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**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**



**GLOBAL PAYMENTS INC.**

(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)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General 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))
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**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

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### Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Global Payments Inc.

(Registrant)

By: /s/ David E. Mangum

Date: October 1, 2013

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](http://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](http://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](mailto:investor.relations@globalpay.com)  
Jane Elliott  
770-829-8234

Media contact: [media.relations@globalpay.com](mailto:media.relations@globalpay.com)  
Amy Corn  
770-829-8755

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

	Three Months Ended August 31,		% Change
	2013	2012	
	(unaudited)		
<b>Revenues</b>	<b>\$ 629,685</b>	<b>\$ 590,287</b>	<b>6.7 %</b>
<b>Operating expenses:</b>			
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)%
	<u>522,301</u>	<u>509,799</u>	2.5 %
<b>Operating income</b>	<b>107,384</b>	<b>80,488</b>	<b>33.4 %</b>
<b>Other income (expense):</b>			
Interest and other income	3,338	1,983	68.3 %
Interest and other expense	(7,879)	(3,545)	122.3 %
	<u>(4,541)</u>	<u>(1,562)</u>	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	<u>\$ 64,643</u>	<u>\$ 46,675</u>	38.5 %
<b>Earnings per share attributable to Global Payments:</b>			
Basic	\$ 0.88	\$ 0.59	49.2 %
Diluted	\$ 0.87	\$ 0.59	47.5 %
<b>Weighted average shares outstanding:</b>			
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,		% Change
	2013	2012	
<b>Revenues</b>	<b>\$ 629,685</b>	<b>\$ 590,287</b>	<b>6.7 %</b>
<b>Operating expenses:</b>			
Cost of service	215,773	193,005	11.8 %
Sales, general and administrative	290,060	280,619	3.4 %
	<u>505,833</u>	<u>473,624</u>	6.8 %
<b>Operating income</b>	<b>123,852</b>	<b>116,663</b>	<b>6.2 %</b>
<b>Other income (expense):</b>			
Interest and other income	3,338	1,983	68.3 %
Interest and other expense	(7,879)	(3,545)	122.3 %
	<u>(4,541)</u>	<u>(1,562)</u>	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	<u>\$ 74,189</u>	<u>\$ 68,796</u>	7.8 %
<b>Earnings per share attributable to Global Payments:</b>			
Basic	\$ 1.01	\$ 0.88	14.8 %
Diluted	\$ 1.00	\$ 0.87	14.9 %
<b>Weighted average shares outstanding:</b>			
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,					
	2013		2012		% Change	
	GAAP	Cash Earnings	GAAP	Cash Earnings	GAAP	Cash Earnings
<b>Revenues:</b>						
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 %
<b>Operating income (loss) for segments:</b>						
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 <sup>1</sup>	(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 %

<sup>1</sup> 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)*

	<u>August 31, 2013</u>	<u>May 31, 2013</u>
	<u>(Unaudited)</u>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 725,887	\$ 680,470
Accounts receivable, net of allowances for doubtful accounts of \$518 and \$509, respectively	188,633	189,435
Claims receivable, net of allowances for losses of \$4,248 and \$3,144, respectively	1,100	1,156
Settlement processing assets	611,602	259,204
Inventory	6,677	11,057
Deferred income taxes	6,317	6,485
Prepaid expenses and other current assets	49,852	66,685
Total current assets	<u>1,590,068</u>	<u>1,214,492</u>
Goodwill	1,047,578	1,044,222
Other intangible assets, net	387,234	400,848
Property and equipment, net	355,370	348,064
Deferred income taxes	96,646	95,178
Other	22,594	22,252
Total assets	<u>\$ 3,499,490</u>	<u>\$ 3,125,056</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Lines of credit	\$ 328,487	\$ 187,461
Current portion of long-term debt	72,228	72,335
Accounts payable and accrued liabilities	224,100	262,890
Settlement processing obligations	400,887	162,558
Income taxes payable	19,118	18,870
Total current liabilities	<u>1,044,820</u>	<u>704,114</u>
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	<u>2,294,801</u>	<u>1,838,449</u>
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	<u>1,067,022</u>	<u>1,146,085</u>
Noncontrolling interest	137,667	140,522
Total equity	<u>1,204,689</u>	<u>1,286,607</u>
Total liabilities and equity	<u>\$ 3,499,490</u>	<u>\$ 3,125,056</u>

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

	Three Months Ended August 31,	
	2013	2012
<b>Cash flows from operating activities:</b>		
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)
<b>Changes in operating assets and liabilities, net of the effects of acquisitions:</b>		
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	<u>(23,187)</u>	<u>68,627</u>
<b>Cash flows from investing activities:</b>		
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	<u>(18,608)</u>	<u>(28,687)</u>
<b>Cash flows from financing activities:</b>		
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	<u>92,480</u>	<u>5,983</u>
Effect of exchange rate changes on cash	<u>(5,268)</u>	<u>14,133</u>
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	<u>\$ 725,887</u>	<u>\$ 841,331</u>



**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

	GAAP	Processing System Intrusion	Other <sup>1</sup>	Cash Earnings Adjustments <sup>2</sup>	Cash Earnings
<b>Revenues:</b>					
United States	\$ 363,833	\$ —	\$ —	\$ —	\$ 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
<b>Operating income (loss) for segments:</b>					
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 System Intrusion	Other <sup>1</sup>	Cash Earnings Adjustments <sup>2</sup>	Cash Earnings
<b>Revenues:</b>					
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	\$ —	\$ —	\$ —	\$ 590,287
<b>Operating income (loss) for segments:</b>					
North America merchant services	\$ 67,217	\$ —	\$ 905	\$ 3,321	\$ 71,443
International merchant services	57,140	—	—	7,904	65,044
Corporate	(43,869)	23,989	56	—	(19,824)
Operating income	\$ 80,488	\$ 23,989	\$ 961	\$ 11,225	\$ 116,663

<sup>1</sup> 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.

<sup>2</sup> Represents acquisition intangible amortization expense.

**SCHEDULE 8**  
**OUTLOOK SUMMARY**  
**GLOBAL PAYMENTS INC. AND SUBSIDIARIES**  
*(In millions, except per share data)*

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

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.

<sup>1</sup> 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 costs were \$0.32.