

# 2016 THIRD QUARTER

October 25, 2016



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# FORWARD-LOOKING STATEMENTS

This slide 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 2015 Annual Report on Form 10-K. TSYS disclaims any obligation to update any forward-looking statements as a result of new information, future developments or otherwise except as required by law.

# 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 include the following: 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 and Chief Executive Officer





**Paul Todd**

Chief Financial Officer



# 2016 Third Quarter

## CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

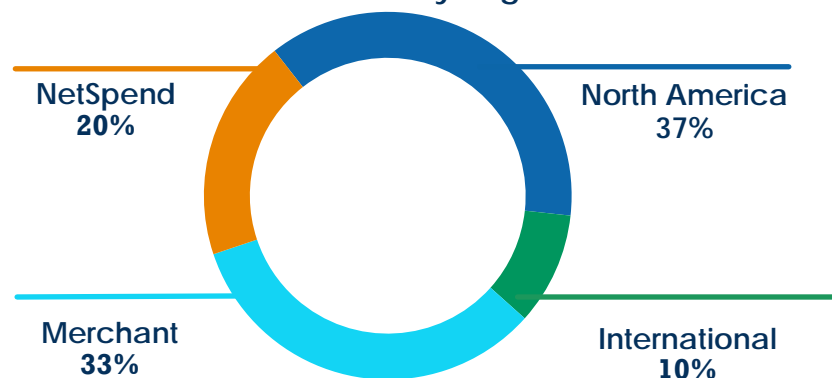
QTD 2016	QTD 2015	Percent Change		YTD 2016	YTD 2015	Percent Change
\$1,146,888	\$707,890	62.0%	Total Revenues	\$3,037,853	\$2,062,698	47.3%
789,588	636,386	24.1	Net Revenue <sup>(1)</sup>	2,256,169	1,854,254	21.7
269,142	238,898	12.7	Adjusted EBITDA <sup>(1)</sup>	774,003	638,889	21.1
\$0.71	\$0.78	(8.7)	Adjusted EPS <sup>(1)</sup> from Continuing Operations	\$2.11	\$1.89	11.5

(1) Non-GAAP financial measures; See Appendix

# 2016 Third Quarter CONSOLIDATED HIGHLIGHTS

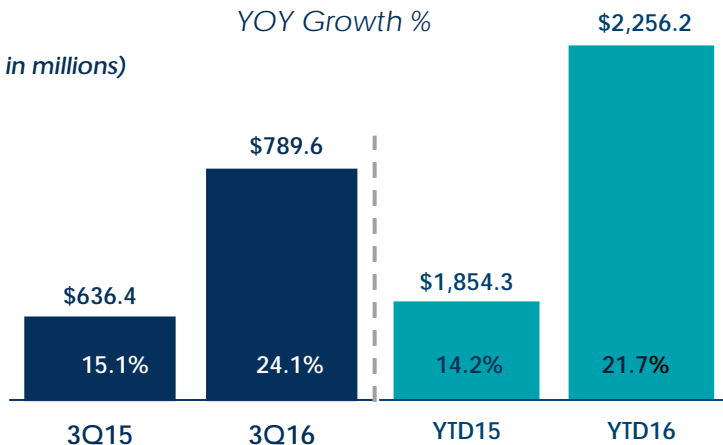
- Net revenue increased 24.1%
- All 4 segments exceeded internal expectations
- Record number of traditional AOF

3<sup>rd</sup> Quarter  
Net Revenue by Segment<sup>(1)</sup>



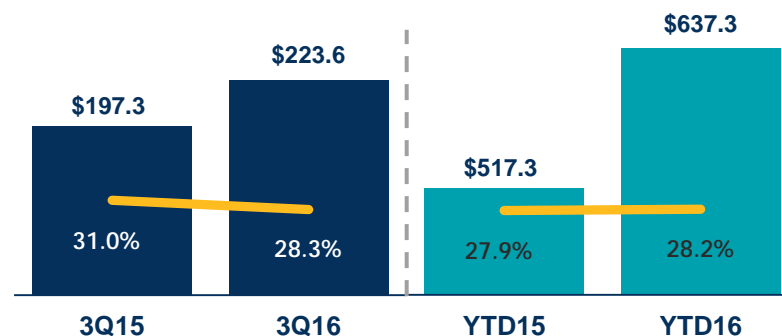
Consolidated Net Revenue<sup>(1)</sup>  
YOY Growth %

(\$ in millions)



Adjusted Operating Income<sup>(1)</sup>  
Operating Margin<sup>(2)</sup>

(\$ in millions)



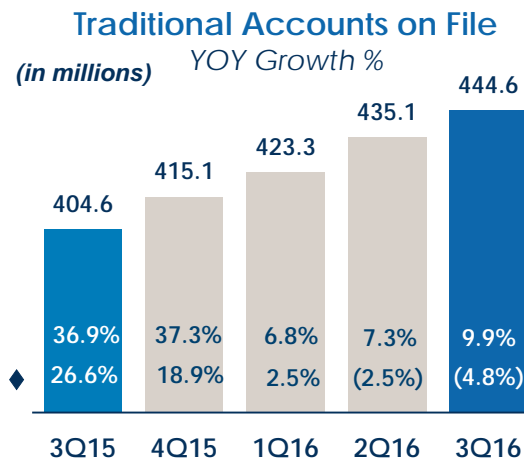
(1) Non-GAAP financial measure; See Appendix

(2) Net Revenue

# 2016 Third Quarter

## NORTH AMERICA SEGMENT HIGHLIGHTS

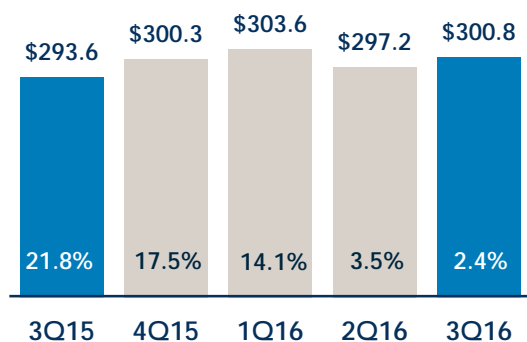
- Continued focus on growth objectives
- Record number of traditional AOF
- Net revenue growth of 2.4% slightly ahead of expectations



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

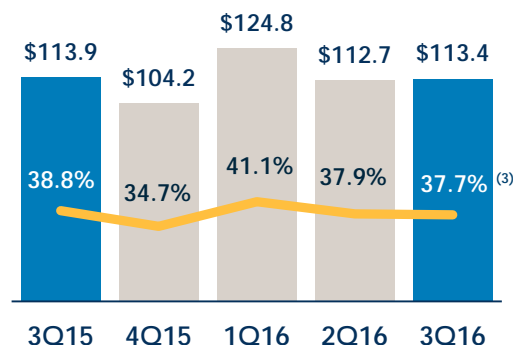
### Segment Net Revenue<sup>(1)</sup> YOY Growth %

(\$ in millions)



### Adjusted Segment Operating Income<sup>(1)</sup> Operating Margin<sup>(2)</sup>

(\$ in millions)



(1) Non-GAAP financial measure; See Appendix

(2) Net Revenue

(3) 39.74% without Severance



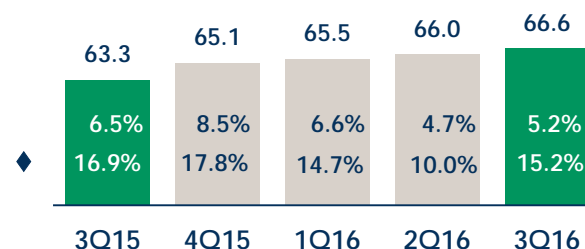
# 2016 Third Quarter INTERNATIONAL SEGMENT HIGHLIGHTS

- Net revenue up 7.4% and operating margin up 280 bps on a constant currency basis
- Two new debit clients and two contract extensions signed in period
- Record number of traditional AOF, transactions up 11.6%

## Traditional Accounts on File

YOY Growth %

(in millions)

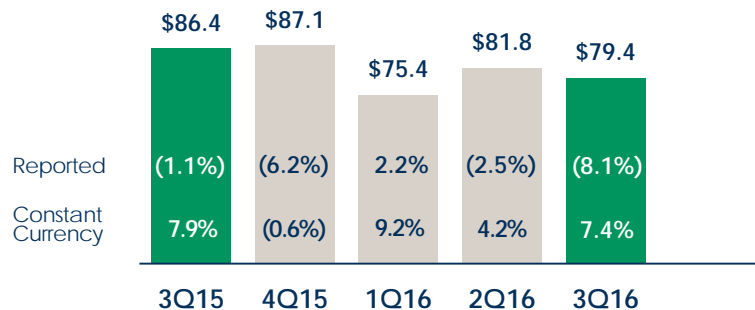


◆ Growth Including Single Use Accounts

## Segment Net Revenue<sup>(1)</sup>

YOY Growth %

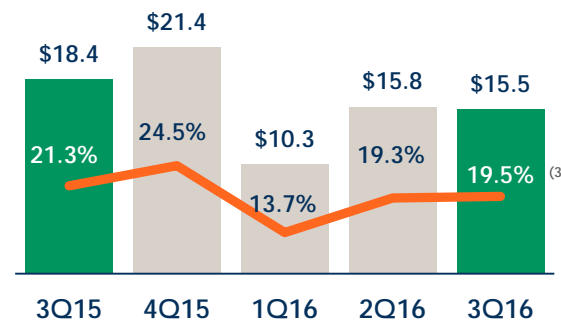
(\$ in millions)



## Adjusted Segment Operating Income<sup>(1)</sup>

Operating Margin<sup>(2)</sup>

(\$ in millions)



(1) Non-GAAP financial measure; See Appendix

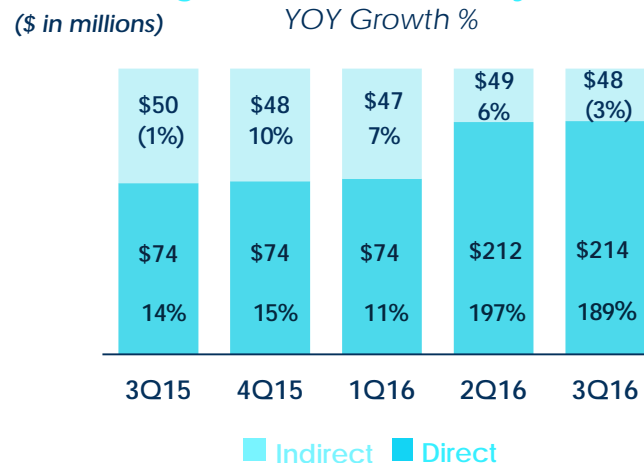
(2) Net Revenue

(3) 21.91% without Severance

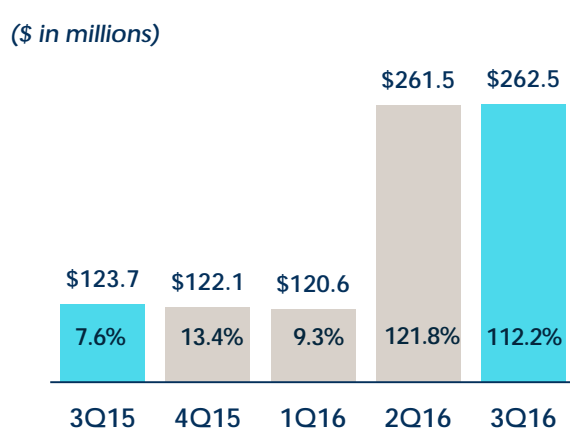
# 2016 Third Quarter MERCHANT SEGMENT HIGHLIGHTS

- TransFirst integration continues on-track and synergy achievement is on target
- Strong revenue growth driven by focus on SMB and integrated channels
- Strong and improving operating margin

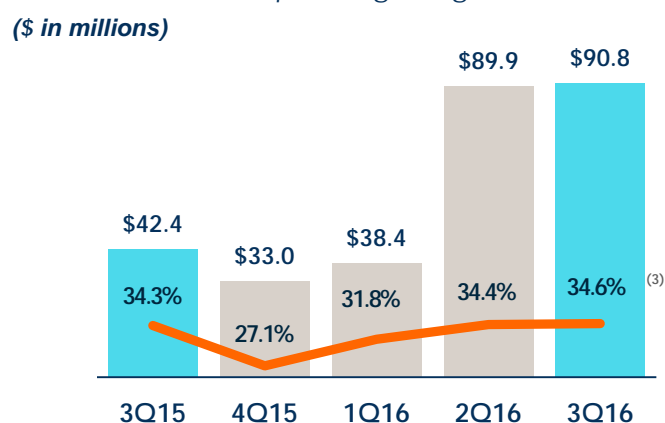
### Segment Net Revenue by LOB<sup>(1)</sup>



### Segment Net Revenue<sup>(1)</sup>



### Adjusted Segment Operating Income<sup>(1)</sup>



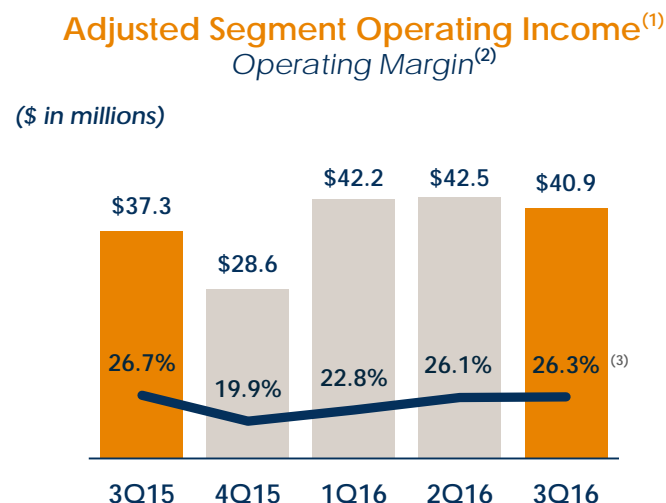
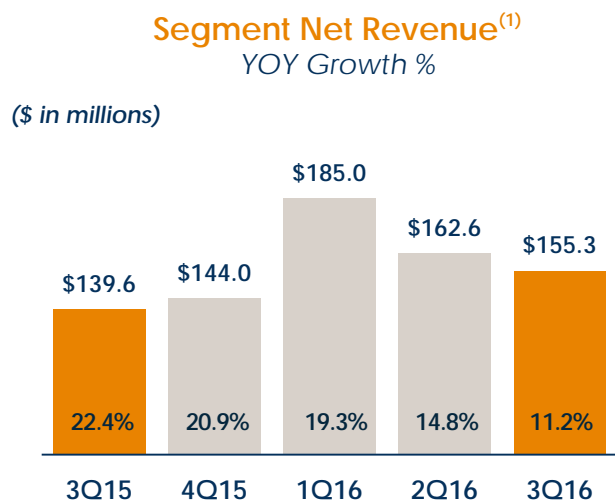
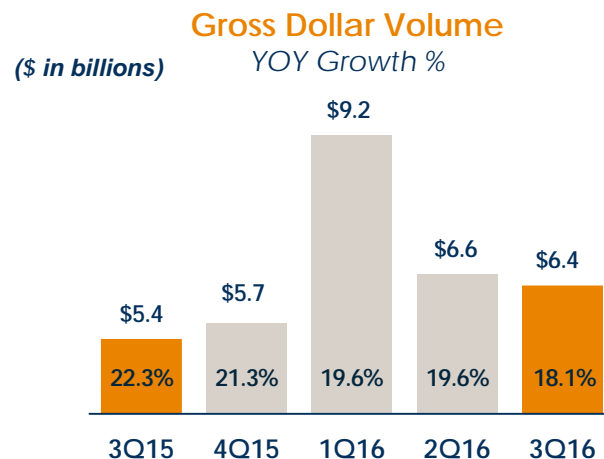
(1) Non-GAAP financial measure; See Appendix

(2) Net Revenue

(3) 34.62% without Severance

# 2016 Third Quarter NETSPEND SEGMENT HIGHLIGHTS

- CFPB issued final rules on prepaid
- Direct deposit active cards increased 15.8%
- Double-digit revenue growth in 3 of 4 channels



(1) Non-GAAP financial measure; See Appendix

(2) Net Revenue

(3) 26.42% without Severance

# 2016 Third Quarter SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

Three Months Ended September 30, 2016

<i>(in thousands)</i>	Adjusted Segment Operating Income <sup>(1)</sup>	Net Revenue <sup>(1)</sup>	Adjusted Operating Margin <sup>(1)</sup>
North America	\$113,425	\$300,754	37.71%
International	15,524	79,445	19.54%
Merchant	90,784	262,494	34.59%
NetSpend	40,856	155,349	26.30%
Intersegment	--	(8,454)	
Corporate administration excluding share-based compensation	(37,022)	--	
<b>Subtotal</b>	<b>\$223,567</b>	<b>\$789,588</b>	<b>28.31%</b>
Amortization of acquisition intangibles	(13,069)		
TransFirst M&A expenses <sup>(2)</sup>	(1,830)		
Share-based compensation	(53,341)		
<b>Operating income (US GAAP)</b>	<b>\$155,327</b>		

(1) Non-GAAP financial measure; See Appendix

(2) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses.

# 2016 Third Quarter SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

Nine Months Ended September 30, 2016

<i>(in thousands)</i>	Adjusted Segment Operating Income <sup>(1)</sup>	Net Revenue <sup>(1)</sup>	Adjusted Operating Margin <sup>(1)</sup>
North America	\$350,955	\$901,563	38.93%
International	41,564	236,570	17.57%
Merchant	219,056	644,573	33.98%
NetSpend	125,538	502,961	24.96%
Intersegment	--	(29,498)	
Corporate administration excluding share-based compensation	(99,830)	--	
<b>Subtotal</b>	<b>\$637,283</b>	<b>\$2,256,169</b>	<b>28.25%</b>
Amortization of acquisition intangibles	(33,792)		
TransFirst M&A expenses <sup>(2)</sup>	(25,908)		
Share-based compensation	(134,748)		
<b>Operating income (US GAAP)</b>	<b>\$637,283</b>		

(1) Non-GAAP financial measure; See Appendix

(2) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses.

# 2016 Third Quarter

## 2016 REVISED GUIDANCE\*

(in millions, except per share data)

### Revenue:

Total Revenues (GAAP)

Net Revenue<sup>(1)</sup> (non-GAAP)

### Earnings per share: (EPS)

Basic EPS (GAAP)

Adjusted EPS attributable to TSYS  
common shareholders from  
continuing operations<sup>(1)</sup> (non-GAAP)

Average basic weighted shares

	Range	Range Percent Change
Total Revenues (GAAP)	\$4,150 to \$4,170	49% to 50%
Net Revenue <sup>(1)</sup> (non-GAAP)	\$3,030 to \$3,045	21% to 22%
Basic EPS (GAAP)	\$1.77 to \$1.83	(10%) to (7%)
Adjusted EPS attributable to TSYS common shareholders from continuing operations <sup>(1)</sup> (non-GAAP)	\$2.78 to \$2.85	13% to 16%
Average basic weighted shares	183.7	

\*See guidance assumptions; See Appendix  
(1) Non-GAAP financial measure; See Appendix

Q&A



THANK YOU



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# APPENDIX



# APPENDIX: Accounts on File Portfolio Summary

<i>(in millions)</i>	September 2016	September 2015	% Change	September 2016	June 2016	% Change
Consumer	433.5	399.0	8.6	433.5	425.3	1.9
Commercial	48.0	44.1	8.9	48.0	47.0	2.0
Other	29.7	24.8	19.5	29.7	28.8	3.1
Traditional AOF	511.2	467.9	9.2	511.2	501.1	2.0
Prepaid*/Stored Value	58.9	133.8	(56.0)	58.9	79.5	(25.9)
Government Services	85.7	78.7	9.0	85.7	84.6	1.3
Commercial Card Single Use	83.0	80.0	3.8	83.0	76.9	8.0
Total AOF	<u>738.8</u>	<u>760.4</u>	<u>(2.8)</u>	<u>738.8</u>	<u>742.1</u>	<u>(0.4)</u>

\* Prepaid does not include NetSpend accounts

# 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 share-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 share-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 share-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 share-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: Non-GAAP Reconciliation – Net Revenue

(in thousands)

Three Months Ended			Nine Months Ended	
<u>9/30/16</u>	<u>9/30/15</u>		<u>9/30/16</u>	<u>9/30/15</u>
\$1,146,888	\$707,890	Total revenues	\$3,037,853	\$2,062,698
357,300	71,504	Less: reimbursable items, interchange and assessments expenses	781,684	208,444
<u>\$789,588</u>	<u>\$636,386</u>	Net revenue	<u>\$2,256,169</u>	<u>\$1,854,254</u>

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

## 2016 Third Quarter

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

(in thousands)

	Three Months Ended		Nine Months Ended	
	<u>9/30/16</u>	<u>9/30/15</u>	<u>9/30/16</u>	<u>9/30/15</u>
<b>Adjusted segment operating income</b>				
By segment: North America services (a)	\$113,425	\$113,946	\$350,955	\$324,902
International services (b)	15,524	18,370	41,564	38,706
Merchant services (c)	90,784	42,387	219,056	117,192
NetSpend (d)	40,856	37,315	125,538	109,224
Less: Acquisition intangible amortization	(53,341)	(22,883)	(134,748)	(69,601)
Less: Corporate admin and other	(50,091)	(26,031)	(133,622)	(104,221)
Less: TransFirst M&A expenses <sup>(1)</sup>	(1,830)	--	(25,908)	--
<b>Operating income</b>	<b>\$155,327</b>	<b>\$163,104</b>	<b>\$442,835</b>	<b>\$416,202</b>
<b>Net revenue</b>				
By segment: North America services (e)	\$300,754	\$293,571	\$901,563	\$846,989
International services (f)	79,445	86,446	236,570	244,033
Merchant services (g)	262,494	123,721	644,573	351,987
NetSpend (h)	155,349	139,648	502,961	436,343
Less: Intersegment revenues	(8,454)	(7,000)	(29,498)	(25,098)
Add: Reimbursable items, interchange and assessments expenses	357,300	71,504	781,684	208,444
<b>Total revenues</b>	<b>\$1,146,888</b>	<b>\$707,890</b>	<b>\$3,037,853</b>	<b>\$2,062,698</b>
<b>Adjusted segment operating margin:</b>				
North America services (a) / (e)	37.71%	38.81%	38.93%	38.36%
International services (b) / (f)	19.54%	21.25%	17.57%	15.86%
Merchant services (c) / (g)	34.59%	34.26%	33.98%	33.29%
NetSpend (d) / (h)	26.30%	26.72%	24.96%	25.03%

(1) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses.

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

(in thousands)

	Three Months Ended			Nine Months Ended		
	<u>9/30/16</u>		<u>9/30/16</u>	<u>9/30/16</u>		<u>9/30/16</u>
	As reported	Severance	Adjusted	As reported	Severance	Adjusted
<b>Adjusted segment operating income</b>						
By segment: North America services (a)	\$113,425	\$6,103	\$119,528	\$350,955	\$6,103	\$357,058
International services (b)	15,524	1,882	17,406	41,564	1,882	43,446
Merchant services (c)	90,784	81	90,865	219,056	81	219,137
NetSpend (d)	40,856	182	41,038	125,538	182	125,720
Less: Acquisition intangible amortization	(53,341)	--	(53,341)	(134,748)	--	(134,748)
Less: Corporate admin and other	(50,091)	501	(49,590)	(133,622)	501	(133,121)
Less: TransFirst M&A expenses <sup>(1)</sup>	(1,830)	--	(1,830)	(25,908)	--	(25,908)
<b>Operating income</b>	<b>\$155,327</b>	<b>\$8,749</b>	<b>\$164,076</b>	<b>\$442,835</b>	<b>\$8,749</b>	<b>\$451,584</b>
<b>Net revenue</b>						
By segment: North America services (e)	\$300,754		\$300,754	\$901,563		\$901,563
International services (f)	79,445		79,445	236,570		236,570
Merchant services (g)	262,494		262,494	644,573		644,573
NetSpend (h)	155,349		155,349	502,961		502,961
Less: Intersegment revenues	(8,454)		(8,454)	(29,498)		(29,498)
Add: Reimbursable items, interchange and assessments expenses	357,300		357,300	781,684		781,684
<b>Total revenues</b>	<b>\$1,146,888</b>		<b>\$1,146,888</b>	<b>\$3,037,853</b>		<b>\$3,037,853</b>
<b>Adjusted segment operating margin:</b>						
North America services (a) / (e)	37.71%		39.74%	38.93%		39.60%
International services (b) / (f)	19.54%		21.91%	17.57%		18.36%
Merchant services (c) / (g)	34.59%		34.62%	33.98%		34.00%
NetSpend (d) / (h)	26.30%		26.42%	24.96%		25.00%

(1) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses.

# APPENDIX: Non-GAAP Reconciliation – Constant Currency Net Revenue

(in thousands)	Three Months Ended		Percentage Change	Nine Months Ended		Percentage Change
	<u>9/30/16</u>	<u>9/30/15</u>		<u>9/30/16</u>	<u>9/30/15</u>	
<b>Consolidated:</b>						
Constant currency <sup>(1)</sup>	\$802,958	\$636,386	26.2%	\$2,280,389	\$1,854,254	23.0%
Foreign currency impact <sup>(2)</sup>	(13,370)	--		(24,220)	--	
Net revenue	<u>\$789,588</u>	<u>\$636,386</u>	24.1%	<u>\$2,256,169</u>	<u>\$1,854,254</u>	21.7%
<b>International services:</b>						
Constant currency <sup>(1)</sup>	\$92,861	\$86,446	7.4%	\$260,772	\$244,033	6.9%
Foreign currency impact <sup>(2)</sup>	(13,416)	--		(24,202)	--	
Net revenue	<u>\$79,445</u>	<u>\$86,446</u>	(8.1%)	<u>\$236,570</u>	<u>\$244,033</u>	(3.1%)

(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.

# 2016 Third Quarter

## APPENDIX: Non-GAAP Reconciliation – Constant Currency

### Total Revenues

(in thousands)	Three Months Ended		Percentage Change	Nine Months Ended		Percentage Change
	<u>9/30/16</u>	<u>9/30/15</u>		<u>9/30/16</u>	<u>9/30/15</u>	
<b>Consolidated:</b>						
Constant currency <sup>(1)</sup>	\$1,161,181	\$707,890	64.0%	\$3,063,788	\$2,062,698	48.5%
Foreign currency impact <sup>(2)</sup>	(14,293)	--		(25,935)	--	
<b>Total revenues</b>	<b><u>\$1,146,888</u></b>	<b><u>\$707,890</u></b>	<b>62.0%</b>	<b><u>\$3,037,853</u></b>	<b><u>\$2,062,698</u></b>	<b>47.3%</b>
<b>International services:</b>						
Constant currency <sup>(1)</sup>	\$99,171	\$92,177	7.6%	\$279,332	\$261,597	6.8%
Foreign currency impact <sup>(2)</sup>	(14,338)	--		(25,917)	--	
<b>Total revenues</b>	<b><u>\$84,833</u></b>	<b><u>\$92,177</u></b>	<b>(8.0%)</b>	<b><u>\$253,415</u></b>	<b><u>\$261,597</u></b>	<b>(3.1%)</b>

(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.



# 2016 Third Quarter

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

(in thousands)

	Three Months Ended		Nine Months Ended	
	9/30/16	9/30/15	9/30/16	9/30/15
<b>Net income :</b>				
<b>As reported (GAAP)</b>	\$87,441	\$122,051	\$251,597	\$284,325
<b>Adjust for:</b>				
Deduct: Equity in income of equity investments	(6,366)	(5,336)	(19,234)	(15,309)
Add: Income taxes	44,247	37,825	127,966	119,204
Add: Nonoperating expense	30,005	8,564	82,506	27,982
Add: Depreciation and amortization	98,916	64,499	271,468	191,219
<b>EBITDA</b>	\$254,243	\$227,603	\$714,303	\$607,421
<b>Adjust for:</b>				
Add: Share-based compensation	13,069	11,295	33,792	31,468
Add: TransFirst M&A expenses <sup>(1)</sup>	1,830	--	25,908	--
<b>Adjusted EBITDA</b>	\$269,142	\$238,898	\$774,003	\$638,889

(1) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses.

## 2016 Third Quarter

# APPENDIX: Non-GAAP Reconciliation – Adjusted EPS

(in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	9/30/16	9/30/15	9/30/16	9/30/15
Income from continuing operations available to TSYS common shareholders:				
As reported (GAAP) (a)	\$85,352	\$120,622	\$245,688	\$281,216
Adjusted for amounts attributable to TSYS common shareholders:				
Add: Acquisition intangible amortization	53,065	22,607	133,920	68,774
Add: Share-based compensation	13,059	11,291	33,766	31,459
Add: TransFirst M&A expenses <sup>(1)</sup>	1,830	--	35,689	--
Less: Tax impact of adjustments <sup>(2)</sup>	(22,633)	(11,250)	(62,264)	(33,267)
Adjusted earnings (b)	\$130,673	\$143,270	\$386,799	\$348,182
Average common shares outstanding and participating securities (c)	183,830	183,954	183,601	184,320
Basic EPS Available to TSYS common shareholders (a) / (c)	\$0.46	\$0.66	\$1.34	\$1.53
Adjusted EPS Available to TSYS common shareholders (b) / (c)	\$0.71	\$0.78	\$2.11	\$1.89

(1) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses and nonoperating expenses.

(2) Certain of these merger and acquisition costs are nondeductible for income tax purposes. Income tax impact includes a discrete item as a result of the acquisition.

## 2016 Third Quarter

# APPENDIX: Non-GAAP Reconciliation – Adjusted EPS excluding impact of severance, currency and tax credits

(in thousands, except per share data)	Three Months Ended		Nine Months Ended	
	9/30/16	9/30/15	9/30/16	9/30/15
Income from continuing operations available to TSYS common shareholders:				
As reported (GAAP) (a)	\$85,352	\$120,622	\$245,688	\$281,216
Adjusted for amounts attributable to TSYS common shareholders:				
Add: Acquisition intangible amortization	53,065	22,607	133,920	68,774
Add: Share-based compensation	13,059	11,291	33,766	31,459
Add: TransFirst M&A expenses <sup>(1)</sup>	1,830	--	35,689	--
Less: Tax impact of adjustments <sup>(2)</sup>	(22,633)	(11,250)	(62,264)	(33,267)
Adjusted earnings (b)	\$130,673	\$143,270	\$386,799	\$348,182
Add: Severance impact	8,749	--	8,749	--
Add: Severance impact – Share-based compensation	147	--	147	--
Add: Currency impact	6,320	--	9,564	--
Less: Federal and state R&D tax credits and related expenses	--	(15,084)	--	(15,084)
Less: Tax impact of adjustments	(4,619)	(8,473)	(5,634)	(8,473)
Adjusted earnings without impact of severance, currency and tax credits	\$141,270	\$119,713	\$399,625	\$324,625
Average common shares outstanding and participating securities (c)	183,830	183,954	183,601	184,320
Basic EPS Available to TSYS common shareholders (a)/(c)	\$0.46	\$0.66	\$1.34	\$1.53
Adjusted EPS Available to TSYS common shareholders (b)/(c)	\$0.71	\$0.78	\$2.11	\$1.89
Add/Less: Impact of severance, currency and tax credits	0.06	(0.13)	0.07	(0.13)
Adjusted earnings without impact of severance, currency and tax credits	\$0.77	\$0.65	\$2.18	\$1.76

(1) Costs associated with the TransFirst acquisition and integration that are included in selling, general and administrative expenses and nonoperating expenses.

(2) Certain of these merger and acquisition costs are nondeductible for income tax purposes. Income tax impact includes a discrete item as a result of the acquisition.

# 2016 Third Quarter

## 2016 REVISED GUIDANCE\*

(in millions, except per share data)

	Range		Range Percent Change	
<b>Total Revenues (GAAP)</b>	\$4,150	to	\$4,170	49% to 50%
<b>Less: reimbursable items, interchange and assessments expenses</b>	1,120	to	1,125	
<b>Net Revenue<sup>(1)</sup> (non-GAAP)</b>	\$3,030	to	\$3,045	21% to 22%
<b>Basic EPS (GAAP)</b>	\$1.77	to	\$1.83	(10%) to (7%)
<b>Acquisition intangible amortization, share-based compensation and TransFirst M&amp;A expenses, less the tax impact of adjustments</b>	1.01	to	1.02	
<b>Adjusted EPS attributable to TSYS common shareholders from continuing operations<sup>(1)</sup> (non-GAAP)</b>	\$2.78	to	\$2.85	13% to 16%
<b>Average basic weighted shares</b>	183.7			

(\*) See guidance assumptions

(1) Non-GAAP financial measure; See Appendix

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## 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 additional 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.