UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 1, 2013

Commission file number 001-16111



(Exact name of registrant as specified in charter)

Georgia (State or other jurisdiction of incorporation or organization) 58-2567903 (I.R.S. Employer Identification No.)

10 Glenlake Parkway, North Tower, Atlanta, Georgia (Address of principal executive offices)

30328-3473 (Zip Code)

Registrant's telephone number, including area code: (770) 829-8000

NONE

(Former name, former address and former fiscal year, if changed since last report)

eral Instruction A.2. below):
Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

On October 1, 2013, Global Payments Inc., a Georgia corporation, issued a press release announcing its financial results for the three months ended August 31, 2013. A copy of the press release is attached as Exhibit 99.1 to this report.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release dated October 1, 2013

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934,	, the registrant has duly	caused this report to b	e signed on its behalf by	the undersigned here	eunto duly
authorized.		_	-		

Date: October 1, 2013

Global Payments Inc.

(Registrant)

By: /s/ David E. Mangum

David E. Mangum Chief Financial Officer



Global Payments Reports First Quarter Earnings Announces \$100 Million Accelerated Share Repurchase Plan Increases Fiscal 2014 EPS Outlook

ATLANTA, **October 1**, **2013** -- Global Payments Inc. (NYSE: GPN) today announced results for its fiscal first quarter ended August 31, 2013. The company delivered revenues of \$629.7 million or 7% growth and cash earnings per share of \$1.00 or 15% growth over prior year.

Chairman Paul R. Garcia said, "We delivered strong first quarter results reflecting solid performance in North America and Europe. We continue to focus on expanding our global market position and driving our strategic initiatives forward."

First Quarter 2014 Summary

- Revenues grew 7% to \$629.7 million, compared to \$590.3 million in the first quarter of fiscal 2013.
- Cash diluted earnings per share grew 15% to \$1.00, compared to \$0.87 in the first quarter of fiscal 2013.
- GAAP diluted earnings per share were \$0.87, compared to \$0.59 in the first quarter of 2013.

\$100 Million Accelerated Share Repurchase

David E. Mangum, Senior Executive Vice President and CFO, stated, "We are pleased with our first quarter results and delighted to announce that we plan to enter into an accelerated share repurchase plan, demonstrating our commitment to executing share repurchases while continuing to drive organic growth and pursue acquisitions."

Global Payments intends to enter into an accelerated share repurchase (ASR) plan this month to repurchase up to \$100 million of the company's common stock. The ASR is part of the Board authorized program to repurchase up to \$250 million of the company's common stock.

2014 Outlook

As a result of the ASR plan, the company has increased its full-year expectations for diluted earnings per share on a cash basis by five cents to a range of \$3.98 to \$4.05, or growth of 9% to 11% over fiscal 2013. Annual fiscal 2014 GAAP diluted earnings per share is now expected to be \$3.40 to \$3.47.

The company maintains its expectations for annual revenue of \$2.51 billion to \$2.56 billion, or 6% to 8% growth over fiscal 2013.

Conference Call

Global Payments will hold a conference call today, October 1, 2013 at 5:00 p.m. EDT to discuss financial results and business highlights. Callers may access the conference call via the investor relations page of the company's website at www.globalpaymentsinc.com by clicking the "Webcast" button; or callers in North America may dial 1-888-895-3550 and callers outside North America may dial 1-706-758-8809. The pass code is "GPN." A replay of the call may be accessed through the Global Payments website through October 15, 2013.

About Global Payments

Global Payments Inc. (NYSE: GPN) is a leading provider of electronic transaction processing services for merchants, Independent Sales Organizations (ISOs), financial institutions, government agencies and multi-national corporations located throughout North America, South America, Europe and the Asia-Pacific region. Global Payments, a Fortune 1000 company, offers a comprehensive line of processing solutions for credit and debit cards, business-to-business purchasing cards, gift cards, electronic check conversion and check guarantee, verification and recovery including electronic check services, as well as terminal management. Visit www.globalpaymentsinc.com for more information about the company and its services.

This announcement and comments made by Global Payments' management during the conference call may contain certain forward-looking statements within the meaning of the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including revenue and earnings estimates and management's expectations regarding future events and developments, are forward-looking statements and are subject to significant risks and uncertainties. Important factors that may cause actual events or results to differ materially from those anticipated by such forward-looking statements include the following: the effect on our results of operations of continued security enhancements to our processing system; foreign currency risks which become increasingly relevant as we expand internationally; the effect of current domestic and worldwide economic conditions, including sovereign insolvency situations and a decline in the value of the U.S. dollar, and future performance and integration of acquisitions, and other risks detailed in our SEC filings, including the most recently filed Form 10-K. We undertake no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events.

Investor contact: investor.relations@globalpay.com
Jane Elliott
770-829-8234

Media contact: <u>media.relations@globalpay.com</u>

Amy Corn 770-829-8755

SCHEDULE 1 GAAP CONSOLIDATED STATEMENTS OF INCOME GLOBAL PAYMENTS INC. AND SUBSIDIARIES (In thousands, except per share data)

		ugust 31,			
	2013			2012	% Change
		(unaı	ıdited)		
Revenues	\$	629,685	\$	590,287	6.7 %
Operating expenses:					
Cost of service		230,745		204,391	12.9 %
Sales, general and administrative		291,556		281,419	3.6 %
Processing system intrusion		_		23,989	(100)%
		522,301		509,799	2.5 %
Operating income		107,384		80,488	33.4 %
Other income (expense):					
Interest and other income		3,338		1,983	68.3 %
Interest and other expense		(7,879)		(3,545)	122.3 %
		(4,541)		(1,562)	190.7 %
Income before income taxes		102,843		78,926	30.3 %
Provision for income taxes		(31,135)		(24,764)	25.7 %
Net income		71,708		54,162	32.4 %
Less: Net income attributable to noncontrolling interests, net of tax		(7,065)		(7,487)	(5.6)%
Net income attributable to Global Payments	\$	64,643	\$	46,675	38.5 %
Earnings per share attributable to Global Payments:					
Basic	\$	0.88	\$	0.59	49.2 %
Diluted	\$	0.87	\$	0.59	47.5 %
Weighted average shares outstanding:					
Basic		73,765		78,604	
Diluted		74,289		79,043	

SCHEDULE 2 CASH EARNINGS ATTRIBUTABLE TO GLOBAL PAYMENTS GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Three Months Ended August 31,				
	 2013		2012	% Change	
Revenues	\$ 629,685	\$	590,287	6.7 %	
Operating expenses:					
Cost of service	215,773		193,005	11.8 %	
Sales, general and administrative	290,060		280,619	3.4 %	
	 505,833		473,624	6.8 %	
Operating income	123,852		116,663	6.2 %	
Other income (expense):					
Interest and other income	3,338		1,983	68.3 %	
Interest and other expense	(7,879)		(3,545)	122.3 %	
	(4,541)	_	(1,562)	190.7 %	
Income before income taxes	119,311		115,101	3.7 %	
Provision for income taxes	(36,686)		(36,553)	0.4 %	
Net income	 82,625		78,548	5.2 %	
Less: Net income attributable to noncontrolling interests, net of tax	(8,436)		(9,752)	(13.5)%	
Net income attributable to Global Payments	\$ 74,189	\$	68,796	7.8 %	
Earnings per share attributable to Global Payments:					
Basic	\$ 1.01	\$	0.88	14.8 %	
Diluted	\$ 1.00	\$	0.87	14.9 %	
Weighted average shares outstanding:					
Basic	73,765		78,604		
Diluted	74,289		79,043		

See Schedule 6 for a reconciliation of cash earnings to GAAP.

SCHEDULE 3 SEGMENT INFORMATION GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands)

	Three Months Ended August 31,									
	 2	013			2	012		% Change		
	GAAP	Cash Earnings			GAAP	Cash Earnings		GAAP	Cash Earnings	
Revenues:										
United States	\$ 363,833	\$	363,833	\$	345,898	\$	345,898	5.2%	5.2 %	
Canada	86,672		86,672		80,897		80,897	7.1%	7.1 %	
North America merchant services	 450,505		450,505		426,795		426,795	5.6%	5.6 %	
Europe	143,188		143,188		128,465		128,465	11.5%	11.5 %	
Asia-Pacific	 35,992		35,992		35,027		35,027	2.8%	2.8 %	
International merchant services	179,180		179,180		163,492		163,492	9.6%	9.6 %	
Total revenues	\$ 629,685	\$	629,685	\$	590,287	\$	590,287	6.7%	6.7 %	
Operating income (loss) for segments:										
North America merchant services	\$ 69,699	\$	79,404	\$	67,217	\$	71,443	3.7%	11.1 %	
International merchant services	61,541		68,757		57,140		65,044	7.7%	5.7 %	
Corporate ¹	(23,856)		(24,309)		(43,869)		(19,824)	45.6%	(22.6)%	
Operating income	\$ 107,384	\$	123,852	\$	80,488	\$	116,663	33.4%	6.2 %	

¹ GAAP and cash earnings include incremental security spend for the three months ended August 31, 2013. GAAP earnings for the three months ended August 31, 2012 include a data intrusion charge of \$24.0 million.

See Schedule 7 for reconciliation of cash earnings segment information to GAAP.

SCHEDULE 4 CONSOLIDATED BALANCE SHEETS GLOBAL PAYMENTS INC. AND SUBSIDIARIES (In thousands, except share data)

Current assers S 25,887 \$ 68,000 Cash and cash equivalents 188,633 189,435 Accounts receivable, net of allowances for doubtful accounts of \$518 and \$509, respectively 1,100 1,156 Settlement processing assets 611,602 259,200 Deferred income taxes 6,837 6,888 Prepaid expenses and other current assets 4,845 6,688 Total current assets 1,870,000 12,144 Goodwill 1,870,000 1,877,000 1,840,000 Deferred income taxes 8,866 1,877,000 1,840,000 Obody III 1,877,000 1,840,000 1,840,000 Oberland (construct) 1,877,000 1,840,000 1,877,000 1,840,000 Other 2,820,000 3,349,000 3,313,000 1,850,000 <th></th> <th colspan="2">August 31, 2013</th> <th colspan="2">May 31, 2013</th>		August 31, 2013		May 31, 2013	
Current assers S 25,887 \$ 68,000 Cash and cash equivalents 188,633 189,435 Accounts receivable, net of allowances for doubtful accounts of \$518 and \$509, respectively 1,100 1,156 Settlement processing assets 611,602 259,200 Deferred income taxes 6,837 6,888 Prepaid expenses and other current assets 4,845 6,688 Total current assets 1,870,000 12,144 Goodwill 1,870,000 1,877,000 1,840,000 Deferred income taxes 8,866 1,877,000 1,840,000 Obody III 1,877,000 1,840,000 1,840,000 Oberland (construct) 1,877,000 1,840,000 1,877,000 1,840,000 Other 2,820,000 3,349,000 3,313,000 1,850,000 <th></th> <th>(</th> <th>Unaudited)</th> <th></th> <th></th>		(Unaudited)		
Cash and cash equivalents \$ 725.887 \$ 680.476 Accounts receivable, net of allowances for doubtful accounts of \$518 and \$509, respectively 118.633 159.33 Claims receivable, net of allowances for losses of \$4.248 and \$3.144, respectively 1,15 252.20 Settlement processing assets 611,602 252.20 Inventory 6,67 11.05 Deferred income taxes 6,37 6,88 Propal expenses and other current assets 19,852 6,688 Total current assets 1,047,578 1,044,222 Other intangible assets, net 357,234 400,482 Opegative quipment, net 357,234 400,482 Oberred income taxes 5,6,646 59,175 Other intangible assets, net 32,249 80,245 Unter thingible assets, net 32,249 80,245 Other intangible assets, net 3,490,400 387,224 Other intangible assets, net 32,249 80,215,255 Other intangible assets, net 3,490,400 38,266 Child 4,242 2,22,22 2,22,22 2,22,22	ASSETS				
Accounts receivable, net of allowances for doubtful accounts of \$18 and \$509, respectively 11,00 11,15 Claims receivable, net of allowances for losses of \$4,248 and \$3,144, respectively 1,100 11,25 Settlement processing assets 61,60 11,00 Deferred income taxes 6,677 11,00 Prepaid expenses and other current assets 6,677 6,688 Total current assets 15,90,068 12,144,22 Other intangible assets, net 355,370 348,06 Poperry and equipment, net 355,370 348,06 Other of insome taxes 5,309,400 5,312,50 Other of insome taxes 22,594 22,25 Total assets 3,349,400 5,312,50 Claim seets 3,349,400 5,325,50 LIRES ILITIES AND EQUITY 22,254 22,25 Current portion of long-term debt 328,487 8,187,46 Current portion of long-term debt 23,24 22,25 Settlement processing obligations 400,887 160,25 Income taxes payable 1,000,33 89,11 Deferred income taxe	Current assets:				
Claims receivable, net of allowances for losses of \$4,248 and \$3,144, respectively	Cash and cash equivalents	\$	725,887	\$	680,470
Settlement processing assets 611,602 259,204 Inventory 6,677 11,057 6,187 6,187 6,187 6,688 7 6,688 7 6,688 7 6,688 7 6,688 7 6,688 7 6,068 7 6,068 7 6,068 7 6,068 7 6,068 7 6,068 7 6,068 7 6,068 7 1,000 1 1,000	Accounts receivable, net of allowances for doubtful accounts of \$518 and \$509, respectively		188,633		189,435
Defered income taxes	Claims receivable, net of allowances for losses of \$4,248 and \$3,144, respectively		1,100		1,156
Deferred income taxes 6,317 6,488 Prepaid expenses and other current assets 49,852 66,088 Total current assets 1,190,088 1,214,492 Goodwill 1,047,578 1,044,222 Other intangible assets, net 387,234 400,488 Property and equipment, net 355,370 348,066 Other 96,645 95,175 Other 22,949 22,255 Total assets 3,349,000 3,232,000 LIABILITIES AND EQUITY Lines of credit \$ 328,487 \$ 187,461 Current liabilities \$ 328,487 \$ 187,461 Current portion of long-term debt \$ 328,487 \$ 187,461 Current portion of long-term debt \$ 10,933 89,111 Description of long-term debt \$ 10,933 89,111 Description of long-term debt \$ 10,933 89,111 Description of long-term liabilities \$ 10,933 89,111 Description of long-term liabilities \$ 10,933 89,111 Description of long-term debt \$ 1	Settlement processing assets		611,602		259,204
Prepaid expenses and other current assets 49,852 66,688 Total current assets 1,590,068 1,214,492 Goodwill 1,041,758 1,042,222 Other intangible assets, net 387,234 0,008,48 Property and equipment, net 55,570 348,66 Obeferred income taxes 96,664 95,175 Other 22,594 22,252 Total assets 53,499,40 \$32,505 LIMBILITIES AND EQUITY Current faibilities \$328,487 \$187,461 Current portion of long-term debt 72,228 72,335 Accounts payable and accrued liabilities 224,100 26,289 Settlement processing obligations 40,088 16,289 Settlement processing obligations 19,118 18,837 Total current liabilities 10,003,38 18,911 Long-term debt 71,228 72,478 Long-term debt 11,003,38 18,911 Long-term debt 173,573 170,222 Cong-term liabilities 22,940 22,940	Inventory		6,677		11,057
Total current asserts 1,590,068 1,214,92 Goodwill 1,047,578 1,044,22 Other intagiple assets, net 355,370 348,06 Property and equipment, net 365,370 348,06 Offer dinceme taxes 6,646 95,785 Other 22,595 328,950 Total assets 3,499,90 3,125,050 LABILITIES AND EQUITY Current Idabilities Lines of credit \$ 328,487 \$ 187,46 Current portion of long-term debt 72,228 72,333 Accounts payable and accrued liabilities 224,100 26,289 Settlement processing obligations 240,087 162,588 Income taxes payable 19,118 18,787 Total current liabilities 1,000,383 89,113 Deferred income taxes 178,737 170,722 Other long-term liabilities 2,94,00 1,33,48 Fortula liabilities 2,94,00 1,33,48 Fortula contracting liabilities 2,94,00 2,94,00 Total labilities	Deferred income taxes		6,317		6,485
Godwill 1,047,578 1,042,22 Other intangible assets, net 387,234 400,48 Property and equipment, net 355,370 355,370 Other 5,066 95,176 Other 22,505 22,505 Total assets 22,507 3,325,005 INSIBILITIES AND EQUITY Users Itabilities 328,487 \$ 187,461 Current portion of long-term debt 72,228 72,333 Accounts payable and accrued liabilities 224,100 262,900 Settlement processing obligations 10,004,33 181,134 Income taxes payable 1,004,33 181,134 Incefered income taxes 173,573 170,222 Total current liabilities 2,004,003 72,478 Total current liabilities 2,24,400 5,24,478 Ceferred income taxes 1,004,003 181,848 <	Prepaid expenses and other current assets		49,852		66,685
Other intangible assets, net 387,34 400,848 Progrand equipment, net 355,37 348,060 Deferred income taxes 96,66 355,37 348,060 Other 2,259 2,252	Total current assets		1,590,068		1,214,492
Property and equipment, net 355,370 348,066 Defered income taxes 96,64 95,178 Other 25,94 22,555 Total assets 3,409,409 \$ 3,125,056 LABILITIES AND EQUITY Current Itabilities: Lines of credit \$ 328,487 \$ 187,466 Current portion of long-term debt 72,228 72,335 Accounts payable and accrued liabilities 240,008 162,558 Income taxes payable 19,118 18,877 Total current liabilities 1,004,383 181,346 Cong-term debt 1,004,832 704,118 Long-term debt 1,003,333 81,135 Total current liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities 7,025 72,478 Common stock, no par value; 5,000,000 shares authorized and none issued 5 72,478 Padi-in capital 16,648 20,339 Retained earnings 16,648 20,339 Actual dother compr	Goodwill		1,047,578		1,044,222
Deferred income taxes 96,646 95,178 Other 22,941 22,255 Total assets 3,499,400 \$ 3,129,050 LABILITIES AND EQUITY Current Itabilities: Lines of credit \$ 328,487 \$ 187,461 Current portion of long-term debt 72,228 7,333 Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 10,088,87 162,558 Income taxes payable 10,048,20 704,114 Total current liabilities 1,048,20 704,114 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities 2,294,801 18,874 Equity: Furferred stock, no par value; 5,000,000 shares authorized and noie issued - - Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013, respectively 4 20,339 Paid-in capital 166,848	Other intangible assets, net		387,234		400,848
Other 22,504 22,505 Total assets \$ 3,499,400 \$ 3,125,505 LABILITIES AND EQUITS Current liabilities Lines of credit \$ 328,487 \$ 187,406 Current portion oflong-term debt 22,210 26,289 Accounts payable and accrued liabilities 240,087 162,585 Settlement processing obligations 400,887 162,585 Income taxes payable 19,118 18,877 Total current liabilities 1,000,381 18,118 Total current liabilities 1,000,381 18,118 Deferred income taxes 173,573 170,222 Total current liabilities 1,000,381 18,118 Total current liabilities 1,000,381 18,118 Total current liabilities 1,000,381 18,118 Total current liabilities 2,000,381 18,118 Total current liabilities 1,000,381 18,118 Total college time time time time time time time tim	Property and equipment, net		355,370		348,064
Total assets \$ 3,49,400 \$ 3,125,050	Deferred income taxes		96,646		95,178
LIABILITIES AND EQUITY Current liabilities: Lines of credit \$ 328,487 \$ 187,461 Current portion of long-term debt 72,228 72,333 Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 88,113 Ung-term debt 1,000,383 88,133 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities 2,294,801 1,884,49 Equiv 2 2 Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in- capital 166,848 20,23	Other		22,594		22,252
Current liabilities: Current portion of credit \$ 328,487 \$ 187,461 Current portion of long-term debt 72,228 72,333 Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued ————————————————————————————————————	Total assets	\$	3,499,490	\$	3,125,056
Current liabilities: Current portion of credit \$ 328,487 \$ 187,461 Current portion of long-term debt 72,228 72,333 Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued ————————————————————————————————————					
Lines of credit \$ 328,487 \$ 187,461 Current portion of long-term debt 72,228 72,335 Accounts payable and accrued liabilities 224,100 262,896 Settlement processing obligations 19,118 18,870 Income taxes payable 19,118 18,870 Total current liabilities 1,000,383 89,134 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,445 Equity Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively 166,848 202,396 Retained earnings 166,848 202,396 Accumulated other comprehensive income (loss) (17,376) 958,751 Total Global Payments shareholders' equity 1,106,022 1,146,082 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	•				
Current portion of long-term debt 72,228 72,335 Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 76,025 72,478 Total liabilities - - Common stock, no par value; 5,000,000 shares authorized and none issued - - Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively - - Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,66) Total Global Payments shareholders' equity 1,067,022 1,146,088 Noncontrolling interest 1,204,689 1,20					
Accounts payable and accrued liabilities 224,100 262,890 Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,445 Equity: 2 - - Preferred stock, no par value; 5,000,000 shares authorized and none issued - - - Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively - - - Paid-in capital 166,848 202,396 20,396 958,751 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062) 1,146,085 Noncontrolling interest 137,667 140,522 1,146,085 Total equity 1,204,689 1,286,607 1,204,689 1,286,607 </td <td>Lines of credit</td> <td>\$</td> <td>328,487</td> <td>\$</td> <td>187,461</td>	Lines of credit	\$	328,487	\$	187,461
Settlement processing obligations 400,887 162,558 Income taxes payable 19,118 18,870 Total current liabilities 1,004,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: Common stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 20,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,246,689 1,286,600	Current portion of long-term debt		72,228		72,335
Income taxes payable 19,118 18,870 Total current liabilities 1,044,820 704,114 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,445 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062) Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Accounts payable and accrued liabilities		224,100		262,890
Total current liabilities 1,044,820 704,144 Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,722 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062) Total Global Payments shareholders' equity 1,067,022 1,146,082 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Settlement processing obligations		400,887		162,558
Long-term debt 1,000,383 891,134 Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: — — Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,083 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Income taxes payable		19,118		18,870
Deferred income taxes 173,573 170,723 Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity:	Total current liabilities		1,044,820		704,114
Other long-term liabilities 76,025 72,478 Total liabilities 2,294,801 1,838,449 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Long-term debt		1,000,383		891,134
Total liabilities 2,294,801 1,838,445 Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued ———————————————————————————————————	Deferred income taxes		173,573		170,723
Equity: Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Other long-term liabilities		76,025		72,478
Preferred stock, no par value; 5,000,000 shares authorized and none issued — — Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively — — Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Total liabilities		2,294,801		1,838,449
Common stock, no par value; 200,000,000 shares authorized; 72,919,576 and 75,426,099 issued and outstanding at August 31, 2013 and May 31, 2013, respectively ————————————————————————————————————	Equity:				
May 31, 2013, respectively Paid-in capital 166,848 202,396 Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Preferred stock, no par value; 5,000,000 shares authorized and none issued		_		_
Retained earnings 917,550 958,751 Accumulated other comprehensive income (loss) (17,376) (15,062 Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607		l	_		_
Accumulated other comprehensive income (loss) (17,376) (15,062) Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Paid-in capital		166,848		202,396
Total Global Payments shareholders' equity 1,067,022 1,146,085 Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Retained earnings		917,550		958,751
Noncontrolling interest 137,667 140,522 Total equity 1,204,689 1,286,607	Accumulated other comprehensive income (loss)		(17,376)		(15,062)
Total equity 1,204,689 1,286,607	Total Global Payments shareholders' equity		1,067,022		1,146,085
	Noncontrolling interest		137,667		140,522
	Total equity		1,204,689	-	1,286,607
	Total liabilities and equity	\$		\$	3,125,056

SCHEDULE 5 UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS GLOBAL PAYMENTS INC. AND SUBSIDIARIES (In thousands)

	Three Months	Three Months Ended Augu		
	2013		2012	
Cash flows from operating activities:				
Net income	\$ 71,708	\$	54,162	
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization of property and equipment	13,981		12,670	
Amortization of acquired intangibles	14,393		11,225	
Share-based compensation expense	4,788		4,222	
Provision for operating losses and bad debts	5,234		6,012	
Deferred income taxes	5,784		10,273	
Other, net	(1,891)		(941)	
Changes in operating assets and liabilities, net of the effects of acquisitions:				
Accounts receivable	802		3,087	
Claims receivable	(3,864)		(3,272)	
Settlement processing assets and obligations, net	(115,383)		(7,839)	
Inventory	4,448		(2,992)	
Prepaid expenses and other assets	16,772		(8,513)	
Accounts payable and other accrued liabilities	(40,207)		(15,294)	
Income taxes payable	248		5,827	
Net cash provided by (used in) operating activities	(23,187)		68,627	
Cash flows from investing activities:				
Business, intangible and other asset acquisitions, net of cash acquired	_		(190)	
Capital expenditures	(20,263)		(29,237)	
Net decrease in financing receivables	665		740	
Proceeds from sale of investment and contractual rights	990		_	
Net cash used in investing activities	(18,608)		(28,687)	
Cash flows from financing activities:				
Net (payments) borrowings on short-term lines of credit	141,026		(6,137)	
Proceeds from issuance of long-term debt	440,000		50,000	
Principal payments under long-term debt	(331,515)		(30,080)	
Proceeds from stock issued under employee stock plans	3,998		4,375	
Common stock repurchased - share-based compensation plans	(4,604)		(6,348)	
Repurchase of common stock	(143,700)		(3,249)	
Tax benefit from employee share-based compensation	1,213		1,733	
Distributions to noncontrolling interest	(12,482)		(2,733)	
Dividends paid	(1,456)		(1,578)	
Net cash provided by (used in) financing activities	92,480		5,983	
Effect of exchange rate changes on cash	(5,268)		14,133	
Increase in cash and cash equivalents	45,417		60,056	
Cash and cash equivalents, beginning of the period	680,470		781,275	
Cash and cash equivalents, end of the period	\$ 725,887	\$	841,331	

SCHEDULE 6 RECONCILIATION OF QUARTERLY CASH EARNINGS ATTRIBUTABLE TO GLOBAL PAYMENTS TO GAAP

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

		Three M	Months Ended August 31, 2013		
	GAAP	Processing System Intrusion	Other ¹	Cash Earnings Adjustments ²	Cash Earnings
Revenues	\$ 629,685	- s	- s	_ s	629,685
Operating expenses:					
Cost of service	230,745	_	(579)	(14,393)	215,773
Sales, general and administrative	291,556	_	(1,496)	_	290,060
Processing system intrusion	 _	_		_	_
	522,301	_	(2,075)	(14,393)	505,833
Operating income	107,384	_	2,075	14,393	123,852
Other income (expense):					
Interest and other income	3,338	_	_	_	3,338
Interest and other expense	 (7,879)	-	_	_	(7,879)
	(4,541)	-	_	_	(4,541)
Income before income taxes	102,843	_	2,075	14,393	119,311
Provision for income taxes	 (31,135)	_	(789)	(4,762)	(36,686)
Net income	71,708	-	1,286	9,631	82,625
Less: Net income attributable to noncontrolling interests, net of tax	 (7,065)	_	_	(1,371)	(8,436)
Net income attributable to Global Payments	\$ 64,643	- \$	1,286 \$	8,260 \$	74,189
Diluted shares	 74,289				74,289
Diluted earnings per share	\$ 0.87	- \$	0.02 \$	0.11 \$	1.00

		Three M	Months Ended August 31, 2012		
	GAAP	Processing System Intrusion	Other ¹	Cash Earnings Adjustments ²	Cash Earnings
Revenues	\$ 590,287 \$	- s	- s	- s	590,287
Operating expenses:					
Cost of service	204,391	_	(161)	(11,225)	193,005
Sales, general and administrative	281,419	_	(800)	_	280,619
Processing System Intrusion	 23,989	(23,989)	_	_	_
	509,799	(23,989)	(961)	(11,225)	473,624
Operating income	80,488	23,989	961	11,225	116,663
Other income (expense):					
Interest and other income	1,983			_	1,983
Interest and other expense	 (3,545)				(3,545)
	 (1,562)	_	_		(1,562)
Income before income taxes	78,926	23,989	961	11,225	115,101
Benefit (provision) for income taxes	 (24,764)	(8,279)	(150)	(3,360)	(36,553)
Net income	54,162	15,710	811	7,865	78,548
Less: Net income attributable to noncontrolling interests, net of tax	 (7,487)	_	(741)	(1,524)	(9,752)
Net income attributable to Global Payments	\$ 46,675 \$	15,710 \$	70 \$	6,341 \$	68,796
Diluted shares	79,043				79,043
Diluted earnings per share	\$ 0.59 \$	0.20 \$	- \$	0.08 \$	0.87

¹ Represents one-time charges primarily related to employee termination benefits and resolution of a contract related contingency for the period ending August 31, 2013 and the prior year represents one-time charges primarily related to employee termination benefits and the net income attributable to our Asia-Pacific redeemable noncontrolling interest.

We supplemented our reporting of income and the related earnings per share information determined in accordance with GAAP by reporting income and the related earnings per share for the three months ended August 31, 2013 and 2012 on a "cash earnings" basis in this earnings release as a measure to help evaluate performance. We calculated income and earnings per share on a cash basis by excluding costs related to the processing system intrusion, acquisition intangible amortization and one-time charges related to employee termination benefits and resolution of a contract related contingency. We exclude these charges in order to more clearly focus on the factors we believe are pertinent to the daily management of our operations. Our income and earnings per share reported on a cash earnings basis should be considered in addition to, and not as a substitute for, income and earnings per share determined in accordance with GAAP. Our measures of income and earnings basis basis reflect management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

²Represents adjustments to cost of service to exclude acquisition intangible amortization expense from net income and the related income tax benefit.

SCHEDULE 7 RECONCILIATION OF CASH EARNINGS SEGMENT INFORMATION TO GAAP GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

Three Months Ended August 31, 2013

		Time Months Ended Hagain 51, 2015					
		GAAP	Processing System Intrusion	Other ¹	Cash Earnings Adjustments ²	Cash Earnings	
Revenues:							
United States	\$	363,833	\$ —	s — s	- \$	363,833	
Canada		86,672	_	_	_	86,672	
North America merchant services	'	450,505	_	_	_	450,505	
Europe		143,188		_	_	143,188	
Asia-Pacific		35,992	_	_	_	35,992	
International merchant services		179,180	_	_	_	179,180	
Total revenues	\$	629,685	\$	\$ - \$	- \$	629,685	
Operating income (loss) for segments:							
North America merchant services	\$	69,699	\$	\$ 2,518 \$	7,187 \$	79,404	
International merchant services		61,541	_	10	7,206	68,757	
Corporate		(23,856)	_	(453)	_	(24,309)	
Operating income	\$	107,384	\$ —	\$ 2,075 \$	14,393 \$	123,852	

	Three Months Ended August 31, 2012							
	GAAP	Processing Syste Intrusion	m	Other ¹	Cash Earnings Adjustments ²	Cash Earnings		
Revenues:								
United States	\$ 345,898	\$	- \$	_	\$ —	\$ 345,898		
Canada	80,897		_	_	_	80,897		
North America merchant services	 426,795		_	_	_	426,795		
Europe	128,465		_	_	_	128,465		
Asia-Pacific	35,027		_	_	_	35,027		
International merchant services	 163,492		_	_	_	163,492		
Total revenues	\$ 590,287	\$	— \$	_	s —	\$ 590,287		
Operating income (loss) for segments:								
North America merchant services	\$ 67,217	\$	- \$	905	\$ 3,321	\$ 71,443		
International merchant services	57,140		_	_	7,904	65,044		
Corporate	 (43,869)	23	3,989	56	_	(19,824)		
Operating income	\$ 80,488	\$ 23	3,989 \$	961	\$ 11,225	\$ 116,663		

¹ Represents one-time charges primarily related to employee termination benefits and resolution of a contract related contingency for the period ending August 31, 2013 and the prior year represents one-time charges primarily related to employee termination benefits and the net income attributable to our Asia-Pacific redeemable noncontrolling interest.

 $^{^2\,\}mathrm{Represents}$ acquisition intangible amortization expense.

SCHEDULE 8 OUTLOOK SUMMARY

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In millions, except per share data)

	Fiscal	2013 Actual	Fiscal 2014 Outlook	% Change FY13
Revenue Outlook				
Total Revenues	\$	2,376	\$2,510 to \$2,560	6% to 8%
EPS Outlook				
Cash EPS	\$	3.65	\$3.98 to \$4.05	9% to 11%
Acquisition-related intangible assets, non-recurring items and processing system intrusion ¹		(0.89)	(0.58)	35%
GAAP Diluted EPS	\$	2.76	\$3.40 to \$3.47	23% to 26%

We supplemented our reporting of income and the related earnings per share information determined in accordance with GAAP by reporting income and the related earnings per share for the three months ended August 31, 2013 and 2012 on a "cash earnings" basis in this earnings release as a measure to help evaluate performance. We calculated income and earnings per share on a cash basis by excluding costs related to the processing system intrusion, acquisition intangible amortization and one-time charges related to employee termination benefits and resolution of a contract related contingency. We exclude these charges in order to more clearly focus on the factors we believe are pertinent to the daily management of our operations. Our income and earnings per share reported on a cash earnings basis should be considered in addition to, and not as a substitute for, income and earnings per share determined in accordance with GAAP. Our measures of income and earnings per share on a cash earnings basis reflect management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

¹ Fiscal 2014 reflects \$0.48 of acquisition-related intangibles and \$0.10 of non-recurring items. Acquisition-related intangibles accounted and non-recurring items accounted for \$0.57 in fiscal 2013 and processing intrusion cots were \$0.32.