance the financial performance of the Company's business;
 - to evaluate the effectiveness of the Company's business strategies; and
 - in communications with the Company's board of directors concerning the Company's financial performance.

APPENDIX: Accounts on File Portfolio Summary

<i>(in millions)</i>	March 2016	March 2015	% Change	March 2016	December 2015	% Change
Consumer	414.8	392.8	5.6	414.8	408.2	1.6
Commercial	46.3	42.3	9.3	46.3	45.4	1.9
Other	27.7	22.7	22.5	27.7	26.6	4.5
Traditional AOF	488.8	457.8	6.8	488.8	480.2	1.8
Prepaid*/ Stored Value	103.1	126.6	(18.6)	103.1	97.2	6.1
Government Services	82.7	74.5	11.1	82.7	79.3	4.3
Commercial Card Single Use	75.9	64.8	17.1	75.9	75.8	0.1
Total AOF	<u>750.5</u>	<u>723.7</u>	<u>3.7</u>	<u>750.5</u>	<u>732.5</u>	<u>2.5</u>

(* - Prepaid does not include NetSpend accounts)

APPENDIX: Non-GAAP Reconciliation – Net Revenue

(in thousands)

	Three Months Ended	
	3/31/16	3/31/15
Total revenues	\$739,378	\$662,156
Reimbursable items	67,734	66,372
Interchange and assessments expense*	-	-
Net revenue	\$671,644	\$595,784

* Relates to acquisition of TransFirst, which closed April 1, 2016

2016 First Quarter

APPENDIX: Non-GAAP Reconciliation – Adjusted Segment Operating Income and Operating Margin

(in thousands)

	Three Months Ended	
	<u>3/31/16</u>	<u>3/31/15</u>
Adjusted segment operating income		
By segment: North America services (a)	\$124,788	\$102,570
International services (b)	10,289	6,983
Merchant services (c)	38,357	34,115
NetSpend (d)	42,201	35,467
Less: Acquisition intangible amortization	(22,921)	(23,867)
Less: Corporate admin and other	(37,626)	(32,772)
Less: TransFirst M&A operating expenses	(3,401)	--
Operating income	\$151,687	\$122,496
Net revenue		
By segment: North America services (e)	\$303,641	\$266,219
International services (f)	75,354	73,730
Merchant services (g)	120,612	110,398
NetSpend (h)	184,992	155,074
Less: Intersegment revenues	(12,955)	(9,637)
Add: Reimbursable items	67,734	66,372
Add: Interchange and assessments expense*	--	--
Total revenues	\$739,378	\$662,156
Adjusted segment operating margin:		
North America services (a) / (e)	41.10%	38.53%
International services (b) / (f)	13.65%	9.47%
Merchant services (c) / (g)	31.80%	30.90%
NetSpend (d) / (h)	22.81%	22.87%

* Relates to acquisition of TransFirst, which closed April 1, 2016

APPENDIX: Non-GAAP Reconciliation – Constant Currency Net Revenue

(in thousands)

	Three Months Ended		Percentage Change
	3/31/16	3/31/15	
Consolidated:			
Constant currency (1)	\$676,845	\$595,784	13.6%
Foreign currency (2)	(5,201)	--	
Net revenue	\$671,644	\$595,784	12.7%
International services:			
Constant currency (1)	\$80,497	\$73,730	9.2%
Foreign currency (2)	(5,143)	--	
Net revenue	\$75,354	\$73,730	2.2%

(1) Reflects current period results on a non-GAAP basis as if foreign currency rates did not change from the comparable prior year period.

(2) Reflects the impact of calculated changes in foreign currency rates from the comparable period.

APPENDIX: Non-GAAP Reconciliation – Constant Currency Total Revenue

(in thousands)

	Three Months Ended		Percentage Change
	3/31/16	3/31/15	
Consolidated:			
Constant currency (1)	\$744,974	\$662,156	12.5%
Foreign currency (2)	(5,596)	---	
Total revenues	\$739,378	\$662,156	11.7%
International services:			
Constant currency (1)	\$86,611	\$79,802	8.5%
Foreign currency (2)	(5,538)	---	
Total revenues	\$81,073	\$79,802	1.6%

(1) Reflects current period results on a non-GAAP basis as if foreign currency rates did not change from the comparable prior year period.

(2) Reflects the impact of calculated changes in foreign currency rates from the comparable period.

APPENDIX: Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

(in thousands)

Net income :

As reported (GAAP)

Adjusted for:

Deduct: Equity in income of equity investments

Add: Income taxes

Add: Nonoperating expenses

Add: Depreciation and amortization

EBITDA

Adjust for:

Add: Share-based compensation

Add: TransFirst M&A expenses

Adjusted EBITDA

Three Months Ended

3/31/16

3/31/15

\$92,408

\$78,899

(6,590)

(5,394)

43,429

39,782

22,440

9,209

67,583

62,815

\$219,270

\$185,311

8,158

8,143

3,401

--

\$230,829

\$193,454

APPENDIX: Non-GAAP Reconciliation – Adjusted EPS

(in thousands)

Income from continuing operations available to TSYS common shareholders:

As reported (GAAP) (a)

Adjusted for amounts attributable to TSYS common shareholders (net of taxes):

Acquisition intangible amortization

Share-based compensation

TransFirst M&A expenses

Adjusted earnings (b)

Average common shares outstanding and participating securities (c)

Basic EPS Available to TSYS common shareholders (a) / (c)

Adjusted EPS Available to TSYS common shareholders (b) / (c)

Three Months Ended

Mar
2016

Mar
2015

\$90,628

\$77,755

15,021

15,761

5,406

5,441

9,655

--

\$120,710

\$98,957

183,256

184,481

\$0.49

\$0.42

\$0.66

\$0.54

APPENDIX: Non-GAAP Reconciliation – Free Cash Flow

(in thousands)

Cash flows from operating activities

Less:

Purchases of property and equipment

Additions to licensed computer software from vendors

Additions to internally developed computer software

Additions to contract acquisition costs

Free cash flow

Trailing Twelve
Months Ended
3/31/2016

\$611,741

(54,607)

(44,041)

(38,201)

(67,375)

\$407,517

APPENDIX: Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

(in thousands)

Net Income

Adjusted for:

Deduct: Discontinued operations

Deduct: Equity in Income of Equity Investments

Add: Income Taxes

Add: Nonoperating expense

Add: Depreciation and Amortization

EBITDA

Adjust for: Share-based compensation

TransFirst M&A Operating Expenses

Adjusted EBITDA

Trailing Twelve
Months Ended
3/31/2016

\$382,550

(1,410)

(23,303)

155,012

50,449

263,033

\$826,331

41,563

3,401

\$871,295

APPENDIX: 2016 Revised Guidance Assumptions

The guidance assumes:

- There will be no significant movements in the London Interbank Offered rate and TSYS will not make any significant draws on the remaining balance of its credit facility;
- There will be no significant movement in foreign currency exchange rates related to TSYS' business;
- TSYS will not incur significant expenses associated with the conversion of new large clients, additional acquisitions, or any significant impairment of goodwill or other intangibles;
- There will be no deconversions of large clients during the year other than as previously disclosed; and
- The economy will not worsen.
- Additionally, the impact of future share repurchases is not included.