



People. Service. Technology.

# TSYS

## Global Provider of Diversified Payment Solutions

November 12-14, 2007

# Forward Looking Statements

This presentation contains forward-looking statements about the 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. 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' 2006 Annual Report Form on 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The forward-looking statements in this presentation speak only as of the date hereof and TSYS does not assume any obligation to update any forward-looking statements as a result of new information, future developments or otherwise.

# Transaction Overview

- Shares to be Distributed: Total System Services, Inc.
  - Listing: "TSS" / NYSE
  - Distributing Company: Synovus Financial Corp. ("SNV")
  - Distributed Shares: Approximately 159.6 million<sup>1</sup>
  - Distribution Ratio: Approximately 0.49 TSS per 1.00 SNV<sup>1</sup>
  - TSS Pre-Spin Cash Dividend: \$600 million (Aprpx. \$3.04 per share<sup>1</sup>)
- 

## Distribution Timeline

- Cash Dividend Record Date: On or around December 17, 2007
  - Spin-off Dividend Record Date: On or around December 18, 2007
  - Distribution Date: Expected on December 31, 2007
- 

- TSYS Shares Outstanding: 197.6 million<sup>1</sup>
- Current Dividend Policy: \$0.07 per share quarterly
- Rating: BBB (S&P)

<sup>1</sup> Amounts as of 30-Sept-2007.

Actual number of shares and exchange ratio will be calculated based on the number of shares outstanding on the record date.

# Today's Presenters

> **Philip W. Tomlinson:** Chairman & CEO

> **James B. Lipham:** Senior EVP, CFO & Treasurer



**Philip W. Tomlinson**  
**Chairman & CEO**



# Transaction Rationale

- Creates an independent TSYS
- Removes limitations of current ownership structure
- Enables TSYS to proactively pursue key growth initiatives
- Improves TSYS financial and strategic flexibility
- Broadens current float and ownership structure
- Unlocks value opportunities for TSYS shareholders



# TSYS Today



**> Touches almost 1 in every 2 credit card accounts<sup>1</sup>**

- Recognized as the leading innovator in the payments space
- Serves more than 300 clients in 75 countries
- Processes more than 13 billion transactions per year
- Acquiring business provides services to more than 1.4 million merchants
- More than 6,700 team members in 16 countries
- Public company since 1983
- Headquarters: Columbus, GA

<sup>1</sup> U.S. Visa and MasterCard consumer credit market.

# Key Investment Highlights

- Global Solutions Provider for the Payments Spectrum
- Leading Market Positions in Attractive Growth Markets
- Unparalleled Global Reach
- Global Marquee “Blue-Chip” Clients
- Strong Operating Track Record
- Significant Growth Opportunities
- Experienced Management Team

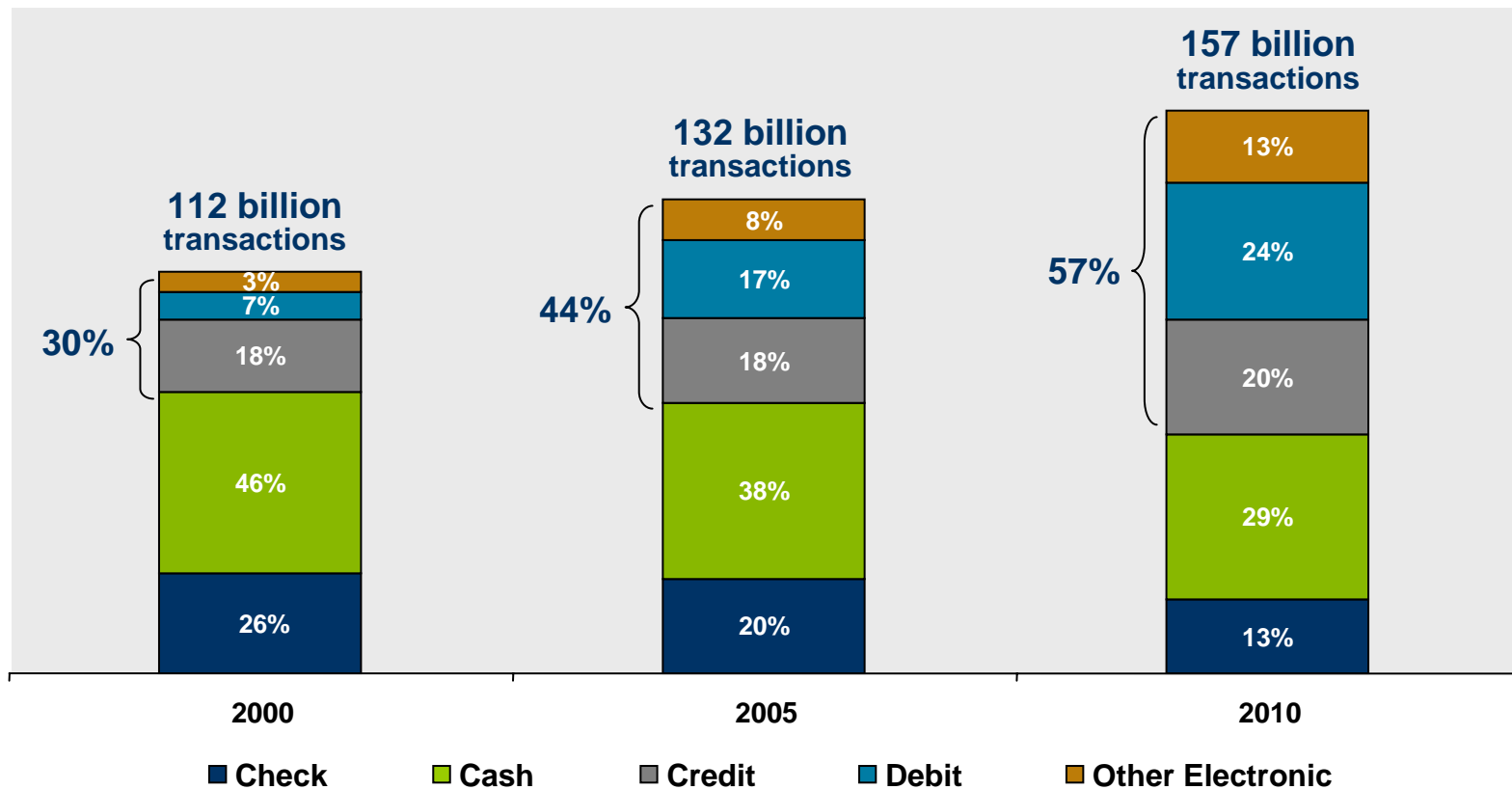


# Global Solutions Provider for the Payments Spectrum



# Leading Market Positions in Attractive Growth Markets

## TSYS Has Commanding Share of Faster Growing Electronic Payments Markets



Source: The Nilson Report #869. Represents domestic transactions.

Note: Other Electronic represents stored value, EBT, pre-authorization and other remote electronic payments.

# Global Marquee “Blue-Chip” Clients



NORDSTROM



# Significant Growth Opportunities

Vision: To be the leading provider of global payment services.



## Our Growth Strategy:

- **Grow** our existing business
- **Enhance** our existing client relationships
- **Execute** operating efficiencies
- **Enter** additional international markets
- **Expand** our presence in the payments value chain



# Experienced Management Team

Name	Title	Years of Industry Experience
Philip W. Tomlinson	Chief Executive Officer and Chairman of the Board	39
M. Troy Woods	President, Chief Operating Officer	35
James B. Lipham	Sr. Executive Vice President, Chief Financial Officer	36
William A. Pruett	Sr. Executive Vice President	31
Kenneth L. Tye	Sr. Executive Vice President, Chief Information Officer	36
Robert J. Philbin	President, TSYS Acquiring Solutions	22
Gaylon Jowers, Jr.	Executive Vice President of Sales, Strategy and Emerging Markets	17

# Overview of Our Business



# Diversified Business Lines

(LTM Revenue<sup>1</sup>, in millions)



Note: LTM (last twelve months) figures as of 30-Sept-2007.

<sup>1</sup> LTM segment total revenues of \$1,884mm (before intersegment revenues), as of 30-Sept-2007.

# Domestic-Based Payment Solutions



- **TS2 technology platform is a competitive differentiator**
- **TSYS serves 9 of the leading 10 U.S. bankcard issuers<sup>1</sup>**
- **85% of U.S. Visa and MasterCard commercial card market**
- **Provides solutions to leading retailers such as Home Depot and Sears**
- **12.4% of revenue derived from value-added services**

## Strategic Roadmap

- To offer a single-processing solution for credit, signature debit and PIN debit
- Protect and defend existing client relationships through an enhanced service model
- Win new clients by targeting prospects and new market segments
- Add and develop new products and services
- Expand position in processing stored value cards (healthcare and prepaid)

<sup>1</sup> The Nilson Report #872.

# Merchant Acquiring Solutions



- In 2005, acquired the remaining 50% of TSYS Acquiring, formerly Vital Processing
- Process all payment forms at POS including credit, debit, prepaid, EBT and electronic check
- 2<sup>nd</sup> largest processor of merchant accounts
- Provide services to over 1.4 million merchant locations<sup>1</sup>

## Strategic Roadmap

- Continued investment in processing and information services
- Leverage expertise in U.S. to expand internationally
- Develop & deliver value-added products
- Selective expansion towards the merchant point-of-sale

<sup>1</sup> Based on estimate for unique merchant locations.

# International-Based Payment Solutions

## Europe

- Opened first European office in 1999
- Current locations: London, York, The Netherlands, Spain, Germany and Italy
- Serves clients in 15 countries
- SEPA will open opportunities for third-party processors

## China

- JV with China UnionPay (“CUP”) Data, 44.56% ownership
- All domestic cards must carry the CUP brand
- Serves 4 of top 5 banks that outsource payments
- Contracts with 42 Chinese banks
- Emerging credit card market

## Japan

- Majority shareholder (51%) in GP Net alliance since 2000
- Provide gateway services for 160,000 merchants and 70 acquirers
- Toyota Finance Corporation — co-branded Visa Debit card with Nikko Cordial Securities
- United Cinemas Co. — gift cards

Bank of Ireland 

Capital One®

 The Royal Bank of Scotland Group

 银联数据  
CHINA UNIONPAY DATA

 中国民生银行  
CHINA MINSHENG BANKING CORP., LTD.

 上海浦东发展银行  
SHANGHAI PUDONG DEVELOPMENT BANK

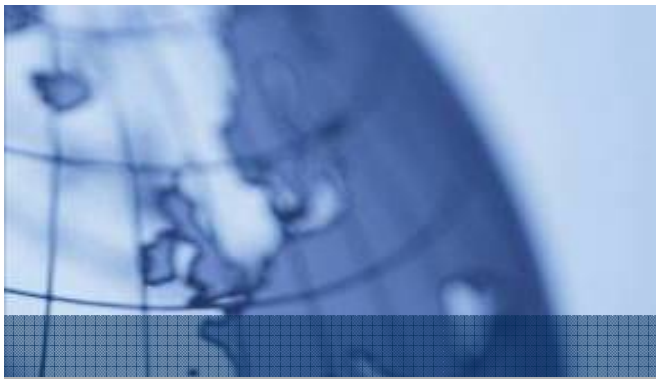
**TOSHIBA**  
Leading Innovation >>>

 三菱UFJニコス  
MUFG

**VISA**

# International-Based Payment Solutions – Strategy

- Increase market share in under-penetrated geographies
- Expand into key large-scale geographies that are natural extensions of existing operations or have substantial profit profiles
- Win top global banking prospects and support our clients' expansion into new geographies
- Pursue opportunities to expand in payments value chain





**James B. Lipham**  
**Senior EVP, CFO & Treasurer**



# Financial Highlights

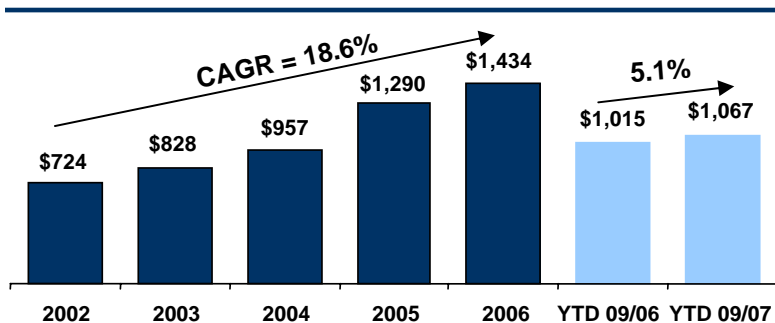
- Recurring revenue model
- Robust internal core revenue growth
- Long-term contracts
- Strong free cash flow
- Significant operating leverage



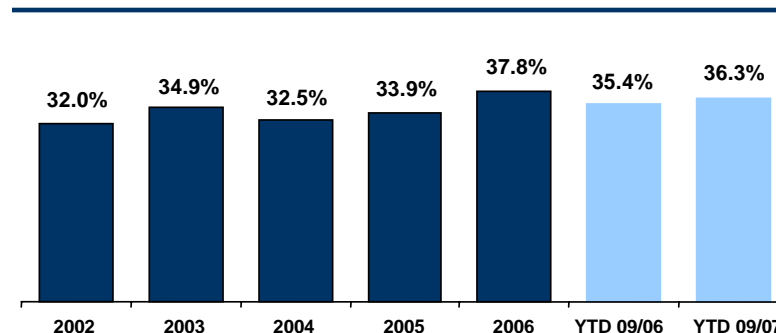
# Strong Operating Track Record

(\$ in millions, except per share data)

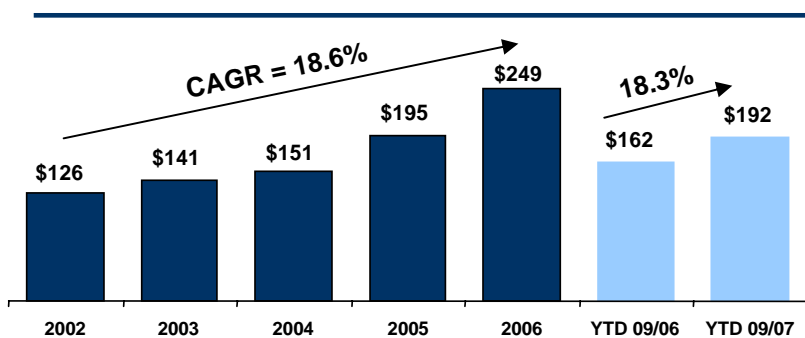
## Revenues Before Reimbursable Items



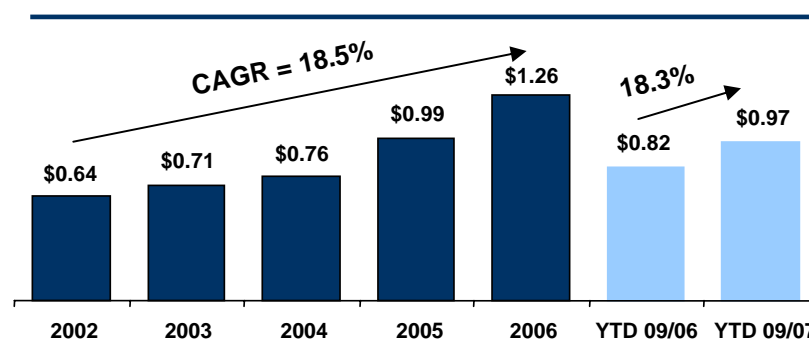
## EBITDA Margin<sup>1</sup>



## Net Income



## Earnings Per Share



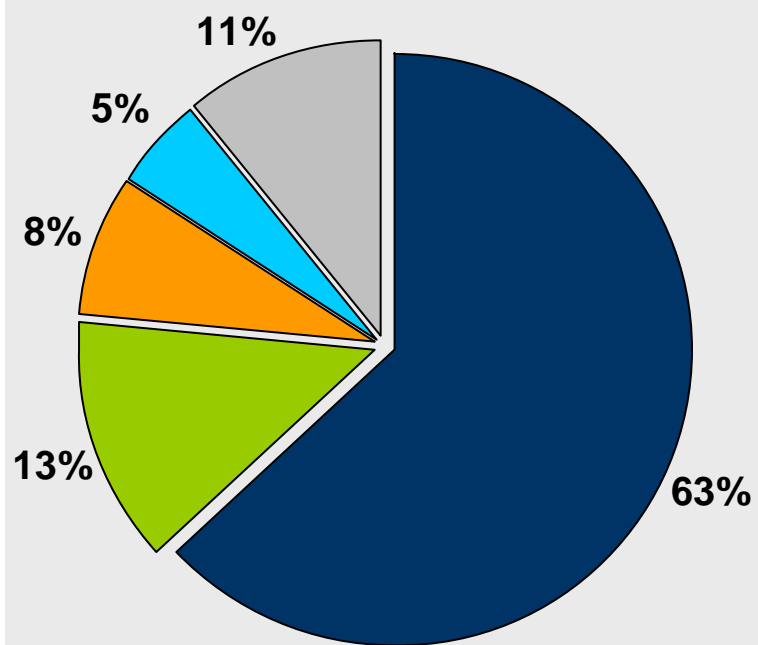
Note: For the reconciliation of EBITDA margin, a non-GAAP measure, see appendix A.

<sup>1</sup> As a percentage of revenues before reimbursables.

# Account on File Mix

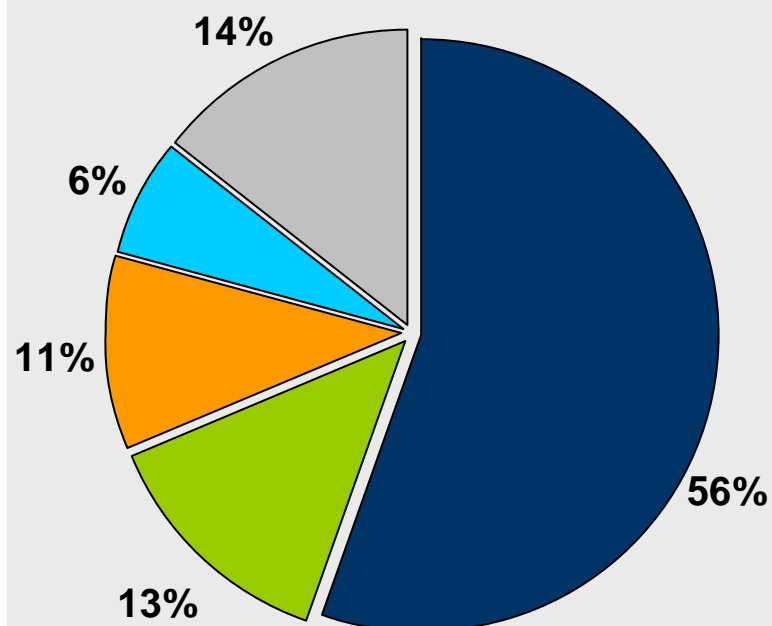
December 31, 2006

416 million



September 30, 2007

357 million

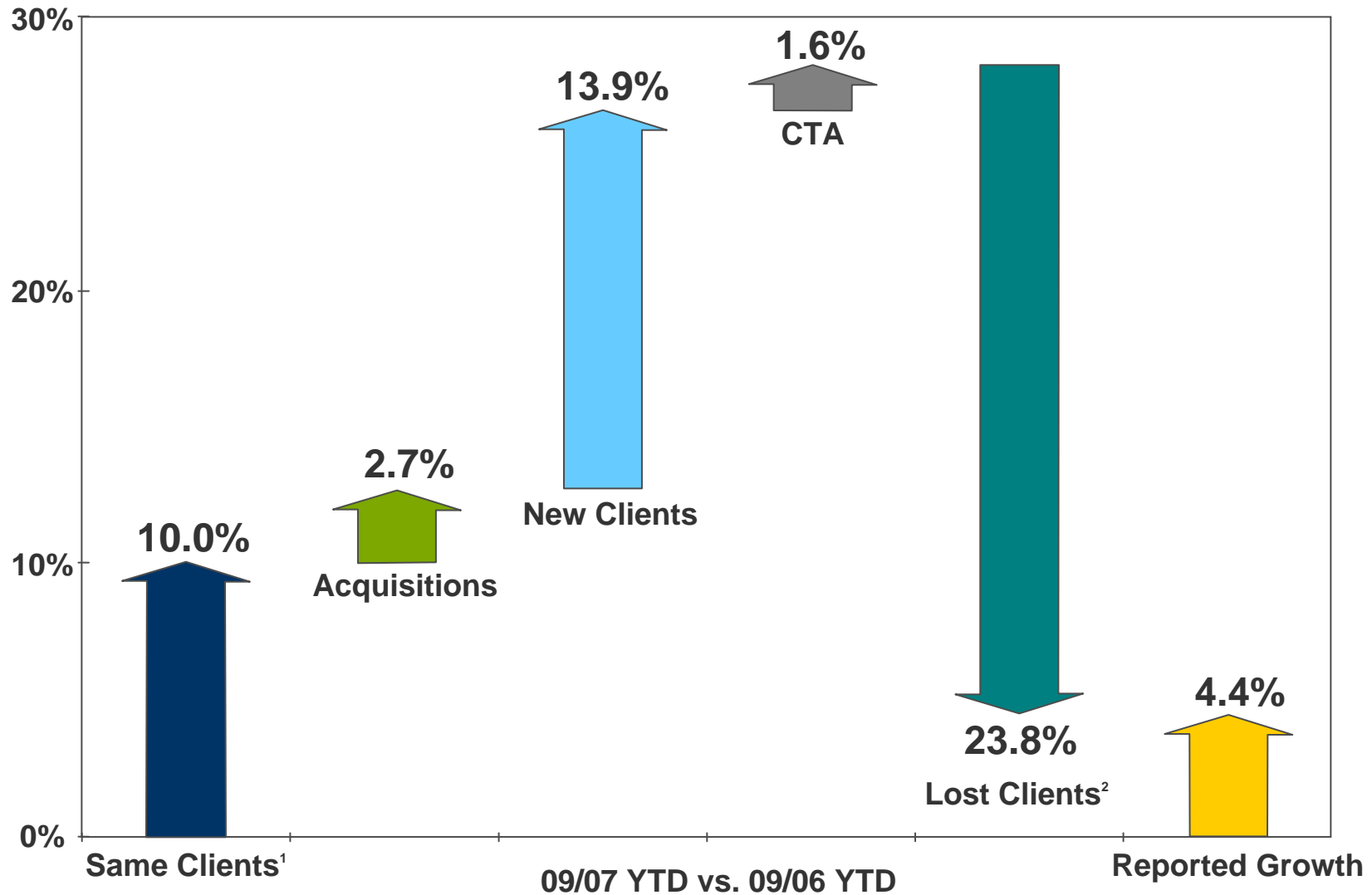


■ Consumer   ■ Retail   ■ Commercial   ■ Govt EBT   ■ Other

## Electronic Payment Processing Same Client Revenues

(dollars in thousands)	YTD	YTD	Change	
	09/07	09/06	\$	%
<b>As Reported</b>	\$ 715,417	685,537	29,880	4.4%
Internal Growth Adjustments:				
CTA	11,279	-	11,279	
New clients	109,387	14,233	95,154	
Acquisitions	18,162	-	18,162	
Lost clients	52,168	215,406	(163,238)	
Subtotal	190,995	229,639	(38,644)	
<b>Same client revenues</b>	<b>\$ 524,422</b>	<b>455,898</b>	<b>68,524</b>	<b>15.0%</b>

# Revenue Growth Components of Reported Revenues Electronic Payment Processing Services



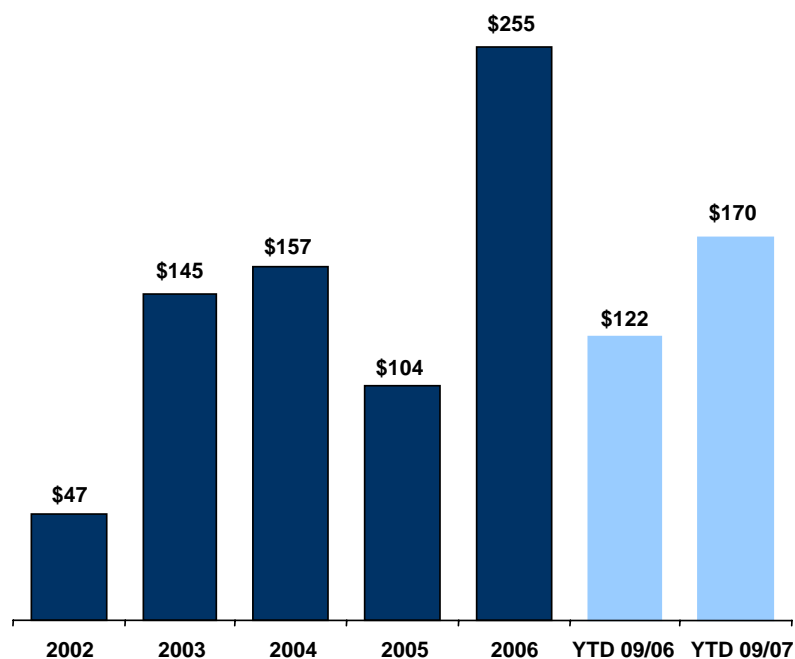
<sup>1</sup>Same client revenues grew 15.0%

<sup>2</sup>Lost clients relates to revenues associated with deconverted portfolios for Bank of America, Sears and Chase

# Cash Flow Generation and Usage

(\$ in millions)

## Free Cash Flow<sup>1</sup>



- \$500mm revolving credit facility to be finalized prior to spin-off
- \$600mm dividend (approximately \$3.04 per share)
  - Dividend funded from available cash and revolver
    - \$400mm cash
    - \$200mm revolver
  - Approximately \$200mm-\$250mm plus unrestricted cash available post spin-off
- 10mm share repurchase authorization approved by TSYS board
- Expect to maintain current dividend policy

Note: For the reconciliation of free cash flow, a non-GAAP measure, see Appendix C.

<sup>1</sup> Defined as Operating Income less taxes, depreciation and amortization, changes in working capital, and capital expenditures. Capital expenditures adjusted to include acquisition of ESC in 2003, TSYS Prepaid in 2004, Vital in 2005, and Card Tech in 2006. Capital expenditures also includes adjustments for the construction of Georgia and U.K. facilities in 2003 and 2004, respectively.

# Pro Forma Capitalization

(\$ in millions)

	As of Sept. 30, 2007	
	Actual	As Adjusted
Cash and Cash Equivalents	\$592.8	\$175.6
Long Term Debt <sup>1</sup>	67.7	267.7
Shareholders' Equity	1,389.8	767.1
<b>Total Capitalization</b>	<b>\$1,457.5</b>	<b>\$1,034.8</b>
Debt / Total Capitalization	4.6%	25.9%
LTM EBITDA	\$569.9	\$569.9
Debt / LTM EBITDA	0.1x	0.5x

Note: For the reconciliation of LTM EBITDA, a non-GAAP measure, see Appendix B.

<sup>1</sup> Does not include \$5.3mm of capitalized leases.



**Philip W. Tomlinson**  
**Chairman & CEO**



# TSYS Shareholder Value Creation

## Indexed TSYS Stock Price Performance – Last 5 Years



# Key Investment Highlights

- Global Solutions Provider for the Payments Spectrum
- Leading Market Positions in Attractive Growth Markets
- Unparalleled Global Reach
- Global Marquee “Blue-Chip” Clients
- Strong Operating Track Record
- Significant Growth Opportunities
- Experienced Management Team





People. Service. Technology.

**Thank You!**

# Appendix A

(\$ in millions)

## Reconciliation of Non-GAAP to GAAP

YTD  
September 30,

Reconciliation of EBITDA	2002	2003	2004	2005	2006	2006	2007
Net Income	\$125.8	\$141.0	\$150.6	\$194.5	\$249.2	\$162.1	\$191.8
Interest, net	(2.6)	(2.7)	(1.9)	(5.6)	(13.5)	(8.9)	(17.1)
Incomes Taxes	57.9	70.9	77.2	103.3	126.2	78.5	101.4
Depreciation and Amortization	74.0	98.4	108.6	150.1	184.9	130.3	114.2
Equity in Income of Joint Ventures	(20.6)	(17.8)	(23.7)	(6.1)	(4.2)	(3.1)	(3.9)
Minority Interest	—	0.2	0.3	0.3	0.8	0.4	1.4
Non-Operating (Gains) / Losses	(3.0)	(1.0)	(0.2)	0.8	(1.2)	(0.2)	(0.8)
<b>EBITDA</b>	<b>\$231.5</b>	<b>\$289.0</b>	<b>\$310.9</b>	<b>\$437.3</b>	<b>\$542.2</b>	<b>\$359.1</b>	<b>\$387.0</b>
Total Revenues	\$955.1	\$1,053.5	\$1,187.0	\$1,602.9	\$1,787.1	\$1,283.3	\$1,347.3
Reimbursable Items	231.1	225.2	230.4	313.1	352.7	268.6	280.6
Revenues Before Reimbursables	\$724.0	\$828.3	\$956.6	\$1,289.8	\$1,434.4	\$1,014.7	\$1,066.7
<b>EBITDA Margin</b>	<b>32.0%</b>	<b>34.9%</b>	<b>32.5%</b>	<b>33.9%</b>	<b>37.8%</b>	<b>35.4%</b>	<b>36.3%</b>

# Appendix B

(\$ in millions)

## Reconciliation of Non-GAAP to GAAP

<b>Reconciliation to EBITDA</b>	<b>LTM<sup>1</sup></b>
Net Income	\$278.8
Interest, net	(21.7)
Income taxes	149.1
Depreciation and amortization	168.7
Equity in income of joint ventures	(5.0)
<b>EBITDA</b>	<b><u>\$569.9</u></b>

<sup>1</sup>LTM = 1-Oct-2006 to 30-Sept-2007.

# Appendix C

(\$ in millions)	Free Cash Flow						
	For the 12 Months Ended Dec. 31,					For the 9 Months Ended Sep. 30,	
	2002	2003	2004	2005	2006	2006	2007
Operating Income	\$157.7	\$190.6	\$202.2	\$287.1	\$357.1	\$228.8	\$272.8
Less: Income Taxes	(57.9)	(70.9)	(77.2)	(101.6)	(99.2)	(80.4)	(101.4)
Depreciation and Amortization	74.0	98.4	108.6	150.1	183.3	130.3	114.2
Other Changes in Working Capital	(2.1)	36.1	58.9	(53.2) <sup>1</sup>	(62.1) <sup>2</sup>	(48.3)	(38.5)
Capital Expenditures:							
<i>Property and Equipment</i>	(14.6)	(125.2)	(53.9)	(40.9)	(26.5)	(21.2)	(36.4)
<i>Licensed Computer Software</i>	(37.0)	(47.3)	(57.3)	(12.9)	(11.9)	(9.7)	(8.2)
<i>Software Development Costs</i>	(29.5)	(17.7)	(5.2)	(22.6)	(14.0)	(13.7)	(11.7)
<i>Contract Acquisition Costs</i>	(44.0)	(18.1)	(29.2)	(19.5)	(42.5)	(39.6)	(20.9)
<i>Adjustments</i> <sup>3</sup>	0.0	99.1	10.3	(83.1)	(29.7)	(24.5)	(0.0)
Subtotal:	(125.1)	(109.3)	(135.3)	(178.9)	(124.4)	(108.7)	(77.2)
Unlevered Free Cash Flow	\$46.6	\$144.9	\$157.2	\$103.5	\$254.7	\$121.7	\$169.9

<sup>1</sup> Includes impact of acquisition of Vital.

<sup>2</sup> Includes impact of deconversion of Bank of America, and TSYS Card Tech and CUP Data acquisitions.

<sup>3</sup> Includes acquisition of ESC in 2003, TSYS Prepaid in 2004, Vital in 2005, and Card Tech in 2006. Also includes adjustments for the construction of Georgia and U.K. facilities in 2003 and 2004, respectively.