



2015 Third Quarter and YTD Results

October 27, 2015

TSYS[®] People-Centered Payments



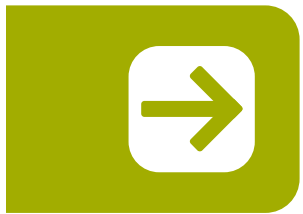
> FORWARD-LOOKING STATEMENTS

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)

3 rd Qtr 2015	3 rd Qtr 2014	Percent Change		YTD 2015	YTD 2014	Percent Change
\$707,890	\$616,891	14.8%	Total Revenues	\$2,062,698	\$1,811,774	13.8%
636,386	552,860	15.1	Revenues Before Reimbursable Items	1,854,254	1,623,678	14.2
238,898	198,040	20.6	Adjusted EBITDA*	638,889	518,529	23.2
\$0.78	\$0.56	40.2	Adjusted EPS* from Continuing Operations	\$1.89	\$1.38	36.8

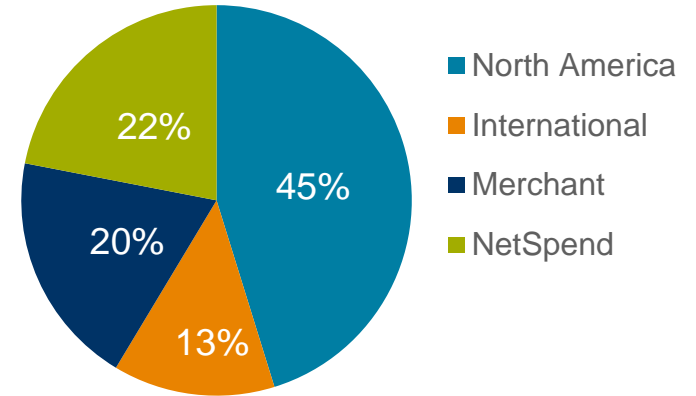
() Adjusted EBITDA , Adjusted EBITDA margin and Adjusted EPS definitions are contained in Appendix*



> 3Q 2015 CONSOLIDATED HIGHLIGHTS

- Double digit revenue growth
- Strong cross segment delivery of performance
- Record volume gains
- Expanding consolidated margins

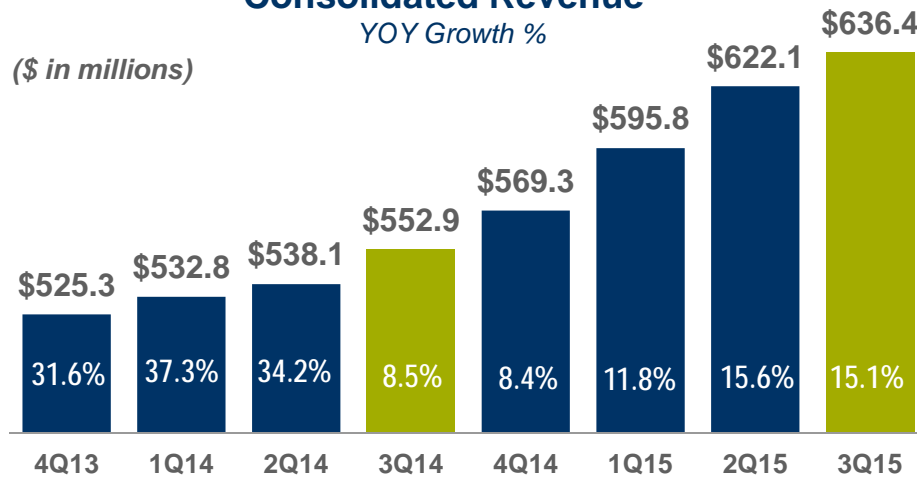
Revenue by Segment*



Consolidated Revenue*

YOY Growth %

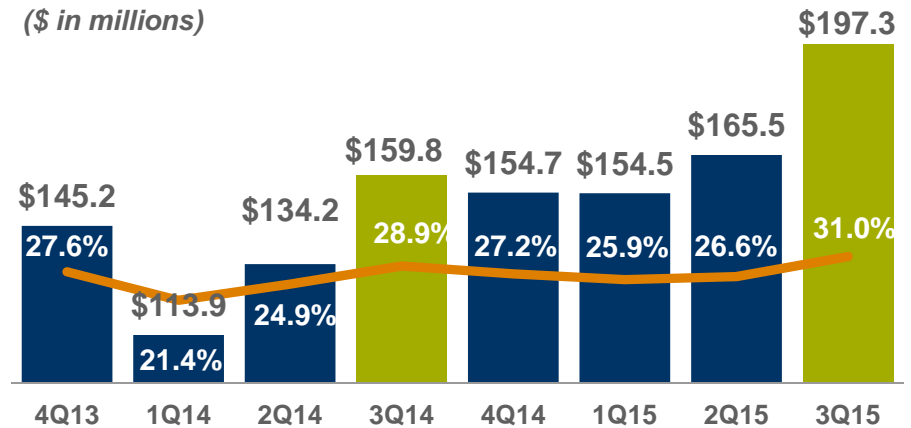
(\$ in millions)



Adjusted Operating Income

Operating Margin*

(\$ in millions)

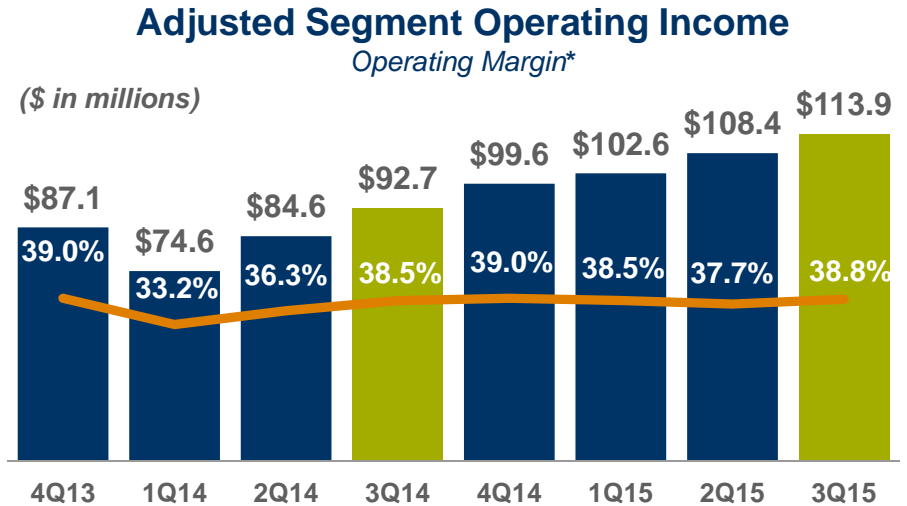
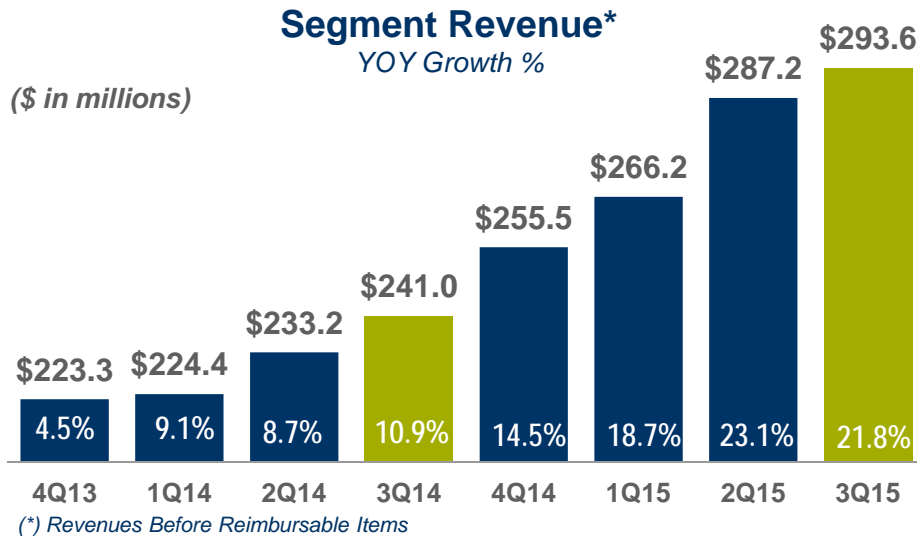
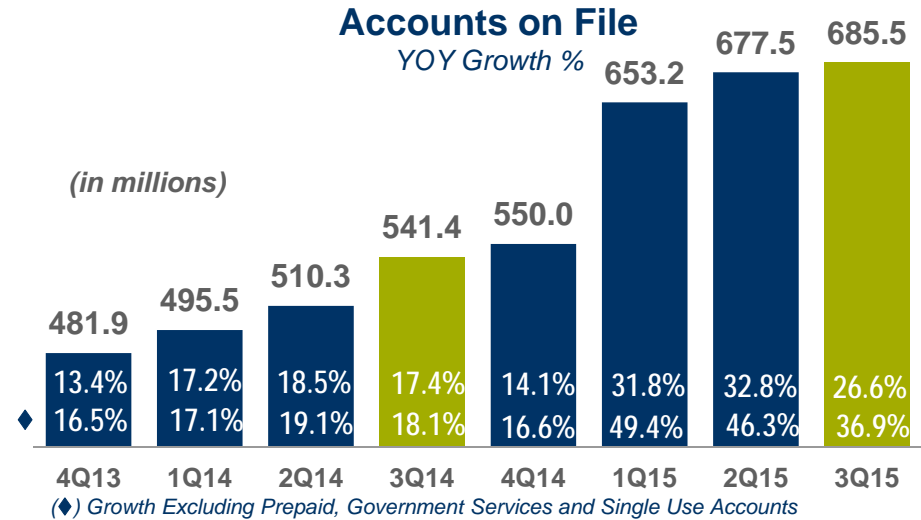


(*) Revenues Before Reimbursable Items



> 3Q 2015 NORTH AMERICA SEGMENT HIGHLIGHTS

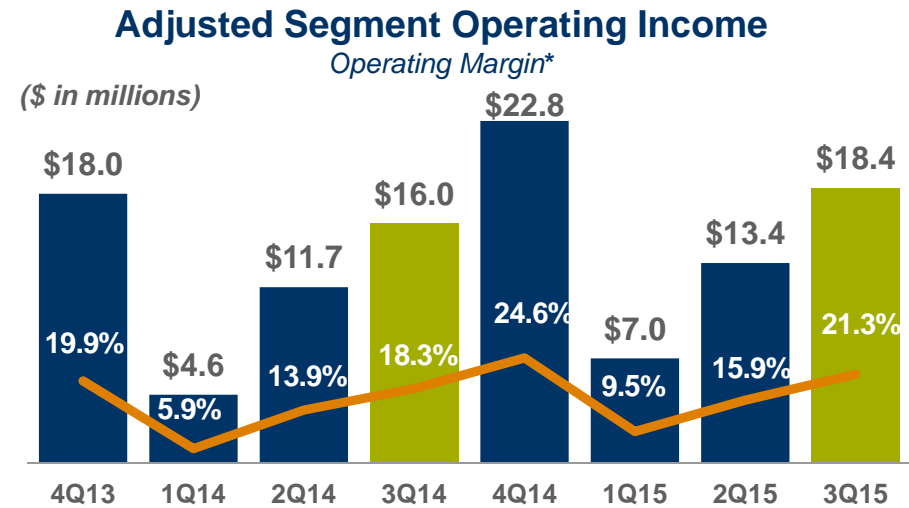
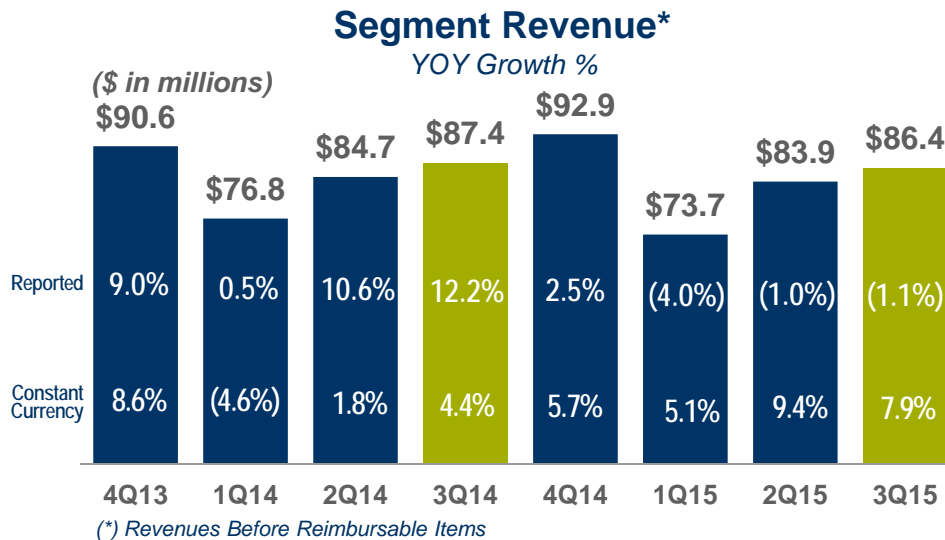
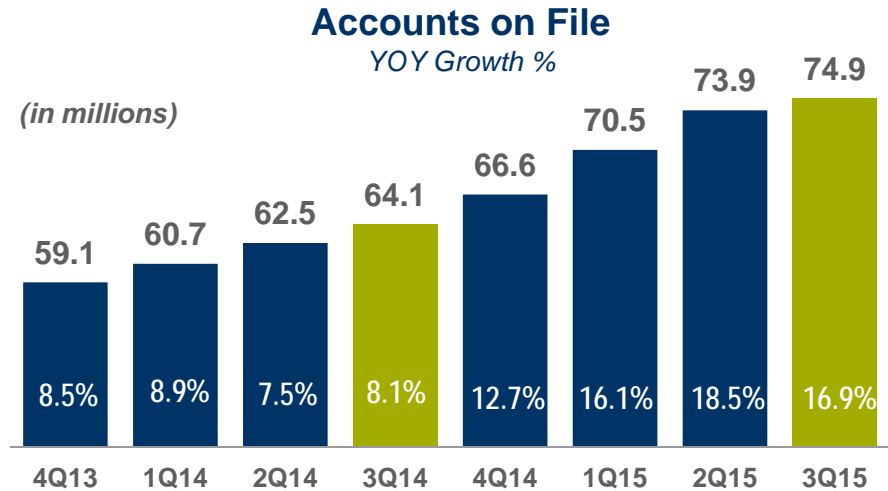
- Revenue
 - 5th straight quarter record-setting results
- Operating income
 - 4th straight quarter record-setting results
- Transactions increased to 4.2B
 - 5th straight quarter record-setting volume
- AOF at 685.5M; Traditional AOF up 36.9%





> 3Q 2015 INTERNATIONAL SEGMENT HIGHLIGHTS

- Solid constant currency revenue growth trend
- AOF increased 16.9%
- Transactions increased 9.0%
- Strong operating margin growth

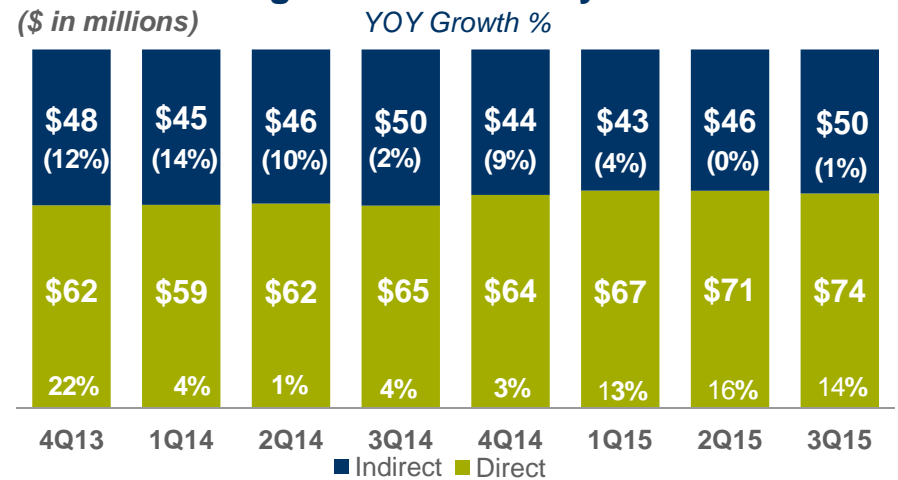




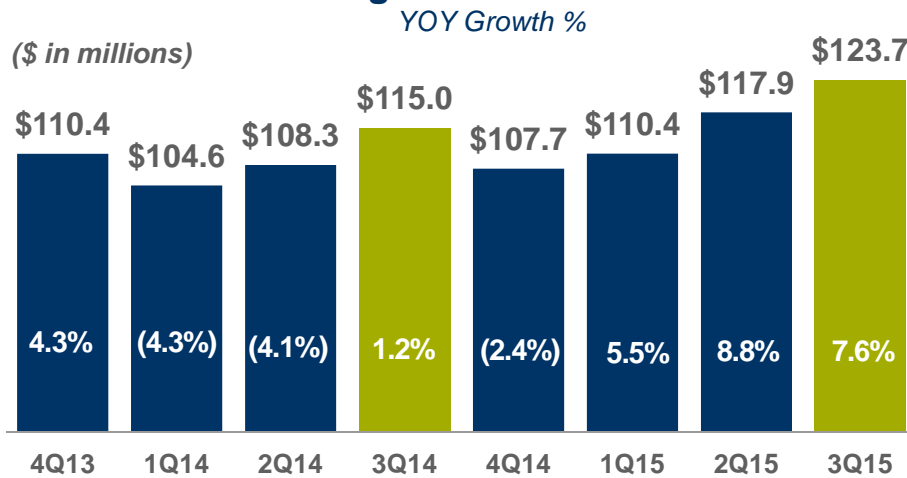
> 3Q 2015 MERCHANT SEGMENT HIGHLIGHTS

- Revenue up 7.6%
- Revenue mix: 60% Direct; 40% Indirect
- SBS Sales Volume at \$6.4B, up 9% YOY
- POS transactions increased 11.1%, excluding deconverted accounts

Segment Revenue by LOB

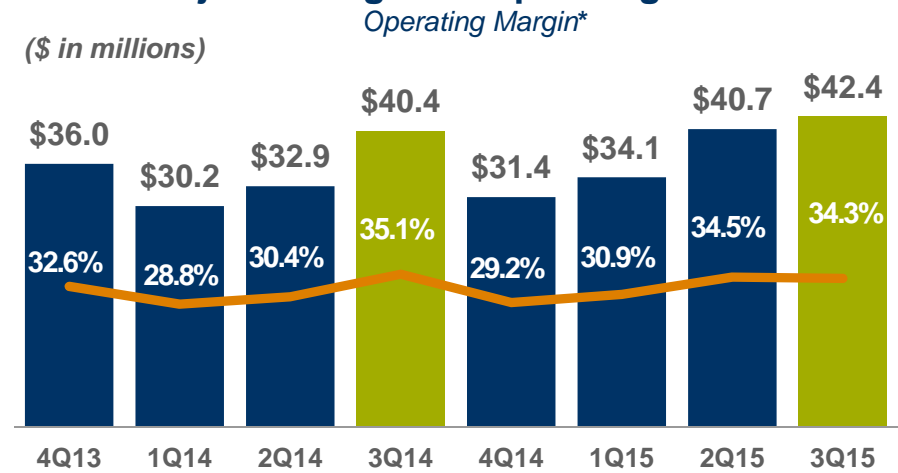


Segment Revenue*



(*) Revenues Before Reimbursable Items

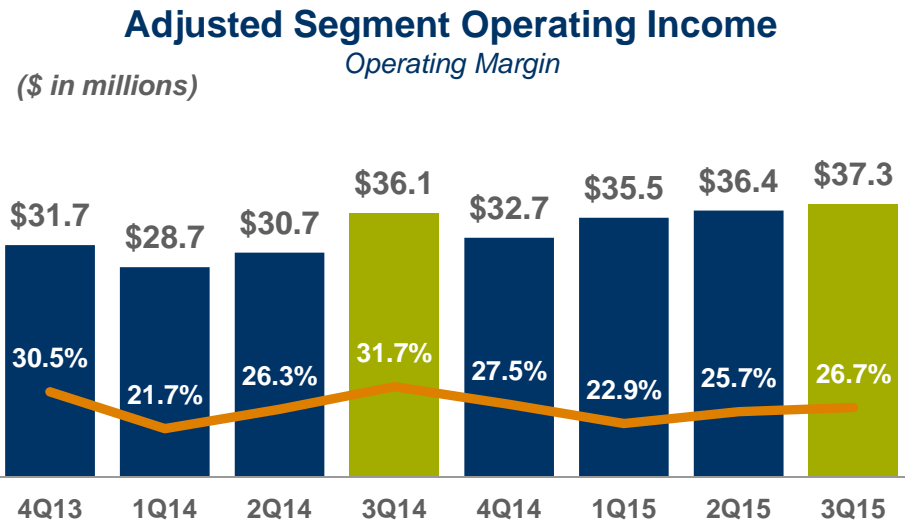
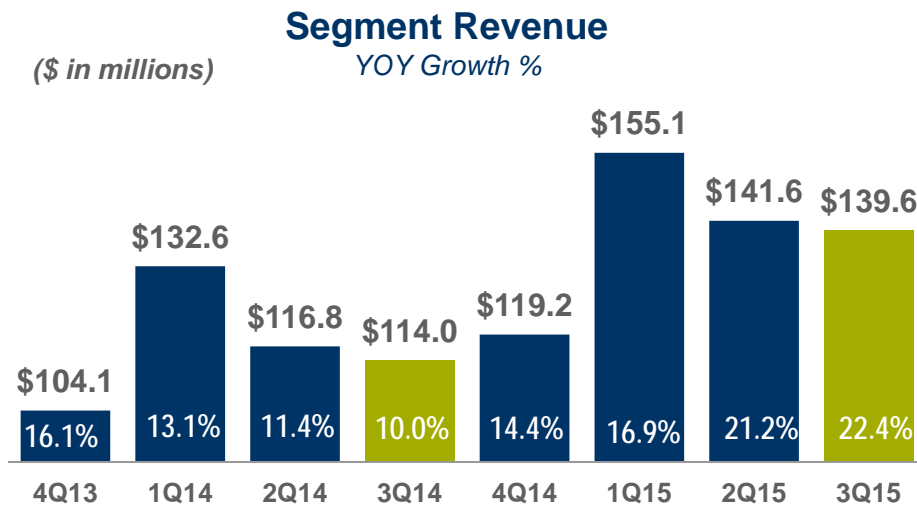
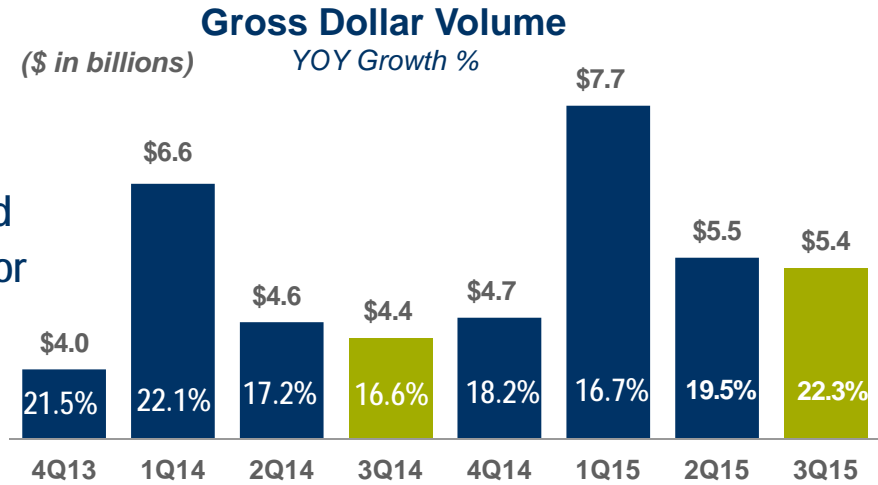
Adjusted Segment Operating Income





> 3Q 2015 NETSPEND SEGMENT HIGHLIGHTS

- Gross Dollar Volume (GDV) up 22.3%
- Total active cards at 3.6M, up 18.1%
- Direct deposit active cards at 1.8M, up 18.1%
- Signed 3-year distribution agreement with Rite Aid
- Extended distribution relationship with InComm for 5 years



> SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

Three Months Ended September 30, 2015

<i>(in thousands)</i>	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	\$113,946	\$293,571	38.81%
International	18,370	86,466	21.25%
Merchant	42,387	123,721	34.26%
NetSpend	37,315	139,648	26.72%
Eliminations	--	(7,000)	
Corporate administration excluding stock comp	(14,736)	--	
Adjusted operating margin	\$197,282	\$636,386	31.00%
Amortization of acquisition intangibles	(22,883)		
Share-based compensation	(11,295)		
Operating income (US GAAP)	\$163,104		

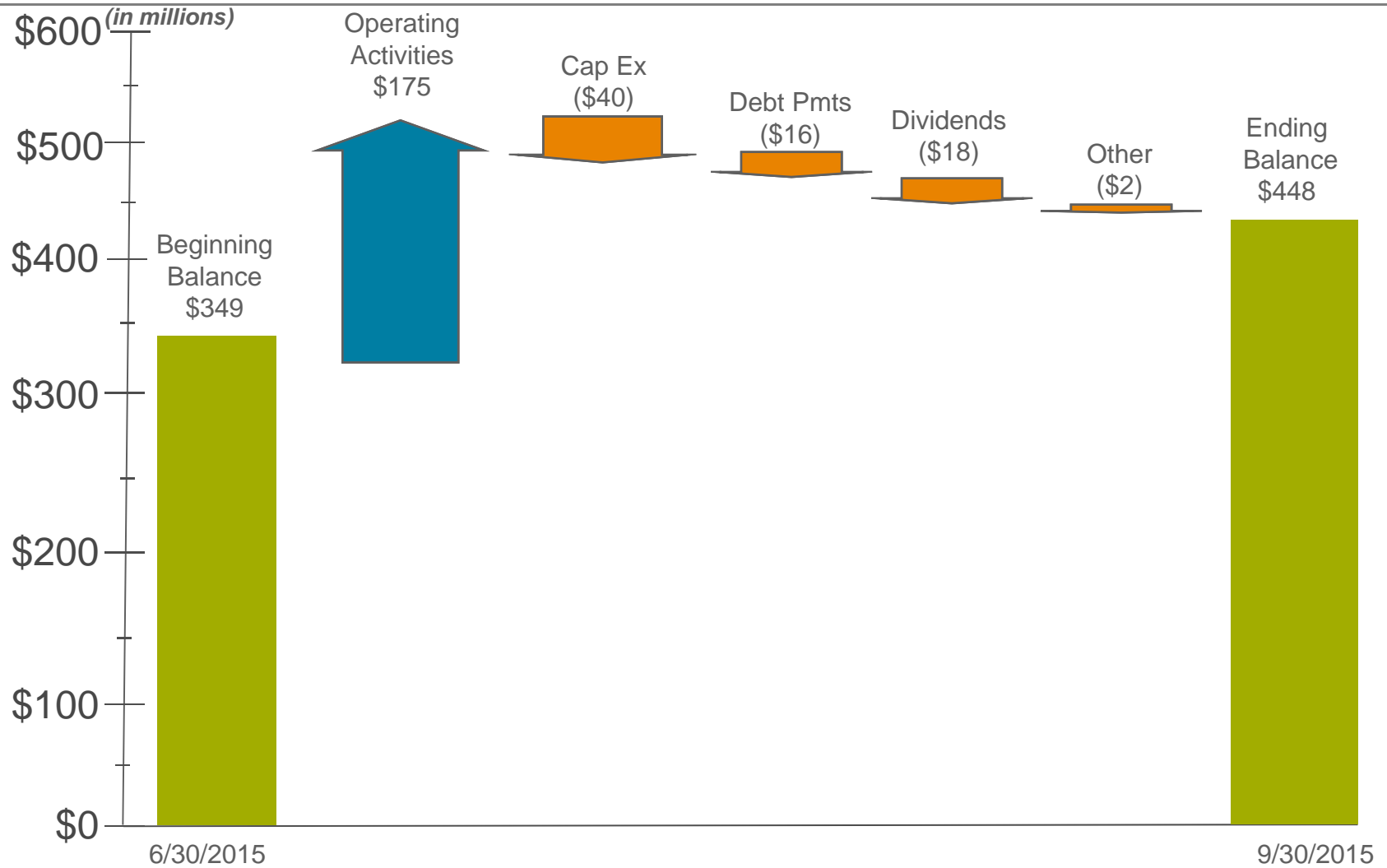


> SEGMENT OPERATING MARGIN AND CONSOLIDATED ADJUSTED OPERATING MARGIN

Nine Months Ended September 30, 2015

<i>(in thousands)</i>	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	\$324,902	\$846,989	38.36%
International	38,706	244,033	15.86%
Merchant	117,192	351,987	33.29%
NetSpend	109,224	436,343	25.03%
Eliminations	--	(25,098)	
Corporate administration excluding stock comp	(72,753)	--	
Adjusted operating margin	\$517,271	\$1,854,254	27.90%
Amortization of acquisition intangibles	(69,601)		
Stock-based compensation	(31,468)		
Operating income (US GAAP)	\$416,202		

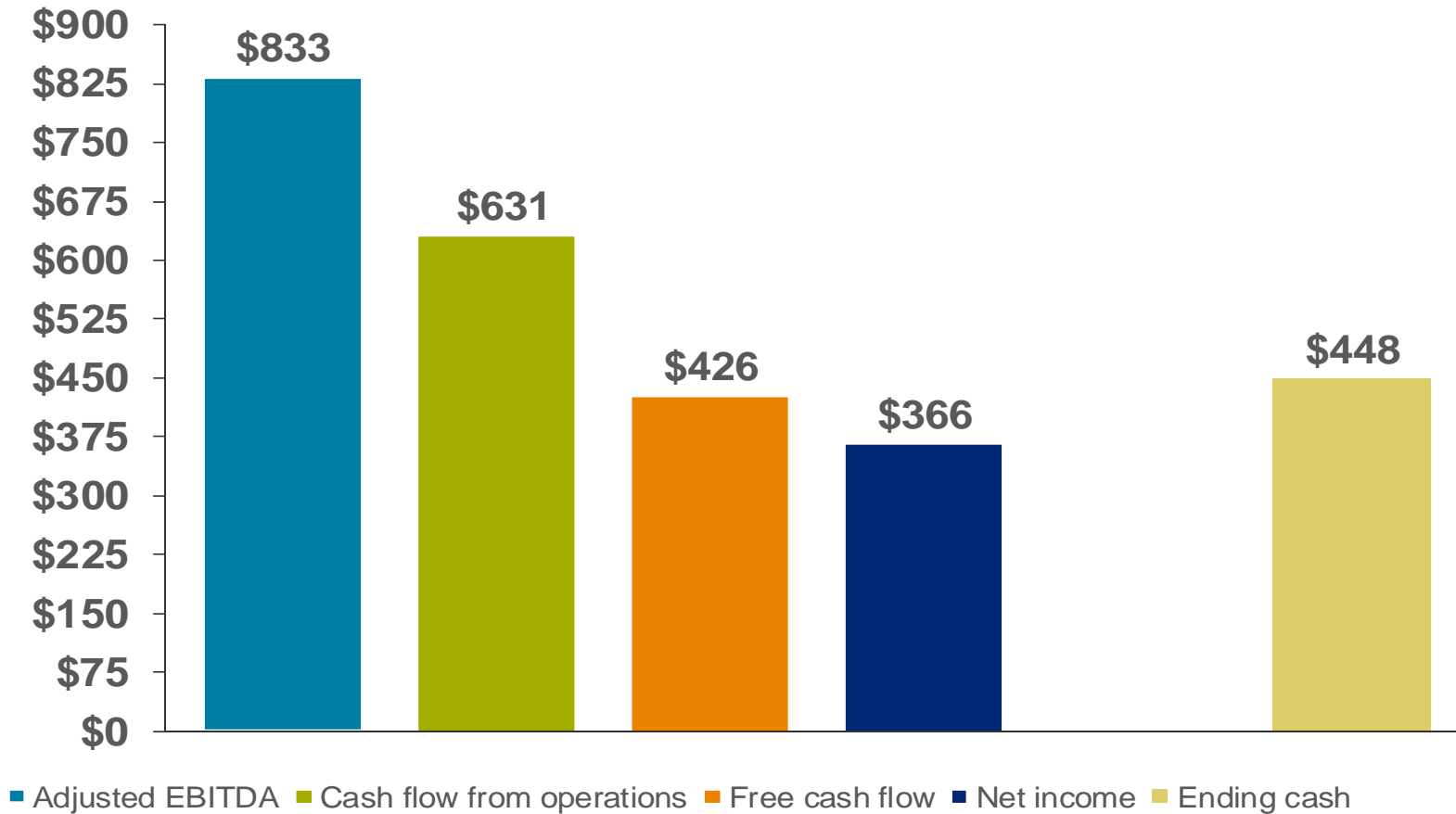
> ROLLFORWARD OF QUARTERLY CASH BALANCE





> CASH FLOW STRENGTH: 2015 TTM Consolidated Financial Highlights

(in millions)



(TTM = Trailing Twelve Months)



> 2015 REVISED GUIDANCE*

(in millions, except per share data)

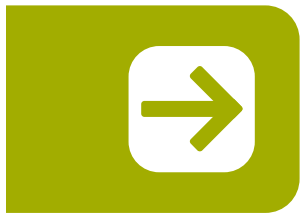
	<u>Range</u>	<u>Range Percent Change</u>
Total Revenues	\$2,728 to \$2,746	11% to 12%
Revenues Before Reimbursable Items	\$2,463 to \$2,473	12% to 13%
Adjusted EPS attributable to TSYS common shareholders from continuing operations	\$2.43 to \$2.47	24% to 26%
Average Basic Weighted Shares	184	

() See Appendix for guidance assumptions*



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>Sep 2015</u>	<u>Sep 2014</u>	<u>% Change</u>	<u>Sep 2015</u>	<u>Jun 2015</u>	<u>% Change</u>
Consumer Credit	373.6	263.9	41.5	373.6	374.1	(0.1)
Retail	25.4	28.4	(10.3)	25.4	26.4	(3.5)
Total Consumer	399.0	292.3	36.5	399.0	400.5	(0.4)
Commercial	44.1	41.5	6.0	44.1	44.0	0.3
Other	24.8	21.2	17.4	24.8	24.0	3.2
Subtotal	467.9	355.0	31.8	467.9	468.5	(0.1)
Prepaid*/ Stored Value	133.8	125.1	6.9	133.8	133.1	0.4
Government Services	78.7	66.7	18.0	78.7	77.1	2.1
Commercial Card Single Use	80.0	58.7	36.3	80.0	72.7	10.1
Total AOF	<u>760.4</u>	<u>605.5</u>	<u>25.6</u>	<u>760.4</u>	<u>751.4</u>	<u>1.2</u>

(* - Prepaid does not include NetSpend accounts)



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

(in thousands)

	Three Months Ended		Nine Months Ended	
	9/30/15	9/30/14	9/30/15	9/30/14
Total Revenues	\$707,890	\$616,891	\$2,062,698	\$1,811,774
Reimbursable Items	71,504	64,031	208,444	188,096
Revenues Before Reimbursable Items	<u>\$636,386</u>	<u>\$552,860</u>	<u>\$1,854,254</u>	<u>\$1,623,678</u>

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

<i>(in thousands)</i>	Three Months Ended		Nine Months Ended	
	9/30/15	9/30/14	9/30/15	9/30/14
Operating income	\$163,104	\$129,407	\$416,202	\$308,867
Add: Acquisition intangible amort	22,883	24,210	69,601	72,805
Add: Corporate admin and other	26,031	31,627	104,221	101,510
Total segment adjusted operating income	\$212,018	\$185,244	\$590,024	\$483,182
By segment: North America services (a)	\$113,946	\$92,736	\$324,902	\$251,892
International services (b)	\$18,370	\$15,976	\$38,706	\$32,274
Merchant services (c)	\$42,387	\$40,409	\$117,192	\$103,473
NetSpend (d)	\$37,315	\$36,123	\$109,224	\$95,543
Total revenues	\$707,890	\$616,891	\$2,062,698	\$1,811,774
Reimbursable items	(71,504)	(64,031)	(208,444)	(188,096)
Total segment revenues before reimbursable items	\$636,386	\$552,860	\$1,854,254	\$1,623,678
Intersegment revenues	7,000	4,542	25,098	15,248
By segment: North America services (e)	\$293,571	\$240,957	\$846,989	\$698,543
International services (f)	\$86,446	\$87,385	\$244,033	\$248,890
Merchant services (g)	\$123,721	\$115,012	\$351,987	\$327,972
NetSpend (h)	\$139,648	\$114,048	\$436,343	\$363,521
Adjusted segment operating margin:				
North America services (a) / (e)	38.81%	38.49%	38.36%	36.06%
International services (b) / (f)	21.25%	18.28%	15.86%	12.97%
Merchant services (c) / (g)	34.26%	35.13%	33.29%	31.55%
NetSpend (d) / (h)	26.72%	31.67%	25.03%	26.28%

> APPENDIX: Non-GAAP Reconciliation – Constant Currency

(in thousands)

Consolidated:	Three Months Ended		Percentage Change	Nine Months Ended		Percentage Change
	9/30/15	9/30/14		9/30/15	9/30/14	
Constant Currency (1)	\$716,363	\$616,891	16.1%	\$2,088,418	\$1,811,774	15.3%
Foreign Currency (2)	(8,473)	---		(25,720)	---	
Total Revenues	<u>\$707,890</u>	<u>\$616,891</u>	14.8%	<u>\$2,062,698</u>	<u>\$1,811,774</u>	13.8%
International Services:						
Constant Currency (1)	\$100,512	\$91,865	9.4%	\$286,969	\$264,710	8.4%
Foreign Currency (2)	(8,335)	---		(25,372)	---	
Total Revenues	<u>\$92,177</u>	<u>\$91,865</u>	0.3%	<u>\$261,597</u>	<u>\$264,710</u>	(1.2%)

(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

(in thousands)

	Three Months Ended		Percentage Change	Nine Months Ended		Percentage Change
	9/30/15	9/30/14		9/30/15	9/30/14	
Consolidated:						
Constant Currency (1)	\$644,364	\$552,860	16.6%	\$1,878,291	\$1,623,678	15.7%
Foreign Currency (2)	(7,978)	---		(24,037)	---	
Revenues before reimbursable items	<u>\$636,386</u>	<u>\$552,860</u>	15.1%	<u>\$1,854,254</u>	<u>\$1,623,678</u>	14.2%
International Services:						
Constant Currency (1)	\$94,285	\$87,385	7.9%	\$267,721	\$248,890	7.6%
Foreign Currency (2)	(7,839)	---		(23,688)	---	
Revenues before Reimbursable Items	<u>\$86,446</u>	<u>\$87,385</u>	(1.1%)	<u>\$244,033</u>	<u>\$248,890</u>	(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 – EBITDA and Adjusted EBITDA

(in thousands)

	Three Months Ended		Nine Months Ended	
	Sep 2015	Sep 2014	Sep 2015	Sep 2014
Net income :				
As reported (GAAP) (a)	\$122,051	\$85,198	\$284,325	\$248,163
Adjusted for:				
Deduct: Income from discontinued operations	--	(880)	--	(51,993)
Deduct: Equity in Income of Equity Investments	(5,336)	(4,135)	(15,309)	(11,831)
Add: Income Taxes	37,825	39,227	119,204	94,333
Add: Nonoperating expenses	8,564	9,997	27,982	30,195
Add: Depreciation and amortization	64,499	62,434	191,219	183,430
EBITDA	\$227,603	\$191,841	\$607,421	\$492,297
Adjust for:				
Add: Share-based compensation	11,295	5,420	31,468	23,019
Add: NetSpend M&A expenses	--	779	--	3,213
Adjusted EBITDA	\$238,898	\$198,040	\$638,889	\$518,529
Deduct: State tax credits and related expenses	(15,084)	--	(15,084)	--
Adj. EBITDA without impact of state tax credits and related expenses	\$223,814	\$198,040	\$623,805	\$518,529

> APPENDIX: Non-GAAP Reconciliation – Adjusted EPS

<i>(in thousands)</i>	Three Months Ended		Nine Months Ended	
	Sep 2015	Sep 2014	Sep 2015	Sep 2014
Income from continuing operations available to TSYS Common Shareholders:				
As reported (GAAP) (a)	\$120,622	\$82,925	\$281,216	\$192,018
Adjusted for amounts attributable to TSYS common shareholders (net of taxes):				
Acquisition intangible amortization	15,104	15,762	45,948	47,374
Share-based compensation	7,544	3,573	21,018	15,174
NetSpend M&A expenses	--	786	--	3,111
Adjusted earnings (b)	\$143,270	\$103,046	\$348,182	\$257,677
Federal and state tax credits and related expenses, net of tax	(23,557)	--	(23,557)	--
Adj. EBITDA without impact of state tax credits and related expenses (c)	\$119,713	\$103,046	\$324,625	\$257,677
Average common shares outstanding and participating securities (d)	183,954	185,577	184,320	186,559
Basic EPS Available to TSYS Common Shareholders (a) / (d)	\$0.66	\$0.45	\$1.53	\$1.03
Adjusted EPS Available to TSYS Common Shareholders (b) / (d)	\$0.78	\$0.56	\$1.89	\$1.38
Adjusted EPS without impact of tax credits Available to TSYS Common Shareholders (c) / (d)	\$0.65	\$0.56	\$1.76	\$1.38

> APPENDIX: Non-GAAP Reconciliation – Free Cash Flow

(in thousands)

	Trailing Twelve Months Ended 9/30/2015
Cash flows from operating activities	\$630,640
Less:	
Purchases of property and equipment	(57,062)
Additions to licensed computer software from vendors	(32,192)
Additions to internally developed computer software	(41,893)
Additions to contract acquisition costs	(73,303)
Free cash flow	\$426,190

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

(in thousands)

	Trailing Twelve Months Ended 9/30/2015
Net Income	\$365,567
Adjusted for:	
Add: Discontinued operations	3,338
Deduct: Equity in Income of Equity Investments	(21,061)
Add: Income Taxes	154,632
Add: Nonoperating expense	36,499
Add: Depreciation and Amortization	254,410
EBITDA	\$793,385
Adjust for: Share-based compensation	39,239
NetSpend M&A Operating Expenses*	3
Adjusted EBITDA	\$832,627

* 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.