TSYS® People-Centered Payments

2014 Second Quarter Results

July 22, 2014

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

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 2013 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.

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

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.

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

TSYS® People-Centered Payments

Phil Tomlinson

Chairman and Chief Executive Officer

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

TSYS® People-Centered Payments

Troy Woods

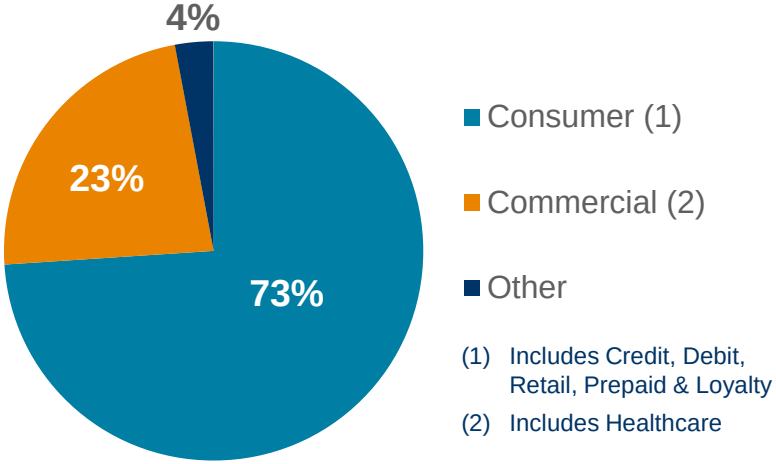
President & Chief Operating Officer

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 North America Segment Highlights

- Revenue up 8.7% YOY; 7th Straight Quarter of Positive Growth
- Benefiting from Conversion of 16.9M Accounts since 2Q13

Segment Revenue by Line of Business*

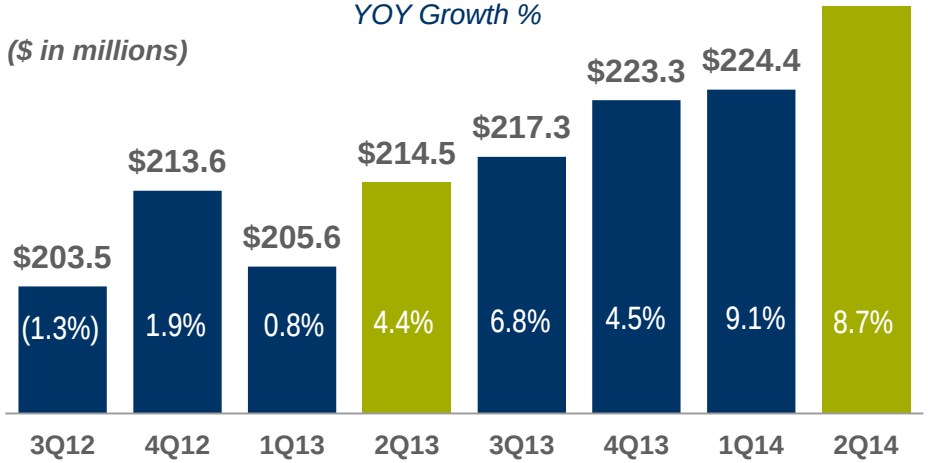


(1) Includes Credit, Debit, Retail, Prepaid & Loyalty
(2) Includes Healthcare

Segment Revenue*

YOY Growth %

($ in millions)

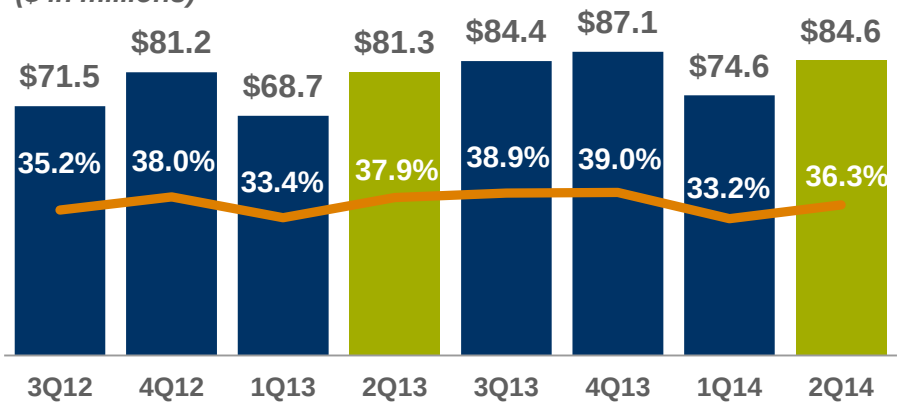


(*) Revenues Before Reimbursable Items

Adjusted Segment Operating Income

*Operating Margin**

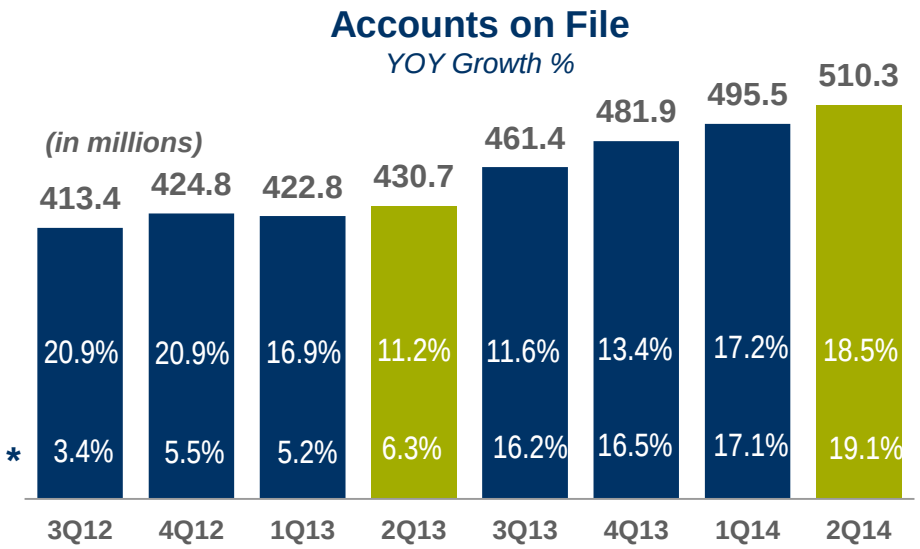
($ in millions)



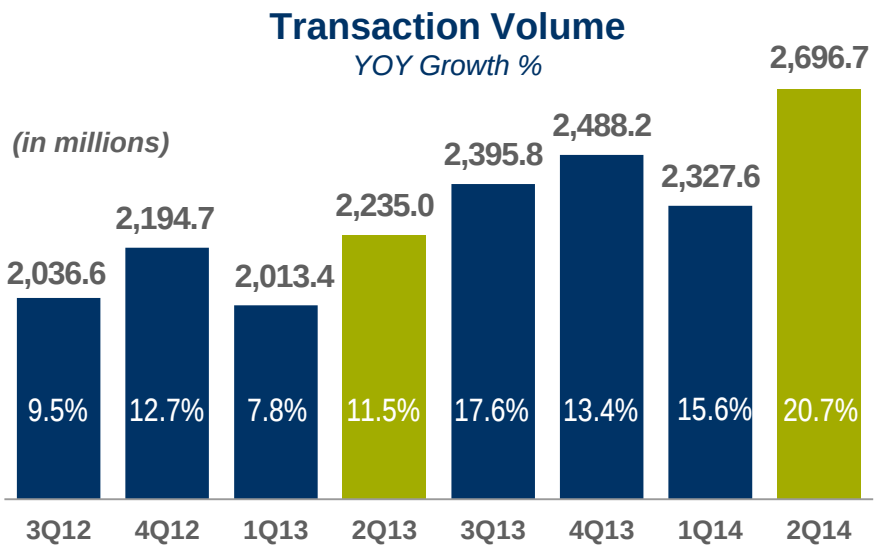
©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 North America Segment Highlights

- ➔ AOF at Highest Level in History; Exceeded 500M Mark
- ➔ Strong YOY Growth in Traditional Accounts on File
- ➔ Largest Quarter of Transaction Volume in History at 2.7B
- ➔ Same Client Transactions up 13.9%



(*) Growth Excluding Prepaid, Government Services and Single Use Accounts



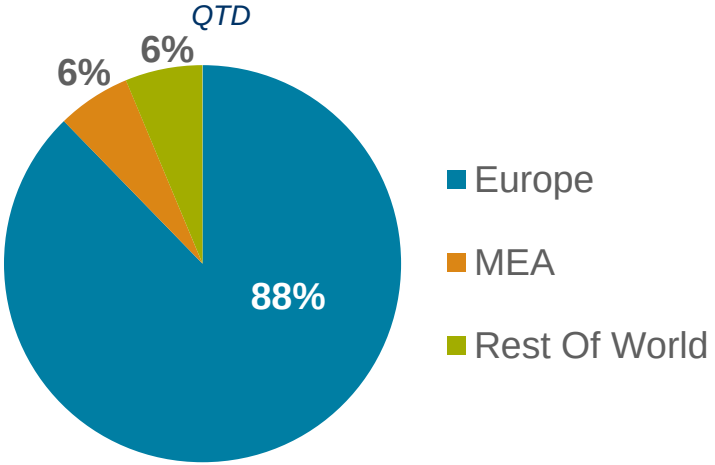
©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 International Segment Highlights

- Revenue $84.7M* – Up 10.6%
  - Up 1.8% on Constant Currency
  - $6.7M of Currency Benefit
- Margin Improvement Plans Show Tangible Results
- Accelerate Growth Program Strengthens Pipeline

Segment Revenue by Region

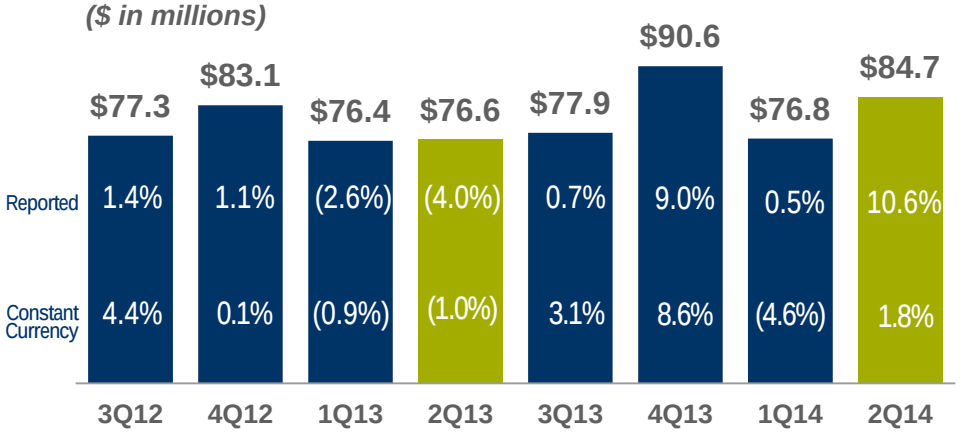
QTD



Segment Revenue*

YOY Growth %

($ in millions)

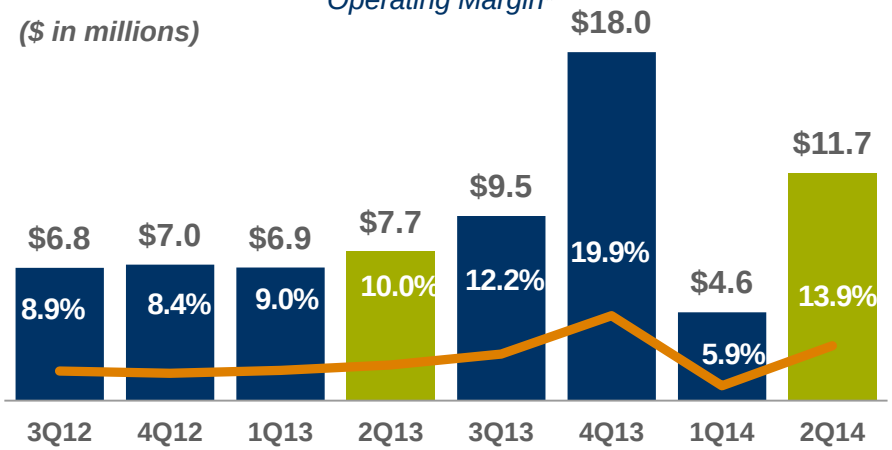


(*) Revenues Before Reimbursable Items

Adjusted Segment Operating Income

*Operating Margin**

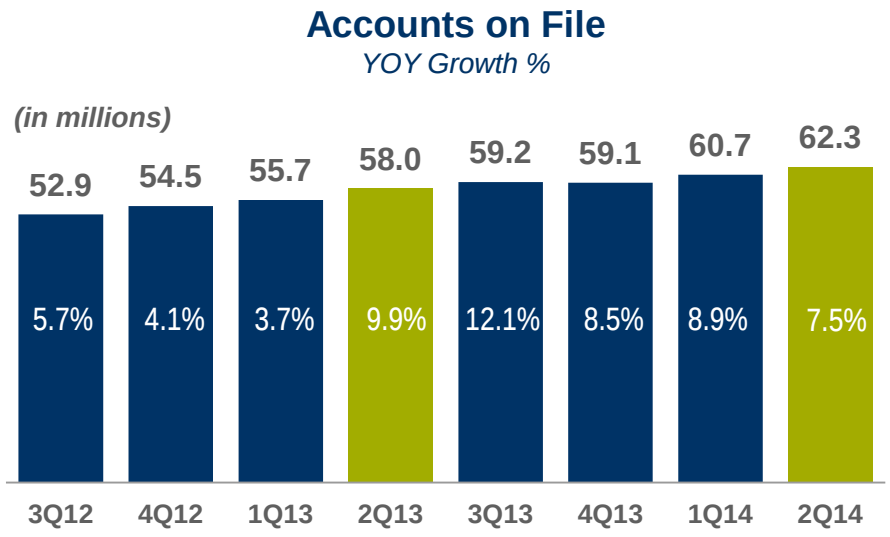
($ in millions)

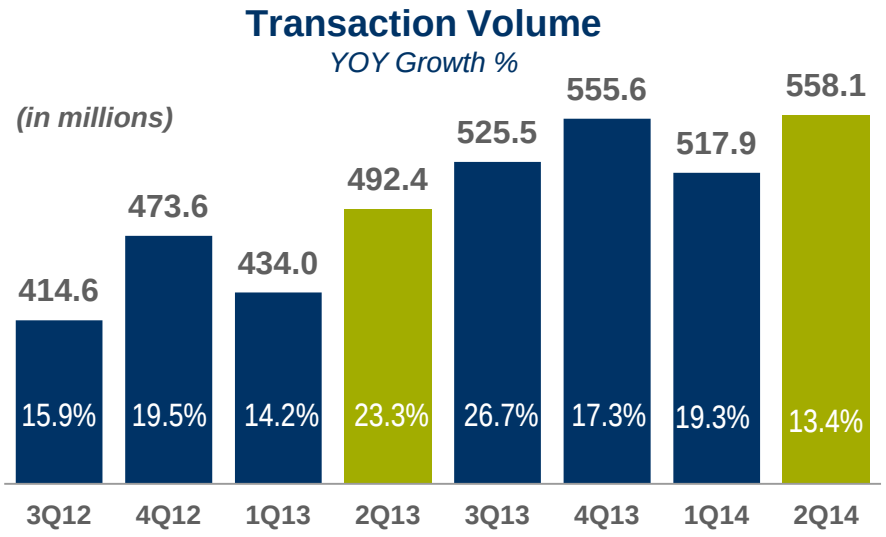


©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 International Segment Highlights

- AOF Grew 4.3M YOY, Mainly Through Existing Clients
- Irish Debit Continues to be Strong Growth Driver at 42.9%
- 15th Straight Quarter of Double digit Transaction Growth
- Same Client Transactions Grew 14.6%





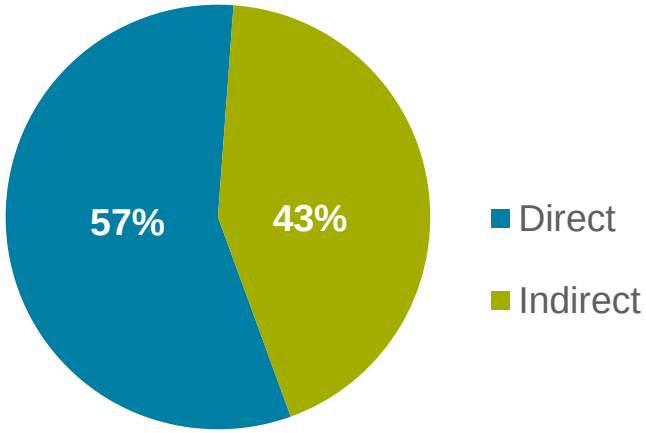
©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 Merchant Segment Highlights

- ➔ Improved Margin Following Conversion
- ➔ Strong Pipeline of Indirect Clients

Segment Revenue by Mix*

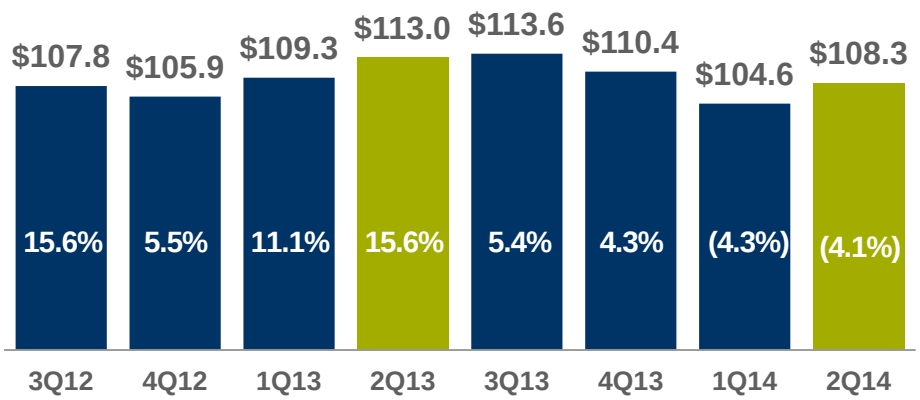
QTD



Segment Revenue*

YOY Growth %

($ in millions)

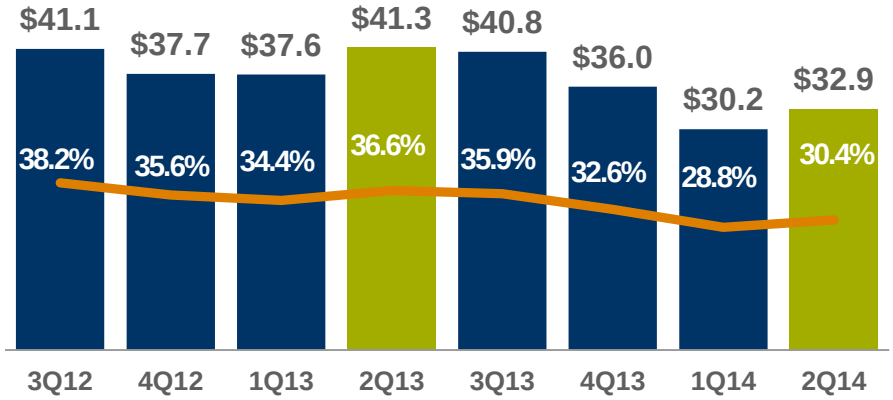


(*) Revenues Before Reimbursable Items

Adjusted Segment Operating Income

*Operating Margin**

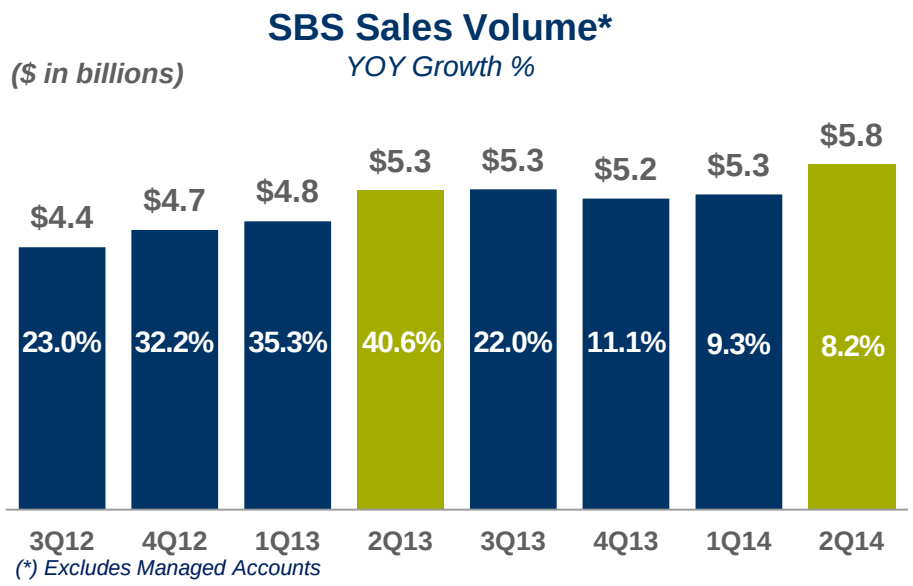
($ in millions)

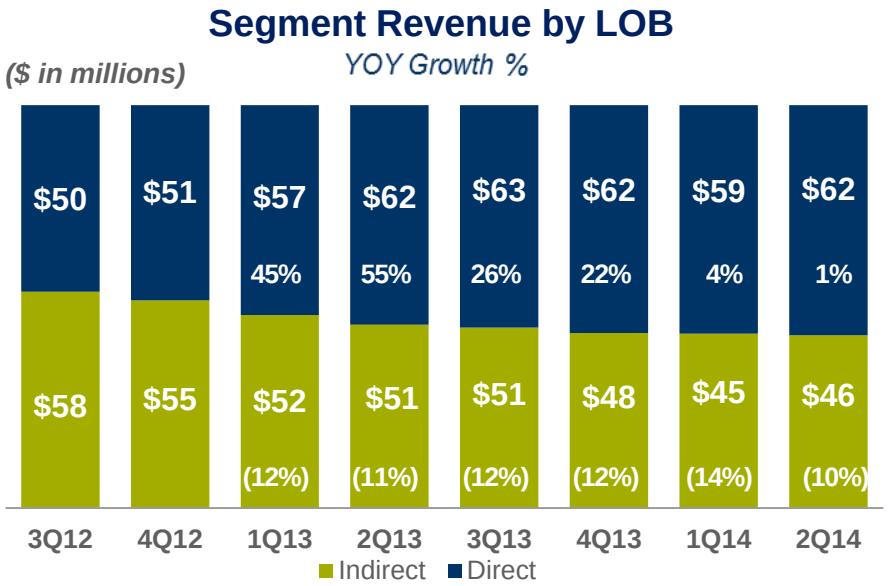


©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 Merchant Segment Highlights

- Direct Revenues Up 1%
- Indirect Revenues Down 10%
  - Positive Turn Compared to Prior Quarters
- POS Transactions Increased 3.5%, Excluding Deconverted Accounts
- Record Quarter Direct Small Business Sales Volume
  - Continued Growth in High Single Digits





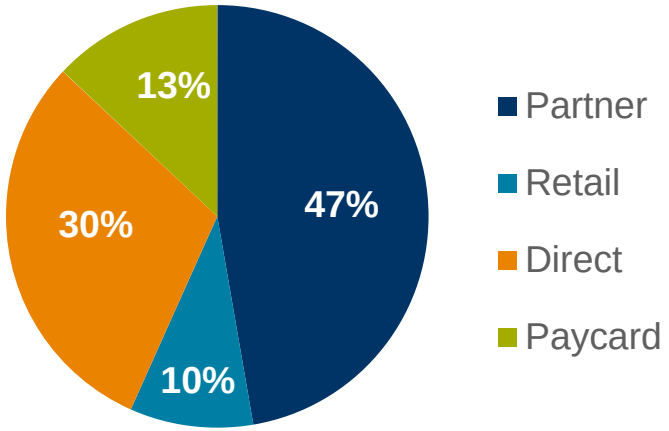
©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 NetSpend Segment Highlights

- Revenue $116.8M – up 11.4%
- Added 2k Retail Locations
- Added 80+ New PayCard Clients
- Preparing for PayChex and Western Union Launches

Segment Revenue by Channel

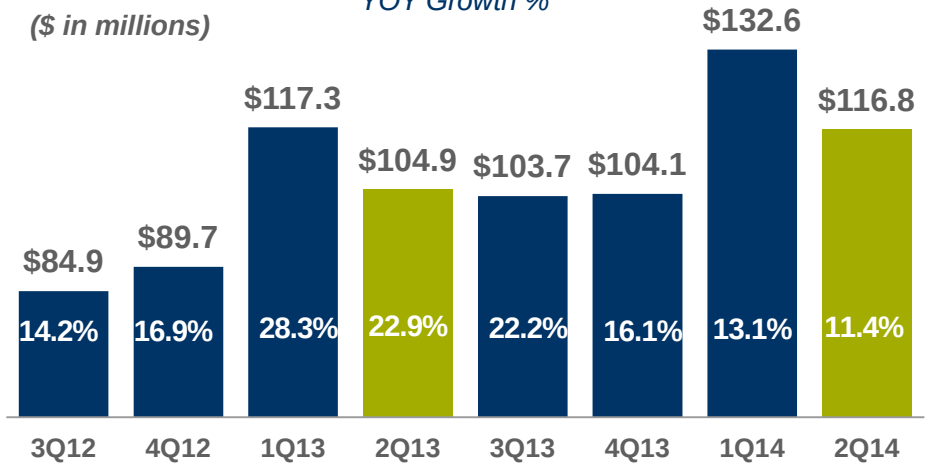
QTD



Segment Revenue

YOY Growth %

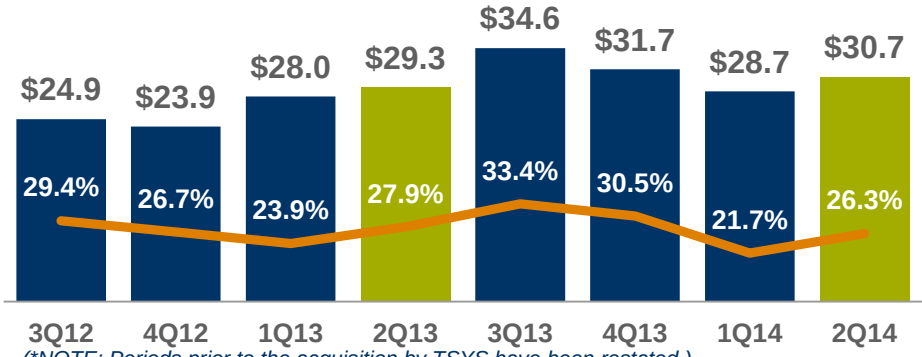
($ in millions)



Adjusted Segment Operating Income*

*Operating Margin**

($ in millions)

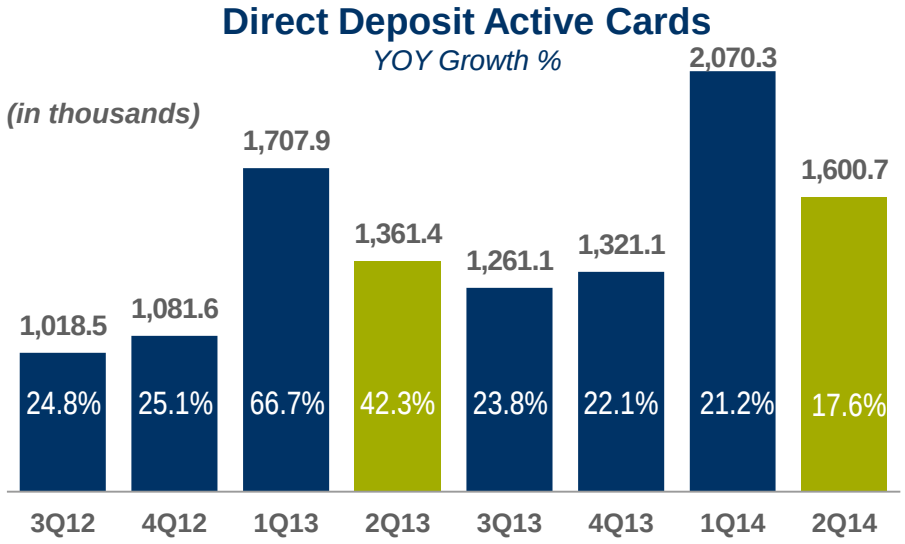


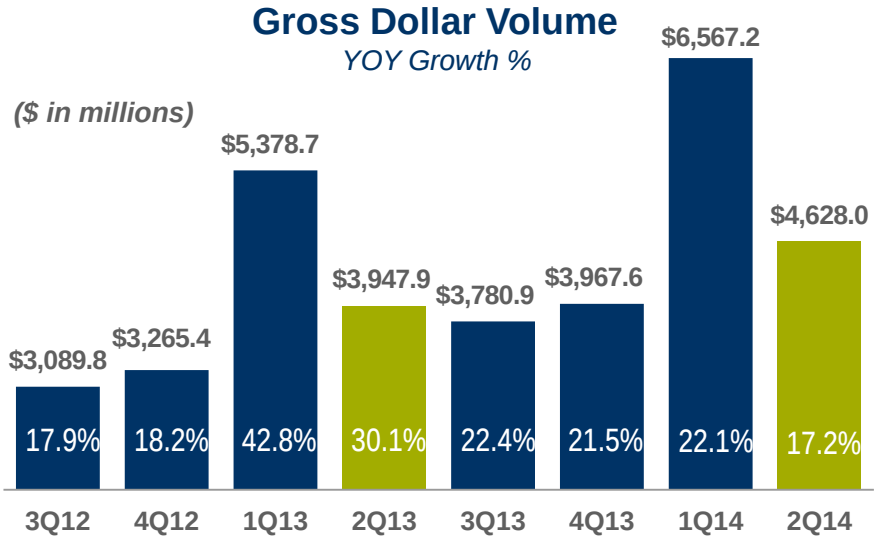
*(*NOTE: Periods prior to the acquisition by TSYS have been restated)*

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

2Q 2014 NetSpend Segment Highlights

- ➔ Direct Deposit Active Cards up 17.6%
- ➔ Gross Dollar Volume (GDV) up 17.2%





©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

TSYS® People-Centered Payments

Paul Todd

Chief Financial Officer

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Consolidated Selected Financial Highlights

(in thousands, except per share data)

2nd Qtr 2014	2nd Qtr 2013	Percent Change		YTD 2014	YTD 2013	Percent Change
$602,036	**$461,860**	**30.4%**	**Total Revenues**	**$1,194,883**	**$910,651**	**31.2%**
538,067	**400,929**	**34.2**	**Revenues Before Reimbursable Items**	**1,070,818**	**788,960**	**35.7**
170,894	**140,105**	**22.0**	**Adjusted EBITDA***	**320,489**	**263,551**	**21.6**
$0.45	**$0.37**	**19.8**	**Adjusted EPS* from Continuing Operations**	**$0.83**	**$0.76**	**9.2**

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

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Segment Operating Margin and Consolidated Adjusted Operating Margin

(in thousands)	Three Months Ended June 30, 2014		
	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	$84,578	$233,217	36.27%
International	11,743	84,732	13.86%
Merchant	32,896	108,335	30.37%
NetSpend	30,703	116,833	26.28%
Eliminations	--	(5,050)	
Corporate administration excluding stock comp	(25,705)	--	
Adjusted operating margin	$134,215	$538,067	24.94%
Amortization of acquisition intangibles	(24,282)		
NetSpend M&A expenses	(1,182)		
Stock-based compensation	(9,988)		
Operating income (US GAAP)	$98,763		

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

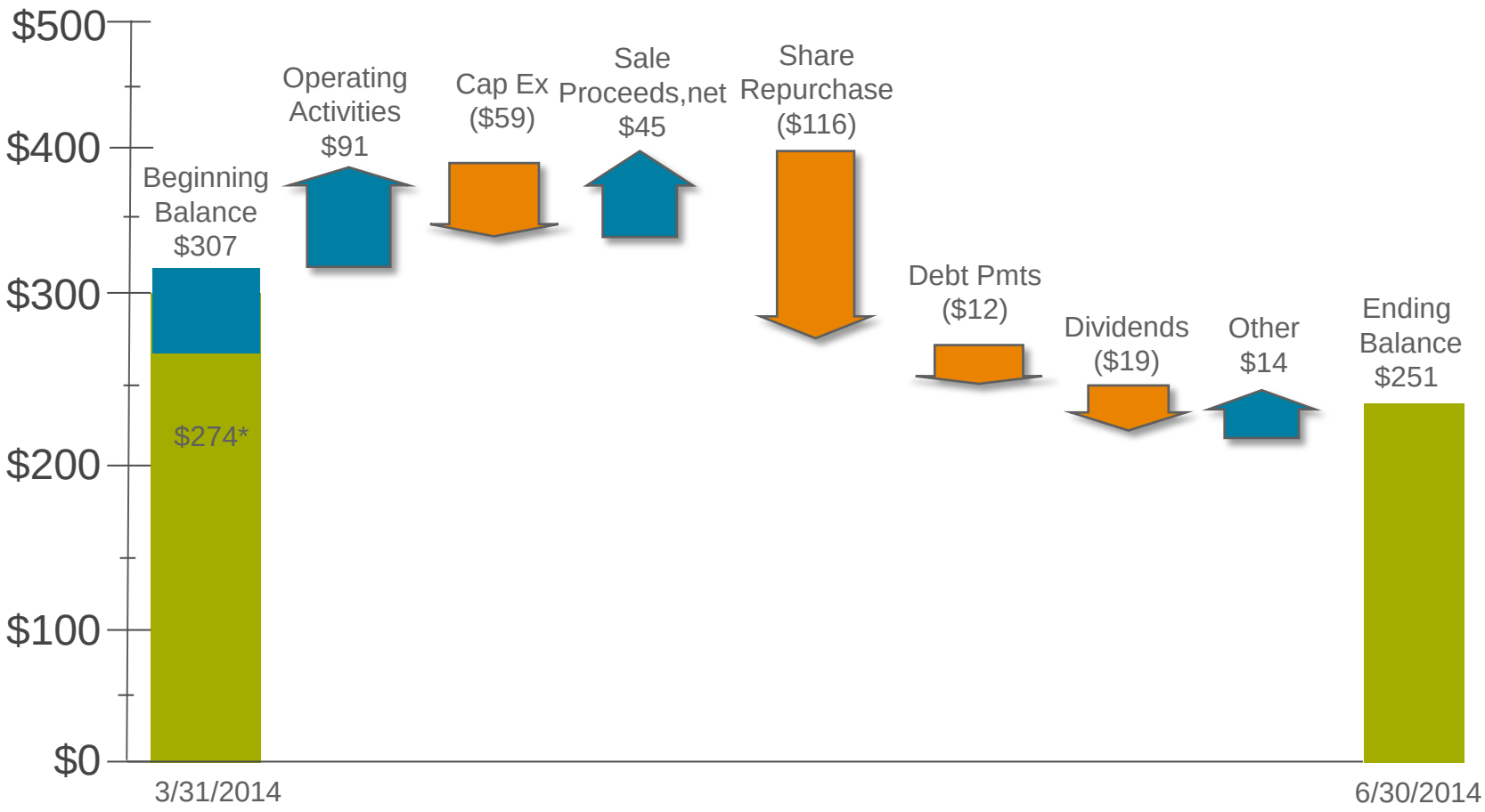
Segment Operating Margin and Consolidated Adjusted Operating Margin

(in thousands)	Six Months Ended June 30, 2014		
	Adjusted Segment Operating Income	Revenues before Reimbursable Items	Adjusted Operating Margin
North America	$159,155	$457,585	34.78%
International	16,298	161,505	10.09%
Merchant	63,064	212,960	29.61%
NetSpend	59,421	249,473	23.82%
Eliminations	--	(10,706)	
Corporate administration excluding stock comp	(49,849)	--	
Adjusted operating margin	$248,089	$1,070,818	23.17%
Amortization of acquisition intangibles	(48,595)		
NetSpend M&A expenses	(2,435)		
Stock-based compensation	(17,599)		
Operating income (US GAAP)	$179,460		

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Rollforward of Quarterly Cash Balance

(in millions)

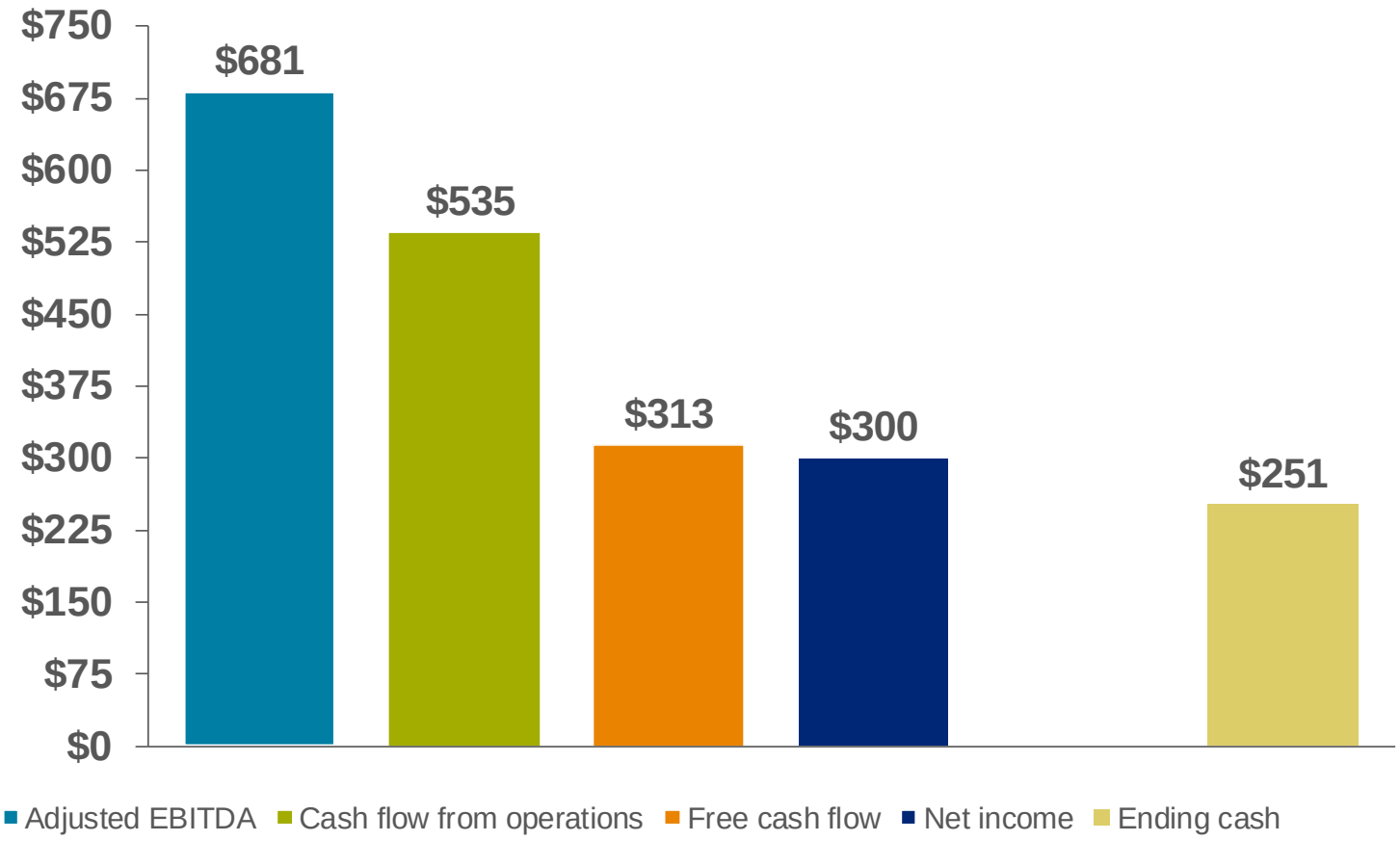


* Cash Balance from Continuing Operations

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Cash Flow Strength:
2014 TTM Consolidated Financial Highlights

(in millions)



TTM = Trailing Twelve Months

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Q&A

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

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 acquisition intangible amortization.
- 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.

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Accounts on File Portfolio Summary

(in millions)

	Jun 2014	Jun 2013	% Change	Jun 2014	Mar 2014	% Change
Consumer Credit	246.5	208.5	18.2	246.5	234.8	5.0
Retail	27.9	25.9	8.0	27.9	27.5	1.4
Total Consumer	274.4	234.4	17.1	274.4	262.3	4.6
Commercial	40.4	38.6	4.9	40.4	40.4	0.1
Other	20.4	15.3	32.7	20.4	19.7	3.4
Subtotal	335.2	288.3	16.3	335.2	322.4	4.0
Prepaid */ Stored Value	54.2	37.0	46.4	54.2	50.8	6.6
Government Services	65.6	60.6	8.4	65.6	63.0	4.3
Commercial Card Single Use	117.7	102.8	14.4	117.7	120.0	(2.0)
Total AOF	572.7	488.7	17.2	572.7	556.2	3.0

(- Prepaid does not include NetSpend accounts)*

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – Revenues Before Reimbursable Items

(in thousands)	Three Months Ended		Six Months Ended	
	6/30/14	6/30/13	6/30/14	6/30/13
Total Revenues	**$602,036**	**$461,860**	**$1,194,883**	**$910,651**
Reimbursable Items	**63,969**	**60,931**	**124,065**	**121,691**
Revenues Before Reimbursable Items	**$538,067**	**$400,929**	**$1,070,818**	**$788,960**

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

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

(in thousands)	Three Months Ended 6/30/14	Three Months Ended 6/30/13	Six Months Ended 6/30/14	Six Months Ended 6/30/13
Operating income	$98,763	$94,642	$179,460	$169,163
Add: Acquisition intangible amort	24,282	7,879	48,595	16,411
Add: Corporate admin and other	36,875	27,792	69,883	57,984
Total segment adjusted operating income	$159,920	$130,313	$297,938	$243,558
By segment: North America services (a)	$84,578	$81,318	$159,155	$150,066
International services (b)	$11,743	$7,693	$16,298	$14,554
Merchant services (c)	$32,896	$41,302	$63,064	$78,938
NetSpend (d)	$30,703	$ --	$59,421	$ --
Total revenues	$602,036	$461,860	$1,194,883	$910,651
Reimbursable items	(63,969)	(60,931)	(124,065)	(121,691)
Total segment revenues before reimbursable items	$538,067	$400,929	$1,070,818	$788,960
Intersegment revenues	5,050	3,175	10,706	6,428
By segment: North America services (e)	$233,217	$214,526	$457,585	$420,122
International services (f)	$84,732	$76,626	$161,505	$153,013
Merchant services (g)	$108,335	$112,952	$212,960	$222,253
NetSpend (h)	$116,833	$ --	$249,473	$ --
Adjusted segment operating margin:				
North America services (a) / (e)	36.27%	37.91%	34.78%	35.72%
International services (b) / (f)	13.86%	10.04%	10.09%	9.51%
Merchant services (c) / (g)	30.37%	36.57%	29.61%	35.52%
NetSpend (d) / (h)	26.28%	na	23.82%	na

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – Constant Currency

(in thousands)

	Three Months Ended 6/30/14	Three Months Ended 6/30/13	Percentage Change	Six Months Ended 6/30/14	Six Months Ended 6/30/13	Percentage Change
Consolidated:						
Constant Currency (1)	$594,799	$461,860	28.8%	$1,183,283	$910,651	29.9%
Foreign Currency (2)	7,237	---		11,600	---	
Total Revenues	$602,036	$461,860	30.4%	$1,194,883	$910,651	31.2%
International Services:						
Constant Currency (1)	$83,300	$81,504	2.2%	$161,434	$162,395	(0.6%)
Foreign Currency (2)	7,166	---		11,410	---	
Total Revenues	$90,466	$81,504	11.0%	$172,844	$162,395	6.4%

(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.

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – Constant Currency

(in thousands)

	Three Months Ended 6/30/14	Three Months Ended 6/30/13	Percentage Change	Six Months Ended 6/30/14	Six Months Ended 6/30/13	Percentage Change
Consolidated:						
Constant Currency (1)	$531,303	$400,929	32.5%	$1,060,004	$788,960	34.4%
Foreign Currency (2)	6,764	---		10,813	---	
Revenues before reimbursable items	$538,067	$400,929	34.2%	$1,070,818	$788,960	35.7%
International Services:						
Constant Currency (1)	$78,039	$76,626	1.8%	$150,882	$153,013	(1.4%)
Foreign Currency (2)	6,693	---		10,624	---	
Revenues before reimbursable items	$84,732	$76,626	10.6%	$161,505	$153,013	5.6%

(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.

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

(in thousands)

	Three Months Ended		Six Months Ended	
	Jun 2014	Jun 2013	Jun 2014	Jun 2013
Net income :				
As reported (GAAP) (a)	**$111,340**	**$60,561**	**$162,965**	**$119,710**
Adjusted for:				
Deduct: Income from discontinued operations	**(50,133)**	**(678)**	**(51,113)**	**(693)**
Deduct: Equity in Income of Equity Investments	**(3,600)**	**(2,749)**	**(7,696)**	**(6,565)**
Add: Income Taxes	**30,771**	**29,984**	**55,106**	**47,447**
Add: Nonoperating expenses	**10,386**	**7,524**	**20,198**	**9,264**
Add: Depreciation and amortization	**60,961**	**39,006**	**120,995**	**79,857**
EBITDA	**$159,725**	**$133,648**	**$300,455**	**$249,020**
Adjust for:				
Add: Share-based compensation	**9,988**	**5,211**	**17,599**	**9,804**
Add: NetSpend M&A expenses	**1,181**	**1,246**	**2,435**	**4,727**
Adjusted EBITDA	**$170,894**	**$140,105**	**$320,489**	**$263,551**

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – Adjusted EPS

(in thousands)	Three Months Ended		Six Months Ended	
	Jun 2014	Jun 2013	Jun 2014	Jun 2013
Income from continuing operations available to TSYS Common Shareholders:				
As reported (GAAP) (a)	**$59,771**	**$58,096**	**$109,092**	**$116,000**
Adjusted for amounts attributable to TSYS common shareholders (net of taxes):				
Acquisition intangible amortization	**15,799**	**5,048**	**31,612**	**10,538**
Share-based compensation	**6,584**	**3,573**	**11,601**	**6,719**
NetSpend M&A expenses	**1,122**	**3,288**	**2,325**	**8,510**
Adjusted earnings (b)	**$83,276**	**$70,005**	**$154,631**	**$141,767**
Average common shares outstanding and participating securities (c)	**186,373**	**187,738**	**187,058**	**187,277**
Basic EPS Available to TSYS Common Shareholders (a) / (c)	**$0.32**	**$0.31**	**$0.58**	**$0.62**
Adjusted EPS Available to TSYS Common Shareholders (b) / (c)	**$0.45**	**$0.37**	**$0.83**	**$0.76**

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA

(in thousands)	Trailing Twelve Months Ended 6/30/2014
Net Income	$299,853
Adjusted for:	
Deduct: Discontinued operations	(52,476)
Deduct: Equity in Income of Equity Investments	(14,179)
Add: Income Taxes	240,165
Add: Nonoperating expense	40,958
Add: Depreciation and Amortization	118,641
EBITDA	$632,962
Adjust for: Share-based compensation	36,728
NetSpend M&A Operating Expenses*	11,341
Adjusted EBITDA	$681,031

** Excludes share-based compensation*

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.

Appendix: Non-GAAP Reconciliation – Free Cash Flow

(in thousands)	Trailing Twelve Months Ended 6/30/2014
Cash Flows from Operating Activities	$534,593
Less:	
Purchase of Property and Equipment	(64,048)
Additions to Licensed Computer Software from Vendors	(44,748)
Additions to Internally Developed Computer Software	(41,254)
Additions to Contract Acquisition Costs	(71,083)
Free Cash Flow	$313,460

©2014 Total System Services, Inc.® Proprietary. All rights reserved worldwide.