



2015 Second Quarter and YTD Results

July 28, 2015

TSYS[®] People-Centered Payments



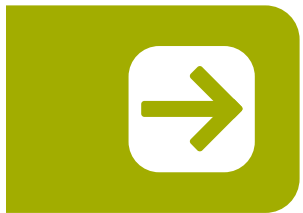
> FORWARD-LOOKING STATEMENTS

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 such 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 2014 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

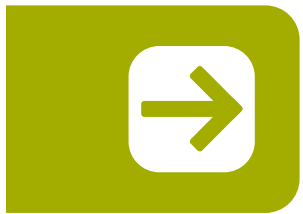
This slide presentation contains certain non-GAAP financial measures determined by methods other than in accordance with generally accepted accounting principles. Such non-GAAP financial measures include the following: revenues before reimbursable items; operating margin excluding reimbursable items; 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.



Troy Woods

Chairman, President & Chief Executive Officer





Paul Todd
Chief Financial Officer





> CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

2 nd Qtr 2015	2 nd Qtr 2014	Percent Change		YTD 2015	YTD 2014	Percent Change
\$692,652	\$602,036	15.1%	Total Revenues	\$1,354,808	\$1,194,883	13.4%
622,084	538,067	15.6	Revenues Before Reimbursable Items	1,217,868	1,070,818	13.7
206,537	170,894	20.9	Adjusted EBITDA*	399,991	320,489	24.8
\$0.58	\$0.45	29.0	Adjusted EPS* from Continuing Operations	\$1.11	\$0.83	34.6

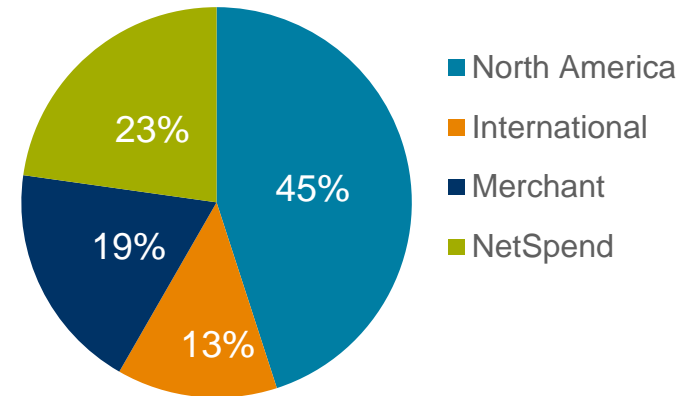
() Adjusted EBITDA , Adjusted EBITDA margin and Adjusted EPS definitions are contained in Appendix*



> 2Q 2015 CONSOLIDATED HIGHLIGHTS

- Double digit organic revenue growth
- Strong cross segment delivery of performance
- Volume gains:
 - AOF increased 31.2%
 - All-time AOF high of 751M
 - Issuer transactions increased 43.0%
 - GDV up 19.5%
- Expanding consolidated margins

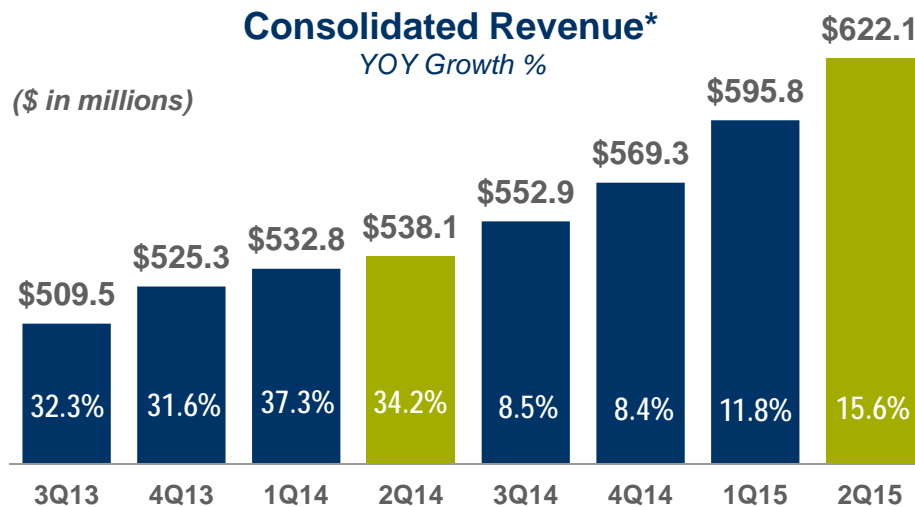
Revenue by Segment*



Consolidated Revenue*

YOY Growth %

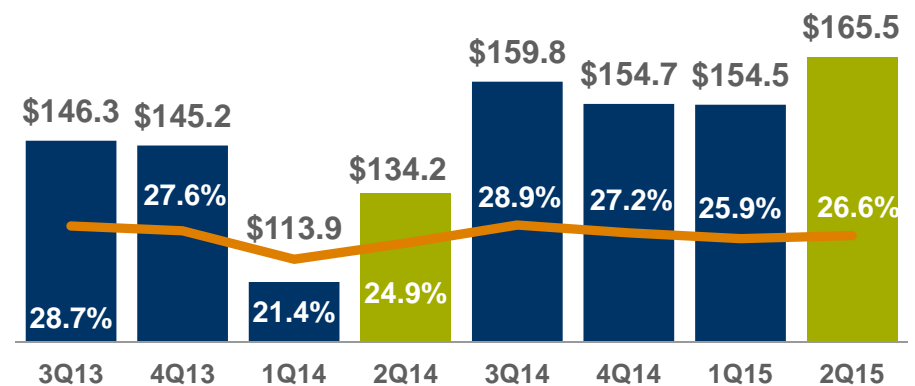
(\$ in millions)



Adjusted Operating Income

Operating Margin*

(\$ in millions)



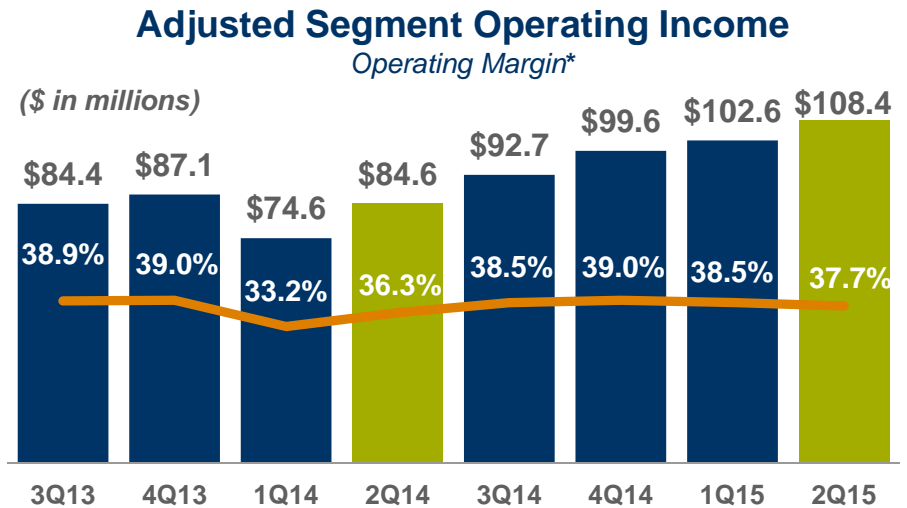
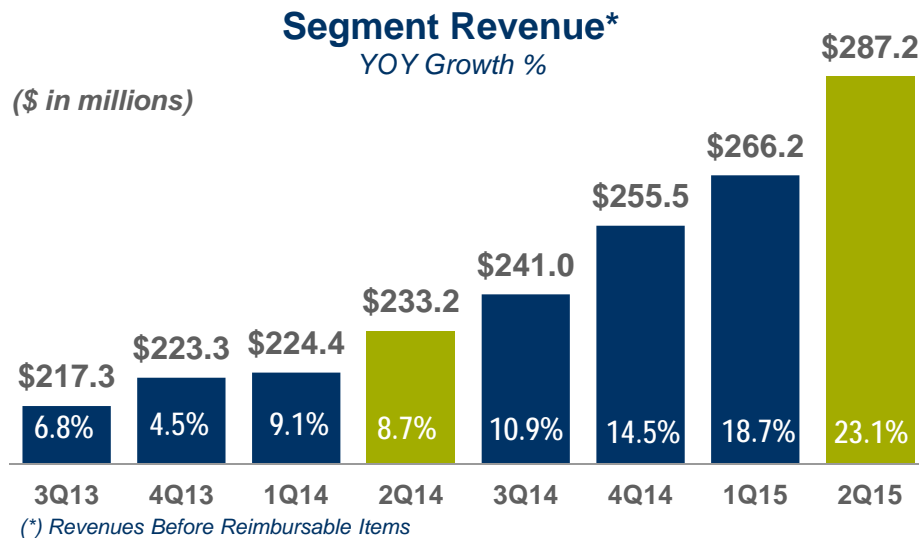
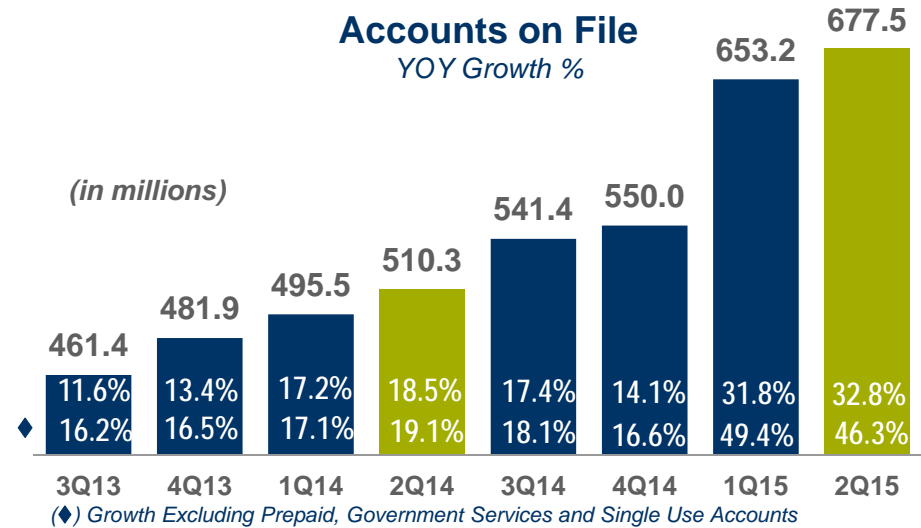
(*) Revenues Before Reimbursable Items



> 2Q 2015 NORTH AMERICA SEGMENT HIGHLIGHTS

→ All-time quarterly highs

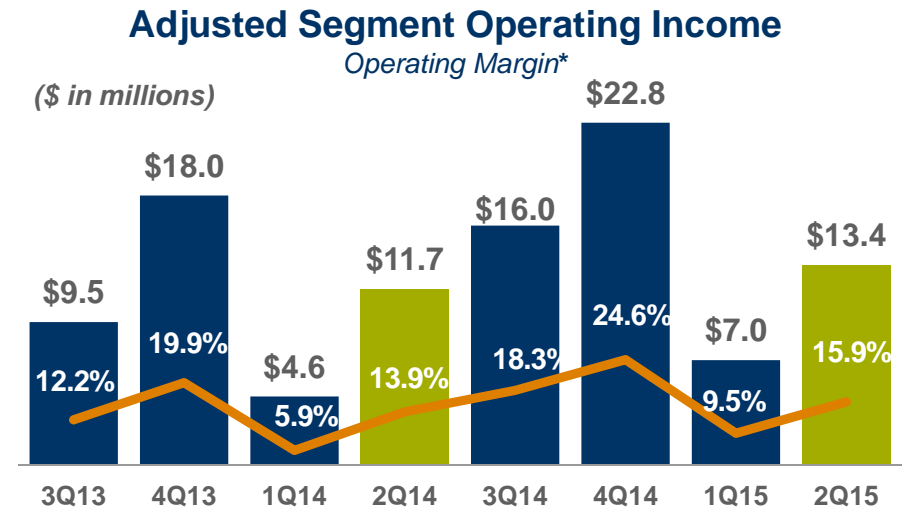
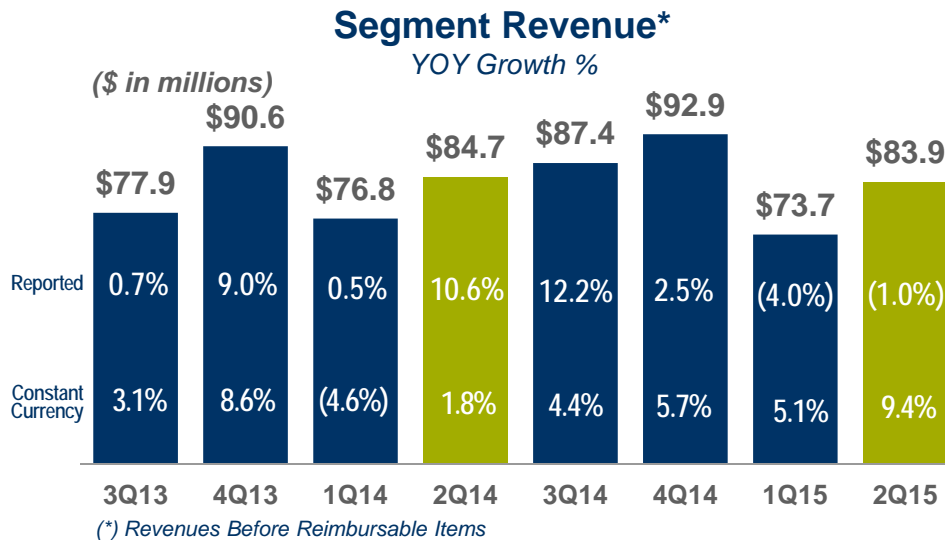
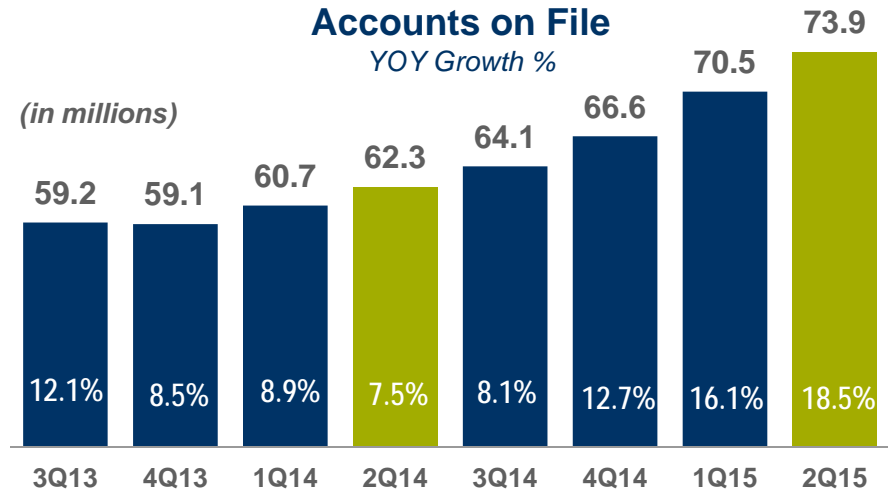
- Revenue and operating income
- Accounts on file up 32.8% to 677.5M
- Traditional AOF up 46.3% to 405.4M
- Transactions increased 49.9% to 4.0B





> 2Q 2015 INTERNATIONAL SEGMENT HIGHLIGHTS

- Continued positive constant currency revenue growth trend
- Accounts on file increased 18.5% to 73.9M
- Transactions increased 10.0% to 613.9M
- Continued solid YOY growth in operating margin

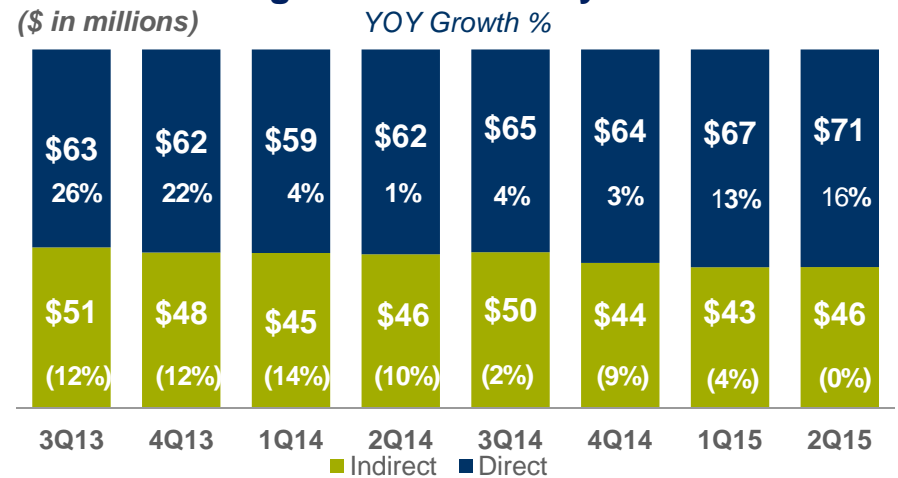




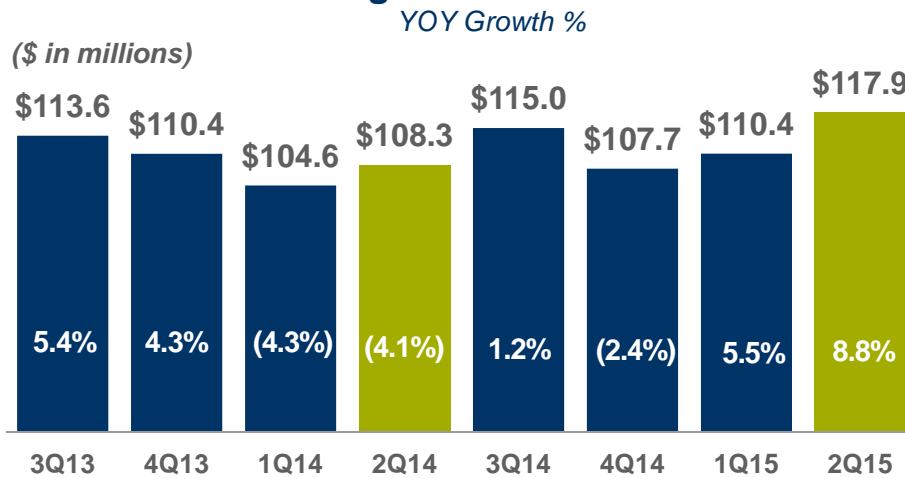
> 2Q 2015 MERCHANT SEGMENT HIGHLIGHTS

- Revenue up 8.8% and operating margin up 416 bps YOY
- Revenue mix: 61% Direct; 39% Indirect
- SBS Sales Volume at \$6.3B, up 10% YOY
- POS transactions increased 8.1%, excluding deconverted accounts

Segment Revenue by LOB

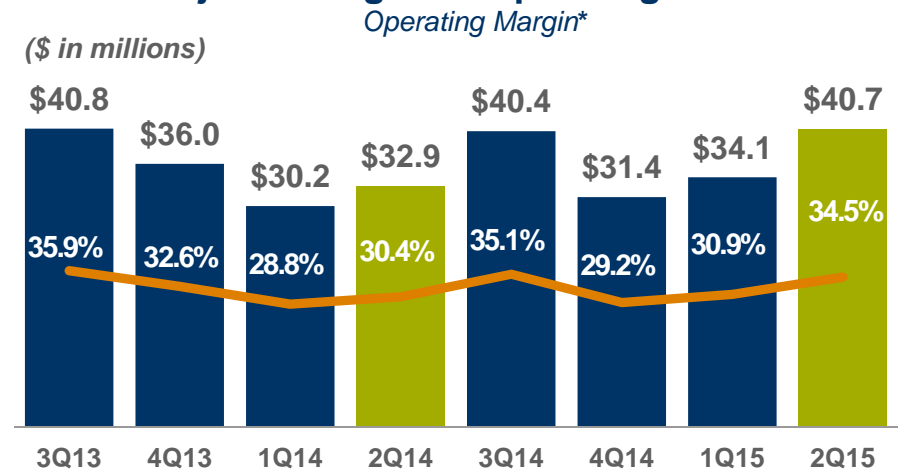


Segment Revenue*



(* Revenues Before Reimbursable Items)

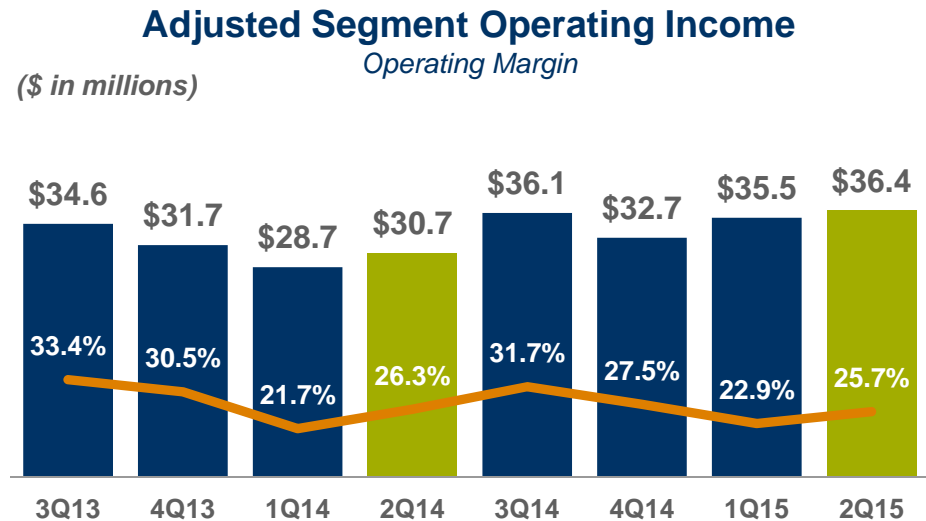
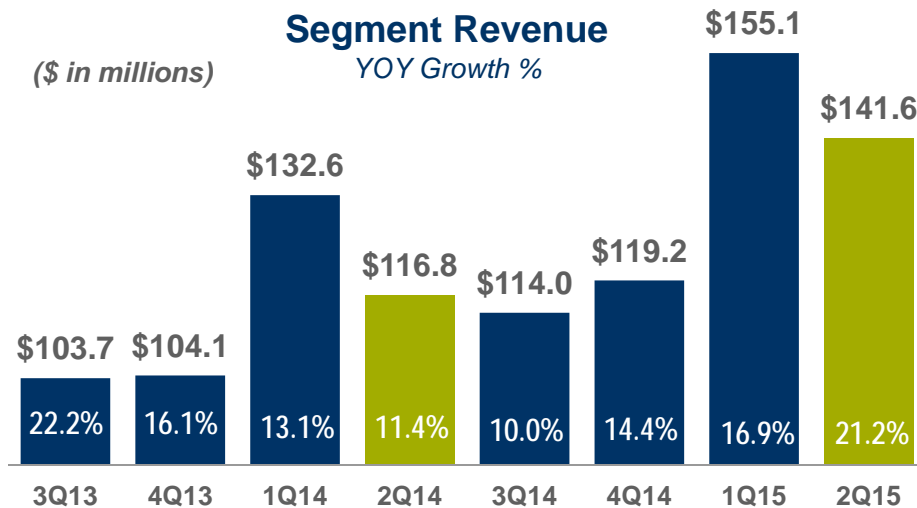
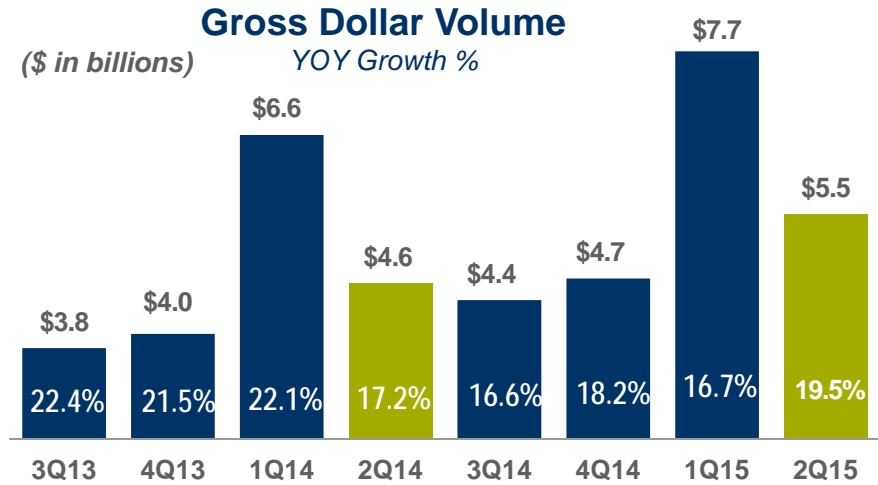
Adjusted Segment Operating Income





> 2Q 2015 NETSPEND SEGMENT HIGHLIGHTS

- Gross Dollar Volume (GDV) up 19.5%
- Total active cards at 3.9M, up 14.7%
- Direct deposit active cards at 1.9M, up 17.4%
- Extended relationship with MetaBank for 5 years
- Diversification of our issuing bank relationships





> SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

Three Months Ended June 30, 2015

<i>(in thousands)</i>	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	\$108,385	\$287,199	37.74%
International	13,353	83,857	15.92%
Merchant	40,690	117,868	34.52%
NetSpend	36,442	141,621	25.73%
Eliminations	--	(8,461)	
Corporate administration excluding stock comp	(33,386)	--	
Adjusted operating margin	\$165,484	\$622,084	26.60%
Amortization of acquisition intangibles	(22,852)		
Share-based compensation	(12,030)		
Operating income (US GAAP)	\$130,602		



> SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

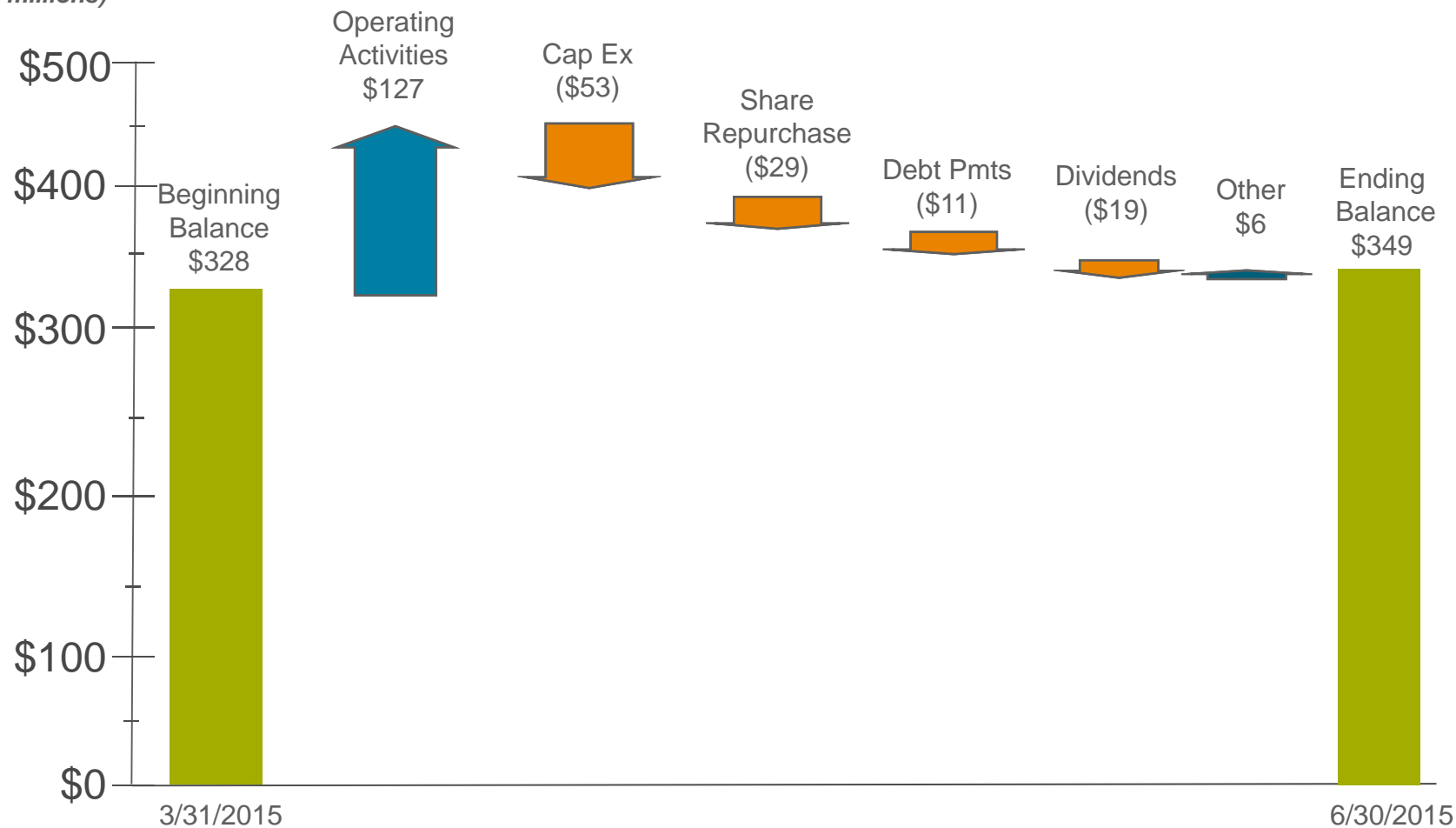
Six Months Ended June 30, 2015

<i>(in thousands)</i>	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	\$210,956	\$553,418	38.12%
International	20,336	157,587	12.90%
Merchant	74,805	228,266	32.77%
NetSpend	71,909	296,695	24.24%
Eliminations	--	(18,098)	
Corporate administration excluding stock comp	(58,017)	--	
Adjusted operating margin	\$319,989	\$1,217,868	26.27%
Amortization of acquisition intangibles	(46,718)		
Stock-based compensation	(20,173)		
Operating income (US GAAP)	\$253,098		



> ROLLFORWARD OF QUARTERLY CASH BALANCE

(in millions)





> CASH FLOW STRENGTH: 2015 TTM Consolidated Financial Highlights

(in millions)



■ Adjusted EBITDA ■ Cash flow from operations ■ Free cash flow ■ Net income ■ Ending cash

(TTM = Trailing Twelve Months)



> 2015 REVISED GUIDANCE*

(in millions, except per share data)

	<u>Range</u>	<u>Range Percent Change</u>
Total Revenues	\$2,667 to \$2,716	9% to 11%
Revenues Before Reimbursable Items	\$2,412 to \$2,456	10% to 12%
Adjusted EPS attributable to TSYS common shareholders from continuing operations	\$2.25 to \$2.29	15% to 17%
Average Basic Weighted Shares	184	

() See Appendix for guidance assumptions*

A green rounded square icon containing a white right-pointing arrow.

Q&A





Appendix



> APPENDIX: Non-GAAP Items – Adjusted EBITDA and Adjusted EPS

- Adjusted EBITDA is net income excluding equity in income of equity investments, nonoperating income/(expense), taxes, depreciation, amortization and stock-based compensation expenses and NetSpend 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 NetSpend 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 revenues before reimbursable items.
- 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

(in millions)

	<u>Jun 2015</u>	<u>Jun 2014</u>	<u>% Change</u>	<u>Jun 2015</u>	<u>Mar 2015</u>	<u>% Change</u>
Consumer Credit	374.1	246.5	51.8	374.1	364.5	2.6
Retail	26.4	27.9	(5.6)	26.4	28.3	(6.7)
Total Consumer	400.5	274.4	45.9	400.5	392.8	2.0
Commercial	44.0	40.4	8.7	44.0	42.3	3.8
Other	24.0	20.4	18.4	24.0	22.7	6.3
Subtotal	468.5	335.2	39.8	468.5	457.8	2.3
Prepaid*/ Stored Value	133.1	117.7	13.2	133.1	126.6	5.2
Government Services	77.1	65.6	17.4	77.1	74.5	3.5
Commercial Card Single Use	72.7	54.2	34.2	72.7	64.8	12.1
Total AOF	<u>751.4</u>	<u>572.7</u>	<u>31.2</u>	<u>751.4</u>	<u>723.7</u>	<u>3.8</u>

(* - Prepaid does not include NetSpend accounts)



> **APPENDIX: Non-GAAP Reconciliation – Revenues Before Reimbursable Items**

(in thousands)

	Three Months Ended		Six Months Ended	
	6/30/15	6/30/14	6/30/15	6/30/14
Total Revenues	\$692,652	\$602,036	\$1,354,808	\$1,194,883
Reimbursable Items	70,568	63,969	136,940	124,065
Revenues Before Reimbursable Items	<u>\$622,084</u>	<u>\$538,067</u>	<u>\$1,217,868</u>	<u>\$1,070,818</u>

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

<i>(in thousands)</i>	Three Months Ended		Six Months Ended	
	6/30/15	6/30/14	6/30/15	6/30/14
Operating income	\$130,602	\$98,763	\$253,098	\$179,460
Add: Acquisition intangible amort	22,852	24,282	46,718	48,595
Add: Corporate admin and other	45,416	36,875	78,190	69,883
Total segment adjusted operating income	\$198,870	\$159,920	\$378,006	\$297,938
By segment: North America services (a)	\$108,385	\$84,578	\$210,956	\$159,155
International services (b)	\$13,353	\$11,743	\$20,336	\$16,298
Merchant services (c)	\$40,690	\$32,896	\$74,805	\$63,064
NetSpend (d)	\$36,442	\$30,703	\$71,909	\$59,421
Total revenues	\$692,652	\$602,036	\$1,354,808	\$1,194,883
Reimbursable items	(70,568)	(63,969)	(136,940)	(124,065)
Total segment revenues before reimbursable items	\$622,084	\$538,067	\$1,217,868	\$1,070,818
Intersegment revenues	8,461	5,050	18,098	10,705
By segment: North America services (e)	\$287,199	\$233,217	\$553,418	\$457,585
International services (f)	\$83,857	\$84,732	\$157,587	\$161,505
Merchant services (g)	\$117,868	\$108,335	\$228,266	\$212,960
NetSpend (h)	\$141,621	\$116,833	\$296,695	\$249,473
Adjusted segment operating margin:				
North America services (a) / (e)	37.74%	36.27%	38.12%	34.78%
International services (b) / (f)	15.92%	13.86%	12.90%	10.09%
Merchant services (c) / (g)	34.52%	30.37%	32.77%	29.61%
NetSpend (d) / (h)	25.73%	26.28%	24.24%	23.82%

> APPENDIX: Non-GAAP Reconciliation – Constant Currency

(in thousands)

	Three Months Ended		Percentage Change	Six Months Ended		Percentage Change
	6/30/15	6/30/14		6/30/15	6/30/14	
Consolidated:						
Constant Currency (1)	\$702,191	\$602,036	16.6%	\$1,372,054	\$1,194,883	14.8%
Foreign Currency (2)	(9,539)	---		(17,246)	---	
Total Revenues	\$692,652	\$602,036	15.1%	\$1,354,808	\$1,194,883	13.4%
International Services:						
Constant Currency (1)	\$99,076	\$90,466	9.5%	\$186,456	\$172,844	7.9%
Foreign Currency (2)	(9,458)	---		(17,036)	---	
Total Revenues	\$89,618	\$90,466	(0.9%)	\$169,420	\$172,844	(2.0%)

(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

(in thousands)

	Three Months Ended		Percentage Change	Six Months Ended		Percentage Change
	6/30/15	6/30/14		6/30/15	6/30/14	
Consolidated:						
Constant Currency (1)	\$631,025	\$538,067	17.3%	\$1,233,927	\$1,070,818	15.2%
Foreign Currency (2)	(8,941)	---		(16,059)	---	
Revenues before reimbursable items	<u>\$622,084</u>	<u>\$538,067</u>	15.6%	<u>\$1,217,868</u>	<u>\$1,070,818</u>	13.7%
International Services:						
Constant Currency (1)	\$92,717	\$84,732	9.4%	\$173,436	\$161,505	7.4%
Foreign Currency (2)	(8,860)	---		(15,849)	---	
Revenues before Reimbursable Items	<u>\$83,857</u>	<u>\$84,732</u>	(1.0%)	<u>\$157,587</u>	<u>\$161,505</u>	(2.4%)

(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)

	Three Months Ended		Six Months Ended	
	Jun 2015	Jun 2014	Jun 2015	Jun 2014
Net income :				
As reported (GAAP) (a)	\$83,375	\$111,340	\$162,274	\$162,965
Adjusted for:				
Deduct: Income from discontinued operations	--	(50,133)	--	(51,113)
Deduct: Equity in Income of Equity Investments	(4,579)	(3,600)	(9,973)	(7,696)
Add: Income Taxes	41,597	30,771	81,379	55,106
Add: Nonoperating expenses	10,209	10,385	19,418	20,198
Add: Depreciation and amortization	63,905	60,961	126,720	120,995
EBITDA	\$194,507	\$159,724	\$379,818	\$300,455
Adjust for:				
Add: Share-based compensation	12,030	9,988	20,173	17,599
Add: NetSpend M&A expenses	--	1,182	--	2,435
Adjusted EBITDA	\$206,537	\$170,894	\$399,991	\$320,489

> APPENDIX: Non-GAAP Reconciliation – Adjusted EPS

(in thousands)

	Three Months Ended		Six Months Ended	
	Jun 2015	Jun 2014	Jun 2015	Jun 2014
Income from continuing operations available to TSYS Common Shareholders:				
As reported (GAAP) (a)	\$82,839	\$59,771	\$160,594	\$109,092
Adjusted for amounts attributable to TSYS common shareholders (net of taxes):				
Acquisition intangible amortization	15,083	15,799	30,844	31,612
Share-based compensation	8,033	6,584	13,474	11,601
NetSpend M&A expenses	--	1,122	--	2,326
Adjusted earnings (b)	\$105,955	\$83,276	\$204,912	\$154,631
Average common shares outstanding and participating securities (c)	183,829	186,373	184,153	187,058
Basic EPS Available to TSYS Common Shareholders (a) / (c)	\$0.45	\$0.32	\$0.87	\$0.58
Adjusted EPS Available to TSYS Common Shareholders (b) / (c)	\$0.58	\$0.45	\$1.11	\$0.83

> APPENDIX: Non-GAAP Reconciliation – Free Cash Flow

(in thousands)

	Trailing Twelve Months Ended 6/30/2015
Cash flows from operating activities	\$606,052
Less:	
Purchases of property and equipment	(61,215)
Additions to licensed computer software from vendors	(35,042)
Additions to internally developed computer software	(41,100)
Additions to contract acquisition costs	(89,343)
Free cash flow	\$379,352

> APPENDIX: Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

(in thousands)

	Trailing Twelve Months Ended 6/30/2015
Net Income	\$328,714
Adjusted for:	
Add: Discontinued operations	2,458
Deduct: Equity in Income of Equity Investments	(19,860)
Add: Income Taxes	156,033
Add: Nonoperating expense	37,931
Add: Depreciation and Amortization	252,346
EBITDA	\$757,623
Adjust for: Share-based compensation	33,364
NetSpend M&A Operating Expenses*	782
Adjusted EBITDA	\$791,769

* Excludes share-based compensation

> APPENDIX: 2015 Revised Guidance Assumptions

The revised 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; and
- The economy will not worsen.
- Additionally, the impact of any future share repurchases is not included.