
**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): August 3, 2017

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.)

3350 Lenox Road, Atlanta, Georgia
(Address of principal executive offices)

30326
(Zip Code)

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

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition

On August 3, 2017, Global Payments Inc. (the "Company") issued a press release announcing its financial results for the quarter ended June 30, 2017. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K (this "Report") and is incorporated herein by reference.

The information being furnished pursuant to Item 2.02 of this Report, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure

On August 3, 2017, the Company issued a press release announcing the execution of a Stock Purchase and Merger Agreement (the "Purchase Agreement"), by and among the Company, Athlaction Topco, LLC, a Delaware limited liability company and the parent company of Active Network, LLC ("ACTIVE Network"), certain sellers referenced therein, Vista Equity Partners Management, LLC, solely in its capacity as the representative of the sellers, and Athens Merger Sub, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Company, pursuant to which, subject to the terms and conditions set forth therein, the Company will acquire ACTIVE Network's communities and sports divisions in a cash-and-stock transaction. A copy of the press release is attached hereto as Exhibit 99.2 and incorporated by reference herein. On August 3, 2017, the Company also provided supplemental information regarding the proposed transaction in connection with a presentation to investors. A copy of the investor presentation is attached hereto as Exhibit 99.3 and incorporated herein by reference.

The information being furnished pursuant to Item 7.01 of this Report, including Exhibit 99.2 and Exhibit 99.3, shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other document filed under the Securities Act, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Forward Looking Statements

Investors are cautioned that some of the statements we use in this report contain forward-looking statements and are made pursuant to the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks and uncertainties and depend upon future events or conditions. Actual events or results might differ materially from those expressed or forecasted in these forward-looking statements. Accordingly, we cannot guarantee you that our plans and expectations will be achieved. Such statements may include, but are not limited to, statements about the benefits of the proposed transaction, including future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. Important factors that could cause actual events or results to differ materially from those anticipated by our forward-looking statements or historical performance associated with the proposed acquisition of ACTIVE Network include the ability to meet closing conditions at all or on the expected terms and schedule, business disruption during the pendency of the acquisition or thereafter making it more difficult to maintain business and operational relationships, including the possibility that our announcement of the acquisition could disrupt our or ACTIVE Network's relationships with financial institutions, customers, employees or other partners; and difficulties and delays in integrating the ACTIVE Network business or fully realizing benefits of the acquisition at all or within the expected time period. Additional factors that could cause events or results to differ materially from those anticipated by our forward-looking statements or historical performance can be found in the Company's Transition Report on Form 10-K for the seven months ended December 31, 2016, and any subsequent filings with the Securities and Exchange Commission.

Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. We undertake no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events, except to the extent required by the federal securities laws.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Global Payments Inc., containing financial information for the quarter ended June 30, 2017, dated August 3, 2017
99.2	Press Release of Global Payments Inc., dated August 3, 2017
99.3	Investor Presentation, dated August 3, 2017

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.

Date: August 3, 2017

By: /s/ Cameron M. Bready

Cameron M. Bready

Senior Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

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FOR IMMEDIATE
RELEASE



SERVICE. DRIVEN. COMMERCE

Global Payments Reports Second Quarter 2017 Earnings and Increases 2017 Outlook

Announces Agreement to Acquire ACTIVE Network

ATLANTA, August 3, 2017 -- Global Payments Inc. (NYSE: GPN) today announced results for the second quarter ended June 30, 2017.

“We delivered another outstanding quarter highlighted by double digit organic net revenue growth across our markets, building on the momentum of the last several quarters,” said Jeff Sloan, Chief Executive Officer. “Our results reflect strong execution worldwide and our strategy of continuing to invest in and grow our technology-enabled businesses. Today’s agreement to acquire the communities and sports divisions of ACTIVE Network adds complementary vertical-specific solutions to our portfolio and positions us well to continue to gain share going forward.”

Second Quarter 2017 Summary

- GAAP revenues were \$962.2 million, compared to \$842.6 million in the second quarter of 2016; diluted earnings per share were \$0.44 compared to \$0.42 in the prior year; and operating margin was 13.7% compared to 7.3% in the second quarter of 2016.
- Adjusted net revenue grew 18.4% to \$847.9 million, compared to \$716.3 million in the second quarter of 2016.
- Adjusted earnings per share grew 24% to \$0.94, compared to \$0.76 in the second quarter of 2016.
- Adjusted operating margin expanded 130 basis points to 29.2%.

2017 Outlook

“We are delighted with our performance in the second quarter and year-to-date period, which reflects continued strong execution across our businesses and positions us to increase our outlook for 2017 results,” stated Cameron Bready, Senior Executive Vice President and Chief Financial Officer. “We now expect adjusted net revenue to range from \$3.40 billion to \$3.475 billion, or growth of 20% to 22%

over 2016 and adjusted operating margin to expand by as much as 120 basis points. Adjusted earnings per share are now expected to be in a range of \$3.85 to \$4.00, reflecting growth of 21% to 25% over 2016. Our outlook for calendar 2017 does not include any impact from the ACTIVE Network acquisition, which we expect to be immaterial to 2017 adjusted earnings per share.”

Capital Allocation

Global Payments' Board of Directors approved a dividend of \$0.01 per share payable September 29, 2017 to shareholders of record as of September 15, 2017.

Conference Call

Global Payments' management will host a conference call today, August 3, 2017 at 8:00 a.m. ET 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; or callers in North America may dial 877-674-6428 and callers outside North America may dial 970-315-0457. A replay of the call will be archived on the company's website within two hours of the live call.

Non-GAAP Financial Measures

Global Payments supplemented revenues, income and earnings per share information determined in accordance with GAAP by providing those measures on an adjusted basis in this earnings release to assist with evaluating performance. In addition to GAAP measures, management uses these non-GAAP measures to focus on the factors the company believes are pertinent to the daily management of our operations.

Reconciliations of the non-GAAP measures to the most directly comparable GAAP measure are included in the schedules to this release.

About Global Payments

Global Payments Inc. (NYSE: GPN) is a leading worldwide provider of payment technology services that delivers innovative solutions driven by customer needs globally. Our technologies, partnerships and employee expertise enable us to provide a broad range of products and services that allow our customers to accept all payment types across a variety of distribution channels in many markets around the world.

Headquartered in Atlanta, Georgia with more than 8,500 employees worldwide, Global Payments is a member of the S&P 500 with merchants and partners in 30 countries throughout North America, Europe, the Asia-Pacific region and Brazil. For more information about Global Payments, our *Service. Driven. Commerce* brand and our technologies, please visit www.globalpaymentsinc.com.

Forward-Looking Statements

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, earnings estimates and management's expectations regarding future events and developments, and statements about the proposed acquisition of ACTIVE Network, including future financial and operating results, the combined company's plans, objectives, expectations and intentions 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 our ability to safeguard our data; increased competition from larger companies and non-traditional competitors, our ability to update our services in a timely manner; our ability to maintain Visa and MasterCard registration and financial institution sponsorship; our reliance on financial institutions to provide clearing services in connection with our settlement activities; our potential failure to comply with card network requirements; potential systems interruptions or failures; software defects or undetected errors; increased attrition of merchants, referral partners or independent sales organizations; our ability to increase our share of existing markets and expand into new markets; a decline in the use of cards for payment generally; unanticipated increases in chargeback liability; increases in credit card network fees; change in laws, regulations or network rules or interpretations thereof; foreign currency exchange and interest rate risks; political, economic and regulatory changes in the foreign countries in which we operate; future performance, integration and conversion of acquired operations; including without limitation difficulties and delays in integrating the Heartland business or fully realizing cost savings and other benefits of the acquisition at all or within the expected time period; fully realizing anticipated annual interest expense savings from refinancing our corporate debt facilities; our loss of key personnel and other risk factors presented in Item 1-Risk Factors of our Transition Report on Form 10-K for the seven months ended December 31, 2016 and any subsequent SEC filings, which we advise you to review. Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. We undertake no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events.

Additional important factors that could cause actual events or results to differ materially from those anticipated by our forward-looking statements or historical performance associated with the proposed acquisition of ACTIVE Network include the ability to meet closing conditions at all or on the expected terms and schedule, business disruption during the pendency of the acquisition or thereafter making it more difficult to maintain business and operational relationships, including the possibility that our announcement of the acquisition could disrupt our or ACTIVE Network's relationships with financial institutions, customers, employees or other partners; and difficulties and delays in integrating the ACTIVE Network business or fully realizing benefits of the acquisition at all or within the expected time period.

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

	Three Months Ended			Six Months Ended		
	June 30, 2017	June 30, 2016	% Change	June 30, 2017	June 30, 2016	% Change
Revenues	\$ 962,240	\$ 842,644	14.2 %	\$ 1,882,002	\$ 1,468,904	28.1 %
Operating expenses:						
Cost of service	469,149	406,873	15.3 %	925,085	655,060	41.2 %
Selling, general and administrative	361,239	374,610	(3.6)%	720,095	658,110	9.4 %
	<u>830,388</u>	<u>781,483</u>	6.3 %	<u>1,645,180</u>	<u>1,313,170</u>	25.3 %
Operating income	<u>131,852</u>	<u>61,161</u>	115.6 %	<u>236,822</u>	<u>155,734</u>	52.1 %
Interest and other income	1,832	42,565	(95.7)%	3,439	43,847	(92.2)%
Interest and other expense	<u>(48,361)</u>	<u>(36,597)</u>	32.1 %	<u>(89,658)</u>	<u>(49,672)</u>	80.5 %
	<u>(46,529)</u>	<u>5,968</u>	NM	<u>(86,219)</u>	<u>(5,825)</u>	NM
Income before income taxes	85,323	67,129	27.1 %	150,603	149,909	0.5 %
(Provision for) benefit from income taxes	<u>(12,880)</u>	<u>4</u>	NM	<u>(25,201)</u>	<u>(19,329)</u>	30.4 %
Net income	<u>72,443</u>	<u>67,133</u>	7.9 %	<u>125,402</u>	<u>130,580</u>	(4.0)%
Less: Net income attributable to noncontrolling interests, net of income tax	<u>(5,534)</u>	<u>(4,900)</u>	12.9 %	<u>(9,679)</u>	<u>(8,436)</u>	14.7 %
Net income attributable to Global Payments	<u>\$ 66,909</u>	<u>\$ 62,233</u>	7.5 %	<u>\$ 115,723</u>	<u>\$ 122,144</u>	(5.3)%
Earnings per share attributable to Global Payments:						
Basic	\$ 0.44	\$ 0.42	4.8 %	\$ 0.76	\$ 0.88	(13.6)%
Diluted	\$ 0.44	\$ 0.42	4.8 %	\$ 0.75	\$ 0.87	(13.8)%
Weighted-average number of shares outstanding:						
Basic	152,525	148,338		152,415	138,803	
Diluted	153,555	149,418		153,405	139,778	

NM - Not meaningful.

SCHEDULE 2
NON-GAAP FINANCIAL MEASURES (UNAUDITED)

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Three Months Ended			Six Months Ended		
	June 30, 2017	June 30, 2016	% Change	June 30, 2017	June 30, 2016	% Change
Adjusted net revenue	\$ 847,941	\$ 716,310	18.4%	\$ 1,651,820	\$ 1,195,910	38.1%
Adjusted operating income	\$ 247,738	\$ 200,172	23.8%	\$ 476,487	\$ 331,808	43.6%
Adjusted net income	\$ 144,366	\$ 114,263	26.3%	\$ 274,402	\$ 197,811	38.7%
Adjusted EPS	\$ 0.94	\$ 0.76	23.7%	\$ 1.79	\$ 1.42	26.1%

See Schedules 6 and 7 for a reconciliation of each non-GAAP financial measure to the most comparable GAAP measure and Schedule 10 for a discussion of non-GAAP financial measures.

SCHEDULE 3
SEGMENT INFORMATION (UNAUDITED)
GLOBAL PAYMENTS INC. AND SUBSIDIARIES
(In thousands)

	Three Months Ended					
	June 30, 2017		June 30, 2016		% Change	
	GAAP	Non-GAAP ¹	GAAP	Non-GAAP ¹	GAAP	Non-GAAP ¹
Revenues:						
North America	\$ 710,965	\$ 624,413	\$ 624,120	\$ 519,011	13.9 %	20.3 %
Europe	186,506	158,759	162,255	141,030	14.9 %	12.6 %
Asia-Pacific	64,769	64,769	56,269	56,269	15.1 %	15.1 %
	<u>\$ 962,240</u>	<u>\$ 847,941</u>	<u>\$ 842,644</u>	<u>\$ 716,310</u>	14.2 %	18.4 %
Operating income:						
North America	\$ 112,176	\$ 185,144	\$ 82,476	\$ 142,458	36.0 %	30.0 %
Europe	65,673	72,268	52,788	66,958	24.4 %	7.9 %
Asia-Pacific	17,535	19,590	11,050	15,134	58.7 %	29.4 %
Corporate	(63,532)	(29,264)	(85,153)	(24,378)	(25.4)%	20.0%
	<u>\$ 131,852</u>	<u>\$ 247,738</u>	<u>\$ 61,161</u>	<u>\$ 200,172</u>	115.6 %	23.8 %
	Six Months Ended					
	June 30, 2017		June 30, 2016		% Change	
	GAAP	Non-GAAP ¹	GAAP	Non-GAAP ¹	GAAP	Non-GAAP ¹
Revenues:						
North America	\$ 1,398,009	\$ 1,221,895	\$ 1,051,980	\$ 816,969	32.9%	49.6%
Europe	352,054	297,986	306,374	268,391	14.9%	11.0%
Asia-Pacific	131,939	131,939	110,550	110,550	19.3%	19.3%
	<u>\$ 1,882,002</u>	<u>\$ 1,651,820</u>	<u>\$ 1,468,904</u>	<u>\$ 1,195,910</u>	28.1%	38.1%
Operating income:						
North America	\$ 206,259	\$ 357,521	\$ 147,665	\$ 221,105	39.7%	61.7%
Europe	120,180	136,176	108,566	128,596	10.7%	5.9%
Asia-Pacific	37,289	40,559	25,609	31,731	45.6%	27.8%
Corporate	(126,906)	(57,769)	(126,106)	(49,624)	0.6%	16.4%
	<u>\$ 236,822</u>	<u>\$ 476,487</u>	<u>\$ 155,734</u>	<u>\$ 331,808</u>	52.1%	43.6%

¹ See Schedules 8 and 9 for a reconciliation of adjusted net revenue and adjusted operating income by segment to the most comparable GAAP measures and Schedule 10 for a discussion of non-GAAP financial measures.

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

	June 30, 2017	December 31, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,080,576	\$ 1,162,779
Accounts receivable, net of allowances for doubtful accounts of \$1,295 and \$1,092 respectively	283,640	275,032
Claims receivable, net of allowances for doubtful accounts of \$6,616 and \$5,786, respectively	4,513	8,202
Settlement processing assets	999,946	1,546,854
Prepaid expenses and other current assets	147,396	123,139
Total current assets	2,516,071	3,116,006
Goodwill	4,890,016	4,807,594
Other intangible assets, net	1,927,167	2,085,292
Property and equipment, net	537,879	526,370
Deferred income taxes	16,388	15,789
Other noncurrent assets	149,260	113,299
Total assets	\$ 10,036,781	\$ 10,664,350
LIABILITIES AND EQUITY		
Current liabilities:		
Settlement lines of credit	\$ 318,284	\$ 392,072
Current portion of long-term debt	86,510	177,785
Accounts payable and accrued liabilities	823,236	804,887
Settlement processing obligations	870,434	1,477,212
Total current liabilities	2,098,464	2,851,956
Long-term debt	4,175,411	4,260,827
Deferred income taxes	617,308	676,472
Other noncurrent liabilities	140,960	95,753
Total liabilities	7,032,143	7,885,008
Commitments and contingencies		
Equity:		
Preferred stock, no par value; 5,000,000 shares authorized and none issued	—	—
Common stock, no par value; 200,000,000 shares authorized; 152,556,769 issued and outstanding at June 30, 2017 and 152,185,616 issued and outstanding at December 31, 2016	—	—
Paid-in capital	1,838,889	1,816,278
Retained earnings	1,255,552	1,137,230
Accumulated other comprehensive loss	(243,459)	(322,717)
Total Global Payments shareholders' equity	2,850,982	2,630,791
Noncontrolling interests	153,656	148,551
Total equity	3,004,638	2,779,342
Total liabilities and equity	\$ 10,036,781	\$ 10,664,350

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

	Six Months Ended	
	June 30, 2017	June 30, 2016
Cash flows from operating activities:		
Net income	\$ 125,402	\$ 130,580
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	51,197	40,079
Amortization of acquired intangibles	165,117	87,675
Share-based compensation expense	21,153	17,372
Provision for operating losses and bad debts	25,940	16,720
Amortization of capitalized customer acquisition costs	19,681	3,352
Deferred income taxes	(38,603)	(19,719)
Gain on sale of investments	—	(41,150)
Other, net	17,057	8,901
Changes in operating assets and liabilities, net of the effects of acquisitions:		
Accounts receivable	(4,901)	8,907
Claims receivable	(11,335)	(10,854)
Settlement processing assets and obligations, net	(63,523)	14,307
Prepaid expenses and other assets	30,679	(47,940)
Capitalized customer acquisition costs	(44,351)	(20,127)
Accounts payable and other liabilities	(25,452)	61,194
Net cash provided by operating activities	<u>268,061</u>	<u>249,297</u>
Cash flows from investing activities:		
Business acquisitions, net of cash acquired	—	(1,826,657)
Capital expenditures	(89,958)	(62,910)
Proceeds from sale of investments	—	37,717
Proceeds from sales of property and equipment	37,497	57
Other, net	(34,242)	(370)
Net cash used in investing activities	<u>(86,703)</u>	<u>(1,852,163)</u>
Cash flows from financing activities:		
Net payments on settlement lines of credit	(88,490)	(97,652)
Proceeds from long-term debt	902,324	3,047,052
Repayments of long-term debt	(1,082,898)	(809,933)
Payment of debt issuance costs	(9,461)	(58,448)
Repurchase of common stock	(5,342)	(82,836)
Proceeds from stock issued under share-based compensation plans	6,188	2,424
Common stock repurchased - share-based compensation plans	(418)	(337)
Proceeds from sale of subsidiary shares to noncontrolling interest	—	16,374
Distributions to noncontrolling interests	(9,301)	(4,740)
Dividends paid	(3,551)	(2,837)
Net (used in) provided by financing activities	<u>(290,949)</u>	<u>2,009,067</u>
Effect of exchange rate changes on cash	<u>27,388</u>	<u>(5,582)</u>
(Decrease) increase in cash and cash equivalents	(82,203)	400,619
Cash and cash equivalents, beginning of the period	1,162,779	587,751
Cash and cash equivalents, end of the period	<u>\$ 1,080,576</u>	<u>\$ 988,370</u>

SCHEDULE 6
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP MEASURES (UNAUDITED)

THREE MONTHS ENDED JUNE 30, 2017 AND 2016

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Three Months Ended June 30, 2017				
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Income Taxes on Adjustments ³	Non-GAAP
Revenues	\$ 962,240	\$ (114,299)	\$ —	\$ —	\$ 847,941
Operating income	\$ 131,852	\$ —	\$ 115,886	\$ —	\$ 247,738
Net income attributable to Global Payments	\$ 66,909	\$ —	\$ 120,884	\$ (43,427)	\$ 144,366
Diluted earnings per share attributable to Global Payments ⁴	\$ 0.44				\$ 0.94

	Three Months Ended June 30, 2016				
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Income Taxes on Adjustments ³	Non-GAAP
Revenues	\$ 842,644	\$ (126,334)	\$ —	\$ —	\$ 716,310
Operating income	\$ 61,161	\$ —	\$ 139,011	\$ —	\$ 200,172
Net income attributable to Global Payments	\$ 62,233	\$ —	\$ 96,877	\$ (44,847)	\$ 114,263
Diluted earnings per share attributable to Global Payments ⁴	\$ 0.42				\$ 0.76

¹Represents adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company.

²Earnings adjustments to operating income for the three months ended June 30, 2017 include \$81.6 million of amortization of acquired intangibles in cost of service and \$34.2 million in selling, general and administrative expenses, consisting of share-based compensation expense of \$12.3 million and merger-related costs of \$21.9 million. Net income attributable to Global Payments also reflects an adjustment to remove a non-cash charge of \$6.8 million associated with the refinancing of our corporate credit facility.

Earnings adjustments to operating income for the three months ended June 30, 2016 include \$68.0 million in cost of service and \$71.0 million in selling, general and administrative expenses. Adjustments to cost of service include amortization of acquired intangibles of \$67.7 million and other adjustments of \$0.3 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$9.6 million, merger-related costs of \$51.3 million, litigation related costs of \$7.6 million, employee termination benefits of \$2.1 million and \$0.4 million of other adjustments. Net income attributable to Global Payments also reflects an adjustment to remove a gain on the sale of membership interests in Visa Europe of \$41.2 million.

³Income taxes on adjustments reflect the tax effect of earnings adjustments to income before income taxes. The tax rate used in determining the tax impact of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment. In addition, income taxes on adjustments for the three months ended June 30, 2017 reflect the removal of a \$2.4 million tax benefit associated with the elimination of a deferred tax liability. For the three months ended June 30, 2016, income taxes on adjustments reflect the removal of a \$10.9 million tax benefit associated with our decision to indefinitely reinvest earnings in Canada.

⁴Adjusted EPS is calculated by dividing adjusted net income attributable to Global Payments by the diluted weighted-average number of shares outstanding.

See "Non-GAAP Financial Measures" discussion on Schedule 10.

SCHEDULE 7**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP MEASURES (UNAUDITED)**

SIX MONTHS ENDED JUNE 30, 2017 AND 2016

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Six Months Ended June 30, 2017				
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Income Taxes on Adjustments ³	Non-GAAP
Revenues	\$ 1,882,002	\$ (230,182)	\$ —	\$ —	\$ 1,651,820
Operating income	\$ 236,822	\$ —	\$ 239,665	\$ —	\$ 476,487
Net income attributable to Global Payments	\$ 115,723	\$ —	\$ 242,876	\$ (84,197)	\$ 274,402
Diluted earnings per share attributable to Global Payments ⁴	\$ 0.75				\$ 1.79

	Six Months Ended June 30, 2016				
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Income Taxes on Adjustments ³	Non-GAAP
Revenues	\$ 1,468,904	\$ (272,994)	\$ —	\$ —	\$ 1,195,910
Operating income	\$ 155,734	\$ —	\$ 176,074	\$ —	\$ 331,808
Net income attributable to Global Payments	\$ 122,144	\$ —	\$ 132,874	\$ (57,207)	\$ 197,811
Diluted earnings per share attributable to Global Payments ⁴	\$ 0.87				\$ 1.42

¹Represents adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company.

²Earnings adjustments to operating income for the six months ended June 30, 2017 include \$167.9 million and \$71.8 million in cost of service and selling, general and administrative expenses, respectively. Adjustments to cost of service include amortization of acquired intangibles of \$166.2 million and employee termination benefits of \$1.7 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$21.2 million, merger-related cost of \$48.0 million and employee termination benefits of \$2.6 million. Net income attributable to Global Payments also reflects an adjustment to remove a non-cash charge of \$6.8 million associated with the refinancing of our corporate credit facility.

Earnings adjustments to operating income for the six months ended June 30, 2016 include \$89.1 million and \$86.9 million in cost of service and selling, general and administrative expenses, respectively. Adjustments to cost of service represent amortization of acquired intangibles of \$88.8 million and other adjustments of \$0.3 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$16.6 million, merger-related costs of \$60.0 million, litigation related costs of \$7.6 million, employee termination benefits of \$2.1 million and \$0.6 million of other adjustments. Net income attributable to Global Payments also reflects an adjustment to remove a gain on the sale of membership interests in Visa Europe of \$41.2 million.

³Income taxes on adjustments reflect the tax effect of earnings adjustments to income before income taxes. The tax rate used in determining the tax impact of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment. In addition, income taxes on adjustments for the six months ended June 30, 2017 reflect the removal of a \$2.4 million tax benefit associated with the elimination of a deferred tax liability. For the six months ended June 30, 2016, income taxes on adjustments reflect the removal of a \$10.9 million tax benefit associated with our decision to indefinitely reinvest earnings in Canada.

⁴Adjusted EPS is calculated by dividing adjusted net income attributable to Global Payments by the diluted weighted-average number of shares outstanding.

See "Non-GAAP Financial Measures" discussion on Schedule 10.

SCHEDULE 8
RECONCILIATION OF SEGMENT NON-GAAP FINANCIAL MEASURES TO GAAP MEASURES (UNAUDITED)

THREE MONTHS ENDED JUNE 30, 2017 AND 2016

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Three Months Ended June 30, 2017				Three Months Ended June 30, 2016			
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Non-GAAP	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Non-GAAP
Revenues:								
North America	\$ 710,965	\$ (86,552)	\$ —	\$ 624,413	\$ 624,120	\$ (105,109)	\$ —	\$ 519,011
Europe	186,506	(27,747)	—	158,759	162,255	(21,225)	—	141,030
Asia-Pacific	64,769	—	—	64,769	56,269	—	—	56,269
	<u>\$ 962,240</u>	<u>\$ (114,299)</u>	<u>\$ —</u>	<u>\$ 847,941</u>	<u>\$ 842,644</u>	<u>\$ (126,334)</u>	<u>\$ —</u>	<u>\$ 716,310</u>
Operating income:								
North America	\$ 112,176	\$ —	\$ 72,968	\$ 185,144	\$ 82,476	\$ —	\$ 59,982	\$ 142,458
Europe	65,673	—	6,595	72,268	52,788	—	14,170	66,958
Asia-Pacific	17,535	—	2,055	19,590	11,050	—	4,084	15,134
Corporate	(63,532)	—	34,268	(29,264)	(85,153)	—	60,775	(24,378)
	<u>\$ 131,852</u>	<u>\$ —</u>	<u>\$ 115,886</u>	<u>\$ 247,738</u>	<u>\$ 61,161</u>	<u>\$ —</u>	<u>\$ 139,011</u>	<u>\$ 200,172</u>

¹ Represents adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company.

² Earnings adjustments to operating income for the three months ended June 30, 2017 include \$81.6 million of amortization of acquired intangibles in cost of service and \$34.2 million in selling, general and administrative expenses, consisting of share-based compensation expense of \$12.3 million and merger-related costs of \$21.9 million.

Earnings adjustments to operating income for the three months ended June 30, 2016 include \$68.0 million and \$71.0 million in cost of service and selling, general and administrative expenses, respectively. Adjustments to cost of service include amortization of acquired intangibles of \$67.7 million and other adjustments of \$0.3 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$9.6 million, merger-related costs of \$51.3 million, litigation related costs of \$7.6 million, employee termination benefits of \$2.1 million and \$0.4 million of other adjustments.

See "Non-GAAP Financial Measures" discussion on Schedule 10.

SCHEDULE 9**RECONCILIATION OF SEGMENT NON-GAAP FINANCIAL MEASURES TO GAAP MEASURES (UNAUDITED)**

SIX MONTHS ENDED JUNE 30, 2017 AND 2016

GLOBAL PAYMENTS INC. AND SUBSIDIARIES

(In thousands, except per share data)

	Six Months Ended June 30, 2017				Six Months Ended June 30, 2016			
	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Non-GAAP	GAAP	Net Revenue Adjustments ¹	Earnings Adjustments ²	Non-GAAP
Revenues:								
North America	\$ 1,398,009	\$ (176,114)	\$ —	\$ 1,221,895	\$ 1,051,980	\$ (235,011)	\$ —	\$ 816,969
Europe	352,054	(54,068)	—	297,986	306,374	(37,983)	—	268,391
Asia-Pacific	131,939	—	—	131,939	110,550	—	—	110,550
	<u>\$ 1,882,002</u>	<u>\$ (230,182)</u>	<u>\$ —</u>	<u>\$ 1,651,820</u>	<u>\$ 1,468,904</u>	<u>\$ (272,994)</u>	<u>\$ —</u>	<u>\$ 1,195,910</u>
Operating income:								
North America	\$ 206,259	\$ —	\$ 151,262	\$ 357,521	\$ 147,665	\$ —	\$ 73,440	\$ 221,105
Europe	120,180	—	15,996	136,176	108,566	—	20,030	128,596
Asia-Pacific	37,289	—	3,270	40,559	25,609	—	6,122	31,731
Corporate	(126,906)	—	69,137	(57,769)	(126,106)	—	76,482	(49,624)
	<u>\$ 236,822</u>	<u>\$ —</u>	<u>\$ 239,665</u>	<u>\$ 476,487</u>	<u>\$ 155,734</u>	<u>\$ —</u>	<u>\$ 176,074</u>	<u>\$ 331,808</u>

¹Represents adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company.

²Earnings adjustments to operating income for the six months ended June 30, 2017 include \$167.9 million in cost of service and \$71.8 million in selling, general and administrative expenses. Adjustments to cost of service include amortization of acquired intangibles of \$166.2 million and employee termination benefits of \$1.7 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$21.2 million, merger-related cost of \$48.0 million and employee termination benefits of \$2.6 million.

Earnings adjustments to operating income for the six months ended June 30, 2016 include \$89.1 million and \$86.9 million in cost of service and selling, general and administrative expenses, respectively. Adjustments to cost of service represent amortization of acquired intangibles of \$88.8 million and other adjustments of \$0.3 million. Adjustments to selling, general and administrative expenses include share-based compensation expense of \$16.6 million, merger-related costs of \$60.0 million, litigation related costs of \$7.6 million, employee termination benefits of \$2.1 million and \$0.6 million of other adjustments.

See "Non-GAAP Financial Measures" discussion on Schedule 10.

SCHEDULE 10
OUTLOOK SUMMARY (UNAUDITED)
GLOBAL PAYMENTS INC. AND SUBSIDIARIES
(In billions, except per share data)

	2016 Actual	2017 Outlook ³	% Change
Revenues:			
GAAP revenue	\$3.37	\$3.83 to \$3.91	14% to 16%
Adjustments ¹	(0.53)	(0.43)	
Adjusted net revenue	\$2.84	\$3.40 to \$3.48	20% to 22%
Earnings Per Share ("EPS"):			
GAAP diluted EPS	\$1.37	\$1.98 to \$2.13	45% to 55%
Acquisition-related amortization expense, share-based compensation expense and other items ²	1.82	1.87	
Adjusted EPS	\$3.19	\$3.85 to \$4.00	21% to 25%

¹Represents adjustments to revenues for gross-up related payments (included in operating expenses) associated with certain lines of business to reflect economic benefits to the company.

²Adjustments to Calendar 2016 GAAP diluted EPS include acquisition related amortization expense of \$1.17, share-based compensation expense of \$0.14 and net other items of \$0.51, including merger-related costs of \$0.62, a \$0.16 adjustment to remove a gain on the sale of membership interests in Visa Europe and a \$0.07 adjustment to remove a tax benefit associated with our decision to indefinitely reinvest earnings in Canada. Adjustments to 2016 GAAP diluted EPS also includes the effect of these adjustments on noncontrolling interests and income taxes, as applicable.

³The 2017 Outlook does not include the effect of the announced acquisition of the communities and sports divisions of ACTIVE Network.

NON-GAAP FINANCIAL MEASURES

Global Payments supplements revenues, income and EPS information determined in accordance with U.S. GAAP by providing these measures with certain adjustments (such measures being non-GAAP financial measures) in this document to assist with evaluating our performance. In addition to GAAP measures, management uses these non-GAAP financial measures to focus on the factors the company believes are pertinent to the daily management of our operations. Management believes adjusted net revenue more closely reflects the economic benefits to the company's core business and allows for better comparisons with industry peers. Management uses these non-GAAP financial measures, together with other metrics, to set goals for and measure the performance of the business and to determine incentive compensation. Adjusted net revenue, adjusted operating income, adjusted net income and adjusted EPS should be considered in addition to, and not as substitutes for, revenues, operating income, net income and EPS determined in accordance with GAAP. The non-GAAP financial measures reflect management's judgment of particular items, and may not be comparable to similarly titled measures reported by other companies.

Adjusted net revenue excludes gross-up related payments associated with certain lines of business to reflect economic benefits to the company. On a GAAP basis, these payments are presented gross in both revenues and operating expenses.

Adjusted operating income, adjusted net income and adjusted EPS exclude acquisition-related amortization expense, share-based compensation and certain other items specific to each reporting period as more fully described in the accompanying reconciliations in Schedules 6, 7, 8 and 9. The tax rate used in determining the net income impact of earnings adjustments is either the jurisdictional statutory rate in effect at the time of the adjustment or the jurisdictional expected annual effective tax rate for the period, depending on the nature and timing of the adjustment.

FOR IMMEDIATE
RELEASE



SERVICE. DRIVEN. COMMERCE

**Global Payments to Acquire ACTIVE Network;
Announces Strategic Partnership with Vista Equity Partners**

ACTIVE Network is a leading provider of cloud-based, enterprise software solutions

*Vista Equity Partners is the pre-eminent global investor in enterprise
software, data and technology-enabled businesses*

ATLANTA, August 3, 2017 -- Global Payments Inc. (NYSE: GPN), a leading worldwide provider of payment technology services, announced today an agreement to acquire the communities and sports divisions of ACTIVE Network from Vista Equity Partners. ACTIVE Network delivers cloud-based, mission critical enterprise software, including payment technology solutions, to event organizers in the communities and health and fitness verticals. The outdoors division of ACTIVE Network will be retained by Vista Equity Partners.

“ACTIVE Network aligns perfectly with our technology-enabled, software driven strategy and complements our existing businesses well,” said Jeff Sloan, Global Payments’ Chief Executive Officer. “With ACTIVE Network, we are adding an enterprise software business operating in two new vertical markets that are highly fragmented and underpenetrated with attractive growth fundamentals.”

Sloan continued, “We also are delighted to enter into a strategic partnership with Vista Equity Partners to provide payment technology expertise to their portfolio of companies. This represents a unique and exciting opportunity to integrate our distinctive payment technologies with a number of leading enterprise software companies to enhance their solutions and drive further market share gains.”

Robert F. Smith, Founder, Chairman and CEO of Vista Equity Partners, added, “I am pleased to announce this acquisition and Vista’s strategic partnership with Global Payments. I am confident that Global Payments will be the ideal partner to extend and expand ACTIVE Network’s global reach and

scale, as well as offer innovative and differentiated payment technology solutions worldwide to our portfolio companies going forward.”

Under the terms of the acquisition agreement, Global Payments will acquire the communities and sports divisions of ACTIVE Network from Vista Equity Partners in a stock and cash transaction valued at approximately \$1.2 billion, including a tax asset. Net of the tax asset, the effective purchase price is approximately \$1.0 billion. Vista will receive \$600 million of Global Payments stock and \$600 million in cash as consideration. Global Payments will finance the cash portion with its existing credit facility and cash on hand. The transaction, which is subject to customary closing conditions and regulatory approvals, is expected to close in the fourth quarter of 2017. Global Payments expects the transaction to have an immaterial impact on 2017 adjusted earnings per share results.

About Global Payments

Global Payments Inc. (NYSE: GPN) is a leading worldwide provider of payment technology services that delivers innovative solutions driven by customer needs globally. Our technologies, partnerships and employee expertise enable us to provide a broad range of products and services that allow our customers to accept all payment types across a variety of distribution channels in many markets around the world.

Headquartered in Atlanta, Georgia with more than 8,500 employees worldwide, Global Payments is a member of the S&P 500 with merchants and partners in 30 countries throughout North America, Europe, the Asia-Pacific region and Brazil. For more information about Global Payments, our Service. Driven. Commerce brand and our technologies, please visit www.globalpaymentsinc.com.

About Vista Equity Partners

Vista Equity Partners, a U.S.-based investment firm with offices in Austin, San Francisco, Chicago, and Oakland with more than \$30 billion in cumulative capital commitments, currently invests in software, data and technology-enabled organizations led by world-class management teams with long-term perspective. Vista is a value-added investor, contributing professional expertise and multi-level support towards companies realizing their full potential. Vista's investment approach is anchored by a sizable long-term capital base, experience in structuring technology-oriented transactions, and proven management techniques that yield flexibility and opportunity in private equity investing. For more information, please visit www.vistaequitypartners.com.

J.P. Morgan Securities LLC is serving as the exclusive financial advisor to ACTIVE Network.

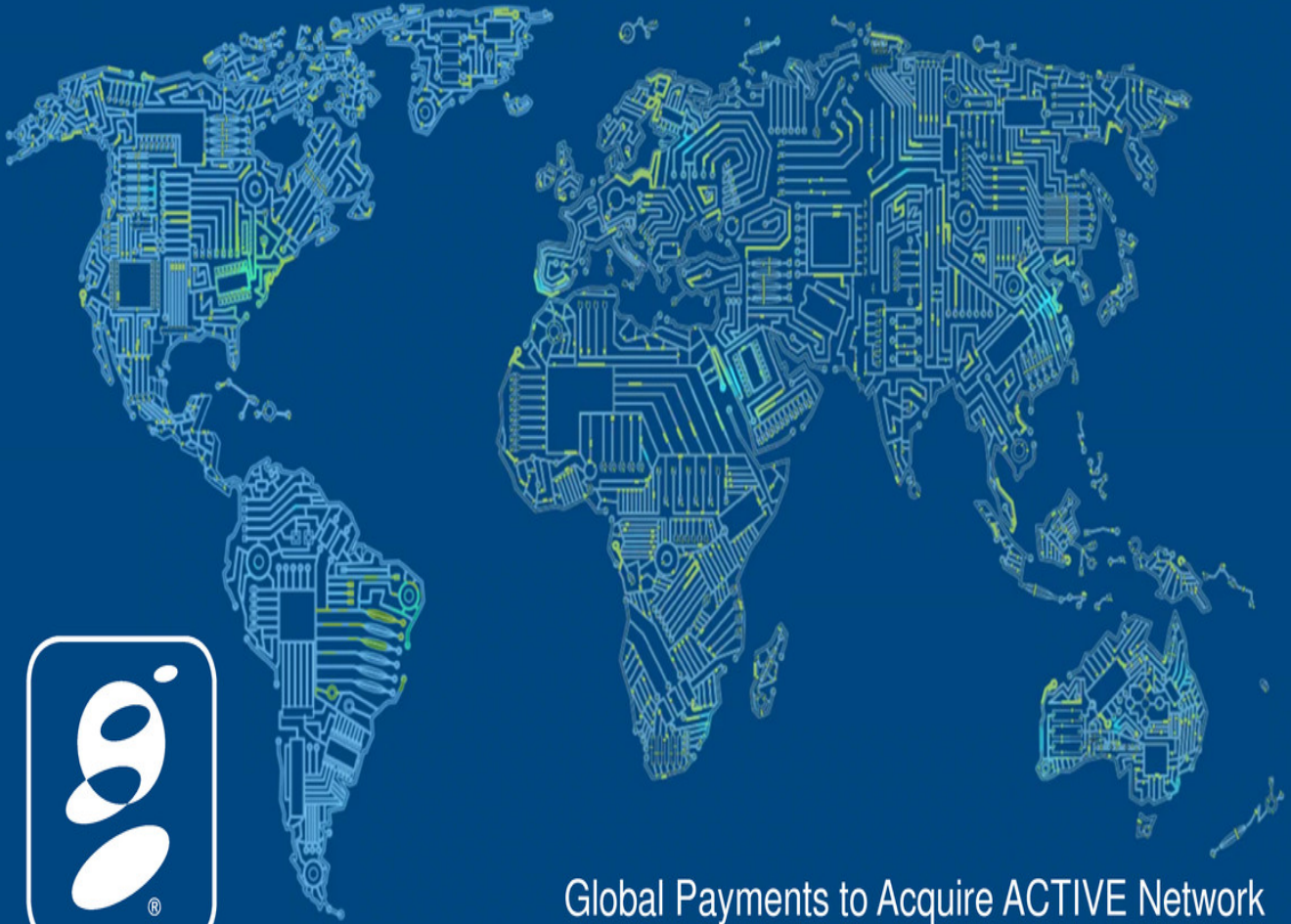
Forward-Looking Statements

Investors are cautioned that some of the statements we use in this release contain forward-looking statements and are made pursuant to the “safe-harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks and uncertainties and depend upon future events or conditions. Actual events or results might differ materially from those expressed or forecasted in these forward-looking statements. Accordingly, we cannot guarantee you that our plans and expectations will be achieved. Such statements may include, but are not limited to, statements about the benefits of the proposed transaction, including future financial and operating results, the combined company’s plans, objectives, expectations and intentions and other statements that are not historical facts. Important factors that could cause actual events or results to differ materially from those anticipated by our forward-looking statements or historical performance associated with the proposed acquisition of ACTIVE Network include the ability to meet closing conditions at all or on the expected terms and schedule, business disruption during the pendency of the acquisition or thereafter making it more difficult to maintain business and operational relationships, including the possibility that our announcement of the acquisition could disrupt our or ACTIVE Network’s relationships with financial institutions, customers, employees or other partners; and difficulties and delays in integrating the ACTIVE Network business or fully realizing benefits of the acquisition at all or within the expected time period. Additional factors that could cause events or results to differ materially from those anticipated by our forward-looking statements or historical performance can be found in our Transition Report on Form 10-K for the seven months ended December 31, 2016, and any subsequent filings with the Securities and Exchange Commission.

Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. We undertake no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events, except to the extent required by the federal securities laws.

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SERVICE. DRIVEN. COMMERCE

Global Payments to Acquire ACTIVE Network

AUGUST 3, 2017

Forward-Looking Statements



Investors are cautioned that some of the statements we use in these materials contain forward-looking statements and are made pursuant to the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks and uncertainties and depend upon future events or conditions. Actual events or results might differ materially from those expressed or forecasted in these forward-looking statements. Accordingly, we cannot guarantee you that our plans and expectations will be achieved. Such statements may include, but are not limited to, statements about the benefits of the proposed transaction, including future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. Important factors that could cause actual events or results to differ materially from those anticipated by our forward-looking statements or historical performance associated with the proposed acquisition of ACTIVE Network include the ability to meet closing conditions at all or on the expected terms and schedule, business disruption during the pendency of the acquisition or thereafter making it more difficult to maintain business and operational relationships, including the possibility that our announcement of the acquisition could disrupt our or ACTIVE Network's relationships with financial institutions, customers, employees or other partners; and difficulties and delays in integrating the ACTIVE Network business or fully realizing benefits of the acquisition at all or within the expected time period. Additional factors that could cause events or results to differ materially from those anticipated by our forward-looking statements or historical performance can be found in our Transition Report on Form 10-K for the seven months ended December 31, 2016, and any subsequent filings with the Securities and Exchange Commission. Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. We undertake no obligation to revise any of these statements to reflect future circumstances or the occurrence of unanticipated events, except to the extent required by the federal securities laws.

Strategic Rationale

1 Industry Leader

- Market leader providing cloud-based, mission critical enterprise software solutions to event organizers in the communities and health & fitness vertical markets globally
- Serves over 620,000 activities and 36,000 merchants with over 51 million annual participant registrations
- Benefits from scale and network effects
- Strong, growing footprint managing software and payments in 74+ countries, 130 currencies and 30 languages

2 Strategic Fit

- Dovetails with Global Payment's technology-enabled, software driven payments strategy
- Adds new vertical markets with no channel conflict
- High recurring revenue from predominately small-to-medium sized customers with long-term contracts
- Complements geographic and distribution footprint

3 Large Total Addressable Market

- Target market encompasses more than \$60 billion in volume worldwide
- ACTIVE Network has penetrated approximately 5-7% of the market
- Market is highly fragmented and underpenetrated

4 Value Creation Opportunity

- Drive revenue growth domestically through Global Payments direct salesforce; cross-sell opportunities with existing Global Payment's vertical market businesses
- Expand ACTIVE Network's offerings across international markets
- Leverage Active Network's development resources, data and analytics platforms and machine learning capabilities

Vertical Software Selection Criteria

Vertical Specific	Company Specific		
✓ Large Total Addressable Market	✓ Mission Critical Software	✓ Drags Payment Processing	
✓ Fragmented & Market Leader	✓ Significant Mix of Payments Revenue	✓ Ability to Expand Internationally	
✓ High Card Penetration	✓ Rate of Growth	✓ SME Focus	✓ Profitable Scale

ACTIVE Industry Leading Metrics

620k Activities	36k Event Organizers	~ 1 in 4 US Households have used ACTIVE	51mm Registrations	\$3bn+ Volume Processed	105mm Mobile User Sessions
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Transaction Summary

Key Terms

- Global Payments will acquire the communities and sports divisions of ACTIVE Network for \$1.2 billion; net of a tax asset, effective purchase price approximately \$1.0 billion
- Vista will receive \$600 million of GPN stock and \$600 million of cash as consideration
- Global Payments will finance the cash portion with its existing credit facility and cash on hand
- Transaction will be immediately accretive to adjusted net revenue growth, adjusted operating margins and adjusted earnings per share ⁽¹⁾

Strategic Partnership with Vista Equity Partners

- Strategic partnership creates opportunity for Global Payments to offer innovative and differentiated payment technology solutions to Vista portfolio companies
- Provides potential to integrate with over 40 Vista portfolio companies worldwide
- Creates on-going pipeline of new partnership opportunities as Vista acquires more software businesses

(1) Immaterial to adjusted earning per share for calendar 2017.

