UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
AMENDMENT NO. 1

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

Date of Report (Date of earliest event reported): November 12, 2003

Commission file number 001-16111

globalpayments™

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.)
FOUR CORPORATE SQUARE, ATLANTA, GEORGIA (Address of principal executive offices)	**30329-2009** (Zip Code)

404-728-2719
(Registrant's telephone number, including area code)

NONE
(Former name, former address, and former fiscal year, if changed since last report)

EXPLANATORY NOTE

On November 26, 2003, Global Payments Inc. filed a Current Report on Form 8-K, or the Original Filing, to announce that it completed the acquisition of Latin America Money Services, LLC, or LAMS, on November 12, 2003. This Amendment amends Item 2 of the Original Filing to include certain post closing adjustments to the purchase price and the impact of related transactions and amends Item 7 of the Original Filing to include the financial statements required by Items 7(a) and 7(b) of Form 8-K.

ITEM 2—ACQUISITION OR DISPOSITION OF ASSETS

On November 12, 2003, we completed the acquisition of LAMS, a Delaware limited liability company which owned a majority of the outstanding equity interests in DolEx Dollar Express, Inc., or DolEx, a Texas corporation, and owned a majority of the outstanding equity interests in DolEx Envios, S.A. de C.V., or DolEx Envios, a Mexican subsidiary of DolEx. The transaction was structured as a merger of GP Ventures (Texas), Inc., a Delaware corporation and wholly-owned subsidiary of ours, into LAMS, with LAMS remaining as the surviving entity in the merger. We also acquired the remaining equity interests in DolEx that were not already owned by LAMS from the DolEx Class B shareholders. As a result of the transaction, LAMS, a holding company, is now a wholly-owned subsidiary of ours, DolEx, the primary operating company, is a wholly-owned subsidiary of LAMS and DolEx Envios is a majority-owned subsidiary of DolEx because one share of DolEx Envios is owned by GP Finance, Inc., a wholly-owned subsidiary of ours.

Under the terms of the merger and related agreements, we paid a purchase price of $190 million plus certain closing adjustments such as an adjustment relating to closing cash on hand, certain merger expenses and the value of certain acquisitions that were consummated by DolEx prior to closing. Accordingly, at closing, we gave consideration of approximately $192 million for LAMS, DolEx and DolEx Envios, which we collectively refer to as the operations acquired from LAMS. The consideration consisted of a combination of $61 million in cash-on-hand at closing, net of cash acquired of approximately $9 million, the issuance of $114 million in promissory notes payable to the order of the LAMS members and the DolEx Class B shareholders, and the issuance of 223,289 shares of our common stock with a fair value on the closing date of approximately $8 million. We may be required to make further contingent payments to the LAMS members and the DolEx Class B shareholders primarily based on DolEx attaining certain performance levels for calendar 2003. Concurrent with the acquisition, we changed the name of our “funds transfer” service offerings to “money transfer”, under which DolEx revenue will be reported. Global Payments intends to operate the acquired business in a manner consistent with DolEx’s historical operations.

The net assets acquired consist of cash, accounts receivable, inventory, prepaid expenses and other current assets, tangible personal property, internally developed software, a customer related intangible, trademarks and the goodwill of the business, net of certain accrued expenses and settlement obligations. On December 1, 2003, we borrowed from our U.S. credit facility in order to pay off the $114 million note payable.

Founded in 1996, DolEx is a leading provider of consumer-to-consumer electronic money transfer services to the Latino community living in the United States and their Latin American beneficiaries abroad. DolEx provides services that allow customers to transfer money electronically through its network of retail branches in the United States to beneficiaries in Latin America. The business, which is based in Arlington, Texas, operates hundreds of branches across the U.S. in areas with large Latino populations, and has settlement arrangements with thousands of banks, exchange houses and retail locations in Latin America.

ITEM 7—FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial statements of businesses acquired.

The following combined financial statements and notes thereto of Certain Operations of Latin America Money Services, LLC to be acquired by Global Payments Inc. are filed with this Report;

(i) Audited Combined Financial Statements as of and for the years ended December 31, 2002 and 2001 are filed with this report as Exhibit 99.1.

(ii) Unaudited Combined Financial Statements as of September 30, 2003 and for the nine months ended September 30, 2003 and 2002 are filed with this report as Exhibit 99.2.

(b) Pro forma financial information.

The following unaudited pro forma combined financial information is filed with this report as Exhibit 99.3;

(i) Unaudited Pro Forma Combined Financial Statements of income and notes thereto for the year ended May 31, 2003 and the six months ended November 30, 2003.

(c) Exhibits.

Exhibit Number	Description
10.1	Agreement and Plan of Merger dated August 11, 2003, filed as Exhibit 10 to the Registrant's Current Report on Form 8-K dated August 11, 2003, File No. 001-16111 and incorporated herein by reference.
23	Consent of KPMG LLP
99.1	Certain Operations of Latin America Money Services, LLC to be acquired by Global Payments Inc. audited Combined Financial Statements as of and for the years ended December 31, 2002 and 2001.
99.2	Certain Operations of Latin America Money Services, LLC to be acquired by Global Payments Inc. Unaudited Combined Financial Statements as of September 30, 2003 and for the nine months ended September 30, 2003 and 2002.
99.3	Unaudited Pro Forma Combined Financial Statements of income and notes thereto for the year ended May 31, 2003 and the six months ended November 30, 2003.

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 thereunto duly authorized.

GLOBAL PAYMENTS INC.
(Registrant)

Date: January 23, 2004

BY: /s/ JAMES G. KELLY

James G. Kelly
Chief Financial Officer
(Principal Financial Officer and Chief Accounting Officer)

EXHIBIT 23

Independent Auditors' Consent

The Board of Directors
Latin America Money Services, LLC:

We consent to the incorporation by reference in the registration statement (No. 333-52774) on Form S-8 and the registration statement (No. 333-111768) on Form S-3 of Global Payments Inc. of our report dated May 16, 2003, except as to note 1 which is as of November 12, 2003, and note 3 which is as of July 24, 2003 to the combined financial statements, with respect to the combined balance sheets of Certain Operations of Latin America Money Services, LLC as of December 31, 2002 and 2001, and the related combined statements of operations, changes in business equity and comprehensive income (loss), and cash flows for the years then ended, which report appears in the Form 8-K/A Amendment No. 1 of Global Payments Inc. dated November 12, 2003. Our report refers to a change in the method of accounting for goodwill and other intangible assets in 2002.

KPMG LLP

Dallas, Texas
January 22, 2004

EXHIBIT 99.1

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Financial Statements

December 31, 2002 and 2001

(With Independent Auditors' Report Thereon)

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Financial Statements

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Independent Auditors' Report

The Board of Directors and Stockholders
Latin America Money Services, LLC:

We have audited the accompanying combined balance sheets of Certain Operations of Latin America Money Services, LLC as described in note 1 to the combined financial statements (the Acquired Companies) as of December 31, 2002 and 2001, and the related combined statements of operations, changes in business equity and comprehensive income (loss), and cash flows for the years then ended. These combined financial statements are the responsibility of the Acquired Companies' management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Certain Operations of Latin America Money Services, LLC as of December 31, 2002 and 2001, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 2 to the combined financial statements, the Acquired Companies adopted Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets*, effective January 1, 2002.

KPMG LLP

Dallas, Texas
May 16, 2003, except as to note 1
which is as of November 12, 2003
and note 3 which is as of July 24, 2003

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Balance Sheets

December 31, 2002 and 2001

(In thousands of U.S. dollars)

	2002	2001
Assets		
Current assets:		
Cash and cash equivalents (Note 4)	$ 12,630	13,221
Accounts receivable	601	1,097
Deferred income taxes (Note 7)	—	92
Income tax receivable	—	159
Other current assets	2,703	1,299
Total current assets	15,934	15,868
Property, furniture, and equipment, net (Notes 5 and 6)	8,951	7,976
Goodwill, net of $2,669 accumulated amortization in 2001 (Notes 2 and 3)	19,873	50,586
Intangible assets, net (Notes 2 and 3)	12,345	—
Other long-term assets	1,857	28
Total assets	$ 58,960	74,458
Liabilities and Business Equity		
Current liabilities:		
Outstanding checks not yet cleared bank	$ 346	1,856
Current portion of bank loans (Note 6)	12,500	5,250
Current portion of notes payable (Note 6)	7	10,007
Income tax payable	511	—
Sundry creditors and other accounts payable	5,566	5,586
Deferred income taxes (Note 7)	361	—
Total current liabilities	19,291	22,699
Deferred income taxes (Note 7)	600	83
Bank loans (Note 6)	3,500	16,000
Notes payable (Note 6)	52	59
	4,152	16,142
Minority interest	3,231	3,661
Total liabilities	26,674	42,502
Business equity:		
Business equity	32,252	31,911
Accumulated other comprehensive income	34	45
Total business equity	32,286	31,956
Commitments and contingencies (Note 8)		
	$ 58,960	74,458

See accompanying notes to combined financial statements.

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Statements of Operations

Years ended December 31, 2002 and 2001

(In thousands of U.S. dollars)

	2002	2001
Revenues	$ 68,496	56,771
Operating expenses:		
Cost of service	38,374	39,274
Sales, general and administrative	17,810	19,165
Total expenses	56,184	58,439
Operating income (loss)	12,312	(1,668)
Other income (expense):		
Other income	1,690	1,231
Interest income	138	284
Interest expense	(1,331)	(3,253)
Loss on the sale of subsidiary shares (Note 3)	(7,217)	—
Minority interest in earnings	(1,079)	(338)
Income (loss) before income taxes	4,513	(3,744)
Income taxes (Note 7)	4,172	400
Net income (loss)	$ 341	(4,144)

See accompanying notes to combined financial statements.

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Statements of Changes in Business Equity and Comprehensive Income (Loss)

Years ended December 31, 2002 and 2001

(In thousands of U.S. dollars)

	Business equity	Accumulated other comprehensive income	Total business equity
Balances at December 31, 2000	$22,153	—	22,153
Net loss	(4,144)	—	(4,144)
Currency translation adjustment	—	45	45
Comprehensive loss			(4,099)
Dividend received from operations not acquired	2,194	—	2,194
Capital contribution	11,708	—	11,708
Balances at December 31, 2001	31,911	45	31,956
Net income	341	—	341
Currency translation adjustment	—	(11)	(11)
Comprehensive income			330
Balances at December 31, 2002	$32,252	34	32,286

See accompanying notes to combined financial statements.

**CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.**

Combined Statements of Cash Flows

Years ended December 31, 2002 and 2001

(In thousands of U.S. dollars)

	2002	2001
Cash flows from operating activities:		
Net income (loss)	$ 341	(4,144)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	1,790	1,642
Deferred income taxes	952	9
Loss on disposal of property, furniture, and equipment	84	309
Loss on sale of subsidiary shares (Note 3)	7,217	—
Amortization of goodwill	—	2,130
Amortization of intangibles	1,164	—
Minority interest	1,079	338
Accounts receivable	496	786
Other assets	(3,233)	(630)
Income tax payable/receivable	670	45
Sundry creditors and other accounts payable	(5)	111
Net cash provided by operating activities	10,555	596
Cash flows from financing activities:		
Capital contribution	—	11,708
Bank and other loans	(5,250)	(11,154)
Notes payable	(10,007)	6,349
Net change in outstanding checks not yet cleared the bank	(1,510)	(3,645)
Dividend received from operations not acquired	—	2,194
Redemption of subsidiary common stock (Note 3)	(1,020)	—
Proceeds from issuance of subsidiary common stock (Note 3)	5,500	—
Proceeds from the sale of subsidiary common stock (Note 3)	4,000	—
Net cash (used in) provided by financing activities	(8,287)	5,452
Cash flows from investing activities:		
Acquisition of property, furniture, and equipment	(2,848)	(3,514)
Net cash used in investing activities	(2,848)	(3,514)
Effect of currency translation adjustment	(11)	45
Increase (decrease) in cash and cash equivalents	(591)	2,579
Cash and cash equivalents, beginning of year	13,221	10,642
Cash and cash equivalents, end of year	$ 12,630	13,221
Cash paid for:		
Interest	$ 1,331	2,516
Income taxes	3,357	384
Noncash investing activities (Note 3):		
Reallocation of goodwill in acquisition	$ (22,621)	—
Intangible assets acquired in acquisition	18,986	—
Acquisition of minority interest	3,635	—

See accompanying notes to combined financial statements.

(1) Basis of Presentation

On November 12, 2003, Global Payments, Inc., or Global Payments, completed the acquisition of Latin America Money Services, LLC, or LAMS, a Delaware limited liability company which directly owned a majority of the outstanding equity interests in DolEx Dollar Express, Inc. (see note 3), a Texas corporation, or DolEx, and indirectly owned a majority of the outstanding equity interests in DolEx Envios, S.A. de C.V., a Mexican subsidiary of DolEx, or DolEx Envios. The transaction was structured as a merger of GP Ventures (Texas), Inc., a Delaware corporation and wholly-owned subsidiary of Global Payments, into LAMS, with LAMS remaining as the surviving entity in the merger. Global Payments also acquired the remaining equity interest in DolEx that were not already owned by LAMS from the DolEx Class B shareholders. As a result of the transaction, LAMS is now a wholly-owned subsidiary of Global Payments, DolEx is a wholly-owned subsidiary of LAMS and DolEx Envios is a majority-owned subsidiary of DolEx because one share of DolEx Envios is owned by GP Finance, Inc., a wholly-owned subsidiary of Global Payments. The acquired operations are collectively referred to as the Acquired Companies.

The accompanying combined financial statements include the combined assets and liabilities and the related operations of the Acquired Companies. This presentation represents the companies to be acquired by Global, and therefore excludes the assets, liabilities, and business equity of the subsidiaries of the Acquired Companies not being acquired. Accordingly, the accompanying combined financial statements also exclude the results of operations for those entities. All significant intercompany accounts and transactions of the Acquired Companies have been eliminated. These financial statements have been presented on the historical cost basis in accordance with accounting principles generally accepted in the United States of America. No adjustments have been made to reflect any effects of the Global purchase discussed above. Accordingly, these combined financial statements are not necessarily indicative of the results of the Acquired Companies which would have occurred or which will occur in the future, had the effects of the purchase been reflected.

The exclusion of the assets, liabilities, and business equity of the subsidiaries of the Acquired Companies not being acquired resulted in a negative working capital at December 31, 2002 and 2001.

(2) Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in local and foreign banks.

(b) Property, Furniture, and Equipment

Property, furniture, and equipment, are recorded at cost less accumulated depreciation. During 2002, DolEx changed the amortization for leasehold improvements to the lesser of the useful lives or the life of the lease resulting in an increase in depreciation of approximately $242 in 2002. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets or the life of the lease, if shorter. During 2002, DolEx changed the estimated useful lives of

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computer equipment from three years to five years. Recoverability of furniture, fixtures, and equipment is periodically evaluated by assessing whether the net book value can be recovered over its remaining life through undiscounted cash flows generated by the asset. No such impairment was recorded in 2002 or 2001.

During 2002, DolEx capitalized approximately $432 of costs related to internally developed software in accordance with Statement of Position 98-1, *Accounting for the Costs of Computer Software Developed or Obtained for Internal Use*. Costs prior to 2002 were not capitalized due to the lack of documentation. Additionally, DolEx purchased externally developed software in 2002 for approximately $547. Depreciation expense for software is computed using the straight-line method over five years.

(c) Leases

During 2002 and 2001, the Acquired Companies capitalized approximately $1,800 and $119, respectively, of costs related to amounts paid to assume lease obligations from third parties and costs paid to renew current leases. Costs related to the purchase of lease obligations and renewal costs paid upfront are capitalized and expensed over the terms of the leases and are included in other current and other long-term assets in the accompanying combined balance sheets.

(d) Advertising Expense

Cost of advertising is expensed as incurred. In 2002, the Acquired Companies ran an advertising campaign, whose expense did not qualify for direct response advertising since the Acquired Companies were unable to link the specific advertising spots with a log of customers that specifically responded to each one of the various advertising means. The Acquired Companies incurred approximately $1,523 and $726 in advertising expense during 2002 and 2001, respectively.

(e) Goodwill and Intangible Assets

Goodwill represents the excess cost over fair value of net assets acquired, and for the periods prior to December 31, 2001, was being amortized on a straight-line basis over a 25-year period. For periods beginning on January 1, 2002, goodwill is no longer being amortized, but instead is tested for impairment at least annually.

In June 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 142, *Goodwill and Other Intangible Assets*. SFAS No. 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually in accordance with the provisions of SFAS No. 142. SFAS No. 142 also requires that intangible assets with definite useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with SFAS No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*, or SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, upon adoption.

The Acquired Companies adopted the provisions of SFAS No. 142 on January 1, 2002. As of the date of adoption, the Acquired Companies had unamortized goodwill in the amount of approximately $50,586, which was subject to the transition provisions of SFAS No. 142 (see note 3). Amortization expense related to goodwill was $2,130 for the year ended December 31, 2001. The following reconciles 2002 and 2001 net income (loss) to 2002 and 2001 adjusted net income (loss), assuming the provisions of SFAS No. 142 were in effect for both 2002 and 2001 (in thousands):

	2002	2001
Net income (loss)	$341	(4,144)
Add back: goodwill amortization	—	2,130
Adjusted net income (loss)	$341	(2,014)

The Acquired Companies recognized no transitional impairment losses on the date of adoption. Further, the Acquired Companies recognized no impairment losses as a result of the annual impairment testing for the year ended December 31, 2002.

Intangible assets are as follows at December 31, 2002 (note 3):

	Gross carrying amount	Average amortization period	Accumulated amortization
Amortization intangible assets:			
Customer base	$ 1,418	3 years	$ 642
Computer software	608	5 years	107
Operating leases	2,371	5 years	415
Total	4,397		$ 1,164
Nonamortizing intangible assets:			
Trademark	9,068		
State licenses	44		
Total intangible assets	$ 13,509		

Aggregate amortization expense for amortizing intangible assets for the year ended December 31, 2002 was approximately $1,164. Estimated amortization expense for the next five years is approximately $973 in 2003, $765 in 2004, $671 in 2005, $630 in 2006, and $90 in 2007.

(Continued)

(f) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

(g) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(h) Revenue Recognition

Customers are charged fees based on the nature and amount of the transactions performed by the Acquired Companies on the customers' behalf. Such fees are recognized as revenue when received. Customers are quoted an exchange rate for each money transfer request. The Acquired Companies purchase local currencies at the best available rate, which generally results in a currency exchange gain. Currency exchange gains or losses are recognized when customers' requests are settled.

Commissions are paid to agents based on the nature and amount of the transactions performed for the Acquired Companies by the agents. Such commissions are recognized as expense when incurred and are included in cost of service in the combined statements of operations.

(i) Contingencies

Liabilities for loss contingencies, including those arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or redemption can be reasonably estimated. No such amounts were recorded at December 31, 2002 and 2001.

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(j) Foreign Currency Translation

The functional currency of the Acquired Companies' operations in Mexico is the Mexican peso. The translation of Mexican peso amounts into U.S. dollars is performed for the balance sheet accounts using current exchange rates in effect at the balance sheet date, except for equity accounts, which are translated at historical exchange rates. Income and expense accounts are translated using average exchange rates during each reporting period. The gains or losses resulting from such translation are included in business equity as a component of accumulated other comprehensive income.

(k) Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 107, *Disclosures About Fair Value of Financial Instruments* (Statement 107), requires the Acquired Companies to disclose estimated fair values for their financial instruments. Fair value estimates, methods, and assumptions at December 31, 2002 and 2001 are described below for the Acquired Companies' financial instruments.

Cash and cash equivalents, accounts receivable, income tax receivable, outstanding checks not yet cleared bank, income tax payable, and sundry creditors and other payable accounts. The carrying amounts reported in the combined balance sheets approximate their fair values because of the short maturity of these financial instruments.

Bank loans and notes payable. The carrying amounts reported in the combined balance sheets for notes payable approximate their fair values because of the short maturity of these financial instruments. The fair value of bank loans approximate carrying value due to the short maturity and variable interest rate paid on the bank loans.

(3) Acquisitions and Goodwill

In September 2000, LAMS acquired a 51% interest in DolEx. At the time of the purchase, LAMS also entered into an option agreement with the minority shareholders that provided LAMS the ability to increase its ownership at nominal consideration should DolEx not achieve specified earning targets in years 1 and 2 following the acquisition. During 2002, it did not appear to LAMS that DolEx was going to meet the contractually specified earnings targets, which were also not satisfied for the period ended September 30, 2001. LAMS and the minority shareholders negotiated a revision to the original purchase and option agreement and a restructure of DolEx effective February 15, 2002. On the date LAMS renegotiated the option agreement, it was expected LAMS would have earned the right to exercise control of 100% of DolEx on September 30, 2002, the date specified in the original contract. The restructure provided for the redemption of 100% of the common shares owned by the minority shareholders in DolEx for $1,020, the sale of 61,569 shares of DolEx owned by LAMS for $4,000 to the minority shareholders, the issuance and sale of 84,756 of new DolEx common shares to the minority shareholders for $5,500, and an option for the minority shareholders to purchase up to 250,696 of additional DolEx common shares

(Continued)

contingent upon specified DolEx earning targets for the year ended December 31, 2002. This renegotiated contract sold 13% of DolEx to the minority shareholders at February 15, 2002 for a net purchase price of $8,480 and included an option for a 15.85% reduction in ownership interest based upon future earnings forecasts that were reasonably likely to be achieved at nominal consideration (i.e., 1 cent per share).

As it was expected, based upon the earnings targets specified in the original purchase and option agreement, LAMS would earn the right to acquire 100% of DolEx for nominal additional consideration and the transaction to sell 28.85% of DolEx to the minority shareholders through the newly issued reorganization and option agreement, resulting in a step acquisition and reorganization which was accounted for as one transaction. This transaction resulted in the increase in LAMS' ownership from 51% to 71.15% at February 15, 2002. LAMS has recorded a loss of $7,217 at February 15, 2002 for the 28.85% ownership sold to minority shareholders for net consideration of $8,480.

Goodwill relating to the DolEx acquisition was approximately $50,586 at December 31, 2001. As a result of the step acquisition from 51% to 100%, goodwill was reallocated as no additional consideration was paid for the net assets acquired, resulting in an increase in investment in subsidiary through the acquisition of minority interest of approximately $3,635, an increase in intangible assets of approximately $18,986, and a reduction in goodwill of $22,621.

In connection with the sale of the 28.85% interest to the minority shareholders for $8,480 in cash, LAMS has reflected a decrease in investment is subsidiary of approximately $2,162, intangible assets of approximately $5,477, and goodwill of approximately $8,058, and recognized a loss on the sale of subsidiary shares of $7,217 at February 15, 2002.

The intangible assets acquired in the step acquisition, net of the reduction from the sale of shares, include computer software of approximately $608 with a five-year average useful life, operating leases of approximately $2,371 with a five-year average useful life, and customer base of approximately $1,418 with a three-year average useful life, and will be amortized over the estimated percentage of decline in the future income generated by the customers, registered trademark of approximately $9,068 that is not subject to amortization, and state licenses of approximately $44 that are not subject to amortization.

Effective July 24, 2003, the shareholders of LAMS and the minority shareholders of DolEx have come to an agreement on the total number of shares exercisable under the option agreement to be 164,779.

(Continued)

(In thousands of U.S. dollars, except share data)

(4) Cash and Cash Equivalents

Cash and cash equivalents as of December 31, 2002 and 2001 consist of:

	2002	2001
Cash on hand	$ 10,629	11,896
Foreign currencies	786	1,141
Foreign and national banks	1,215	184
	$ 12,630	13,221

(5) Property, Furniture, and Equipment

As of December 31, 2002 and 2001, property, furniture, and equipment are analyzed as follows:

	December 31		Estimated useful life (in years)
	2002	2001	
Land	$ 174	174	
Building	735	735	20
Booths	3,374	2,982	7
Furniture and office equipment	2,865	2,142	3-12
Computer equipment	3,214	2,383	3-7
Software	979	—	5
Transportation equipment	722	688	5-10
Leasehold improvements	1,456	1,813	Lesser of useful life or lease term
	13,519	10,917	
Less accumulated depreciation	4,568	2,941	
	$ 8,951	7,976	

(6) Bank Loans and Notes Payable

Effective June 24, 1999, the Acquired Companies entered into an $80 note payable agreement. Proceeds of the note were used to purchase a new location in Georgia. Principal and interest on the outstanding note is payable in monthly installments of approximately $1. The interest rate is 8.5% and the note is payable in full on May 24, 2009. The note is collateralized by certain land and buildings. The outstanding balance at December 31, 2002 and 2001 is $59 and $65, respectively.

(Continued)

(In thousands of U.S. dollars, except share data)

The aggregate maturities of these notes payable subsequent to December 31, 2002 are as follows:

Year ending December 31:	
2003	$ 7
2004	8
2005	9
2006	9
2007 and thereafter	26

In February 2001, due to the expansion of operations in 2000 and increased working capital needs, the Acquired Companies, through DolEx, borrowed $10,000 from certain DolEx shareholders under unsecured promissory notes. The interest rate was 7.5% and the original notes matured on March 15, 2001. The notes were extended under the same terms on a month-to-month basis through February 2002. The balance of these notes was $10,007 as of December 31, 2001. As part of the restructure discussed in note 3, the notes payable to shareholders were paid off. Interest expense paid to related parties was approximately $115 and $698 for the years ended December 31, 2002 and 2001, respectively.

On September 29, 2000, the Acquired Companies entered into a $30,000 bank loan bearing interest at LIBOR plus a margin of 4% during 2001 and a margin of 3.5% during 2002. The bank loan matures on March 31, 2004, of which $16,000 and $21,250 were outstanding as of December 31, 2002 and 2001, respectively. Future principal payments are $12,500 due in 2003 and $3,500 due in 2004.

(7) Income Taxes

For the years ended December 31, 2002 and 2001, the Acquired Companies' provision for income taxes consists of the following:

	2002	2001
Current income tax:		
United States income tax	$ 3,220	391
Deferred income tax:		
United States	952	9
	$ 4,172	400

Income tax expense differs from the amount of tax expense determined by applying the applicable statutory rate of 34% in the United States to pretax earnings/(losses) primarily due to the effect of nondeductible expenses, state income taxes in the United States, amortization of intangible assets and goodwill, loss on sale of subsidiary shares, and changes in the valuation allowance.

(In thousands of U.S. dollars, except share data)

As of December 31, 2002 and 2001, deferred income taxes were recognized on the following temporary differences:

	2002	2001
Deferred tax assets (liabilities):		
Net operating loss carryforwards for U.S. federal tax	$ —	1,038
Deferred loan fees	104	243
Accrued liabilities	—	92
Capitalized software costs	(147)	—
Prepaid expenses	(465)	—
Property, furniture, and equipment	(453)	(83)
Net deferred income taxes	(961)	1,290
Less valuation allowance	—	(1,281)
Net deferred income taxes	$(961)	9

The valuation allowance for deferred tax assets as of December 31, 2001 was $(1,281). The valuation allowance related to net operating loss carryforwards for U.S. federal tax and deferred loan fees, at December 31, 2001. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

(8) Commitments, Contingencies and Concentrations

The Acquired Companies are involved in various claims and legal actions arising in the ordinary course of business. In the opinion of the Acquired Companies' management, the ultimate outcome of these matters will not have a material adverse effect on the Acquired Companies' combined financial position or results of operations.

The Acquired Companies are a party to transactions with off-balance-sheet risk in the normal course of business. These transactions related primarily to currency exchange transactions required in order to complete customers' money transfer requests and associated exchange rate fluctuations. In addition, the Acquired Companies are exposed to credit risk associated with transactions completed by agents. In order to mitigate its credit risk, the Acquired Companies evaluate each agent's credit worthiness on a case-by-case basis.

(Continued)

(In thousands of U.S. dollars, except share data)

The Acquired Companies' business is concentrated mainly with customers in the United States who are immigrants from Mexico. If the Acquired Companies' reputation and volume of business with this segment of the population were compromised, the Acquired Companies' money transfer transaction volume and its profitability would be negatively affected. In addition, the Acquired Companies are subject to regulation by certain authorities in the states which they operate. Failure to comply with federal and state regulations would negatively affect the Acquired Companies.

The Acquired Companies lease office space under noncancelable operating leases. Certain of these leases contain escalation clauses providing for increases in rent, taxes, and other operating expenses. Rental expense amounted to $6,403 and $5,962 for 2002 and 2001, respectively.

As of December 31, 2002, the Acquired Companies were committed under operating leases, with varying renewal options, having initial or remaining noncancelable lease terms expiring on various dates through 2009. Future minimum lease payments under noncancelable operating are as follows:

Year ending December 31:	
2003	$ 4,672
2004	2,714
2005	1,713
2006	1,106
2007	455
Thereafter	154
	$ 10,814

(9) Related Party Transactions

Related party transactions with wholly owned subsidiaries' operations not acquired for the years ended December 31, 2002 and 2001 are as follows:

	2002	2001
Transactions:		
Management fees (sales, general and administrative)	$ 60	60
Commissions (cost of service)	84	385
Management fees (other income)	462	385
Settlement fees (revenues)	381	137
Rent (other income)	12	16

(Continued)

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Notes to Combined Financial Statements

December 31, 2002 and 2001

(In thousands of U.S. dollars, except share data)

(10) Quarterly Financial Information (Unaudited)

Following is a summary of the unaudited quarterly results of operations for the years ended December 31, 2002 and 2001:

	March 31,	June 30,	September 30,	December 31,
2002:				
Revenues	$ 13,307	18,588	19,139	17,462
Operating income (loss)	(141)	2,911	5,595	3,947
Net income (loss)	(7,125)	1,526	3,346	2,594
2001:				
Revenues	12,818	14,163	14,928	14,862
Operating income (loss)	(266)	(235)	(4)	(1,163)
Net income (loss)	(1,120)	(1,013)	(892)	(1,119)

EXHIBIT 99.2

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Financial Statements

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Financial Statements

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CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Combined Balance Sheets

(In thousands)

	September 30, 2003	December 31, 2002
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 7,441	$ 12,630
Accounts receivable	977	601
Income tax receivable	336	—
Other current assets	4,059	2,703
Total current assets	12,813	15,934
Property, furniture and equipment, net	9,268	8,951
Goodwill, net	19,873	19,873
Intangible assets, net	11,634	12,345
Other long-term assets	2,156	1,857
Total assets	$ 55,744	$ 58,960
LIABILITIES AND BUSINESS EQUITY		
Current liabilities:		
Outstanding checks not yet cleared bank	$ 1,052	$ 346
Current portion of bank loans	7,000	12,500
Current portion of notes payable	8	7
Income taxes payable	—	511
Sundry creditors and other accounts payable	6,855	5,566
Deferred income taxes	361	361
Total current liabilities	15,276	19,291
Deferred income taxes	600	600
Bank loans	—	3,500
Notes payable	45	52
Total liabilities	15,921	23,443
Minority interest	1,175	3,231
Business equity:		
Business equity	38,650	32,252
Accumulated other comprehensive income (loss)	(2)	34
Total business equity	38,648	32,286
Commitments and contingencies		
Total liabilities and business equity	$ 55,744	$ 58,960

See Notes to Unaudited Combined Financial Statements.

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Unaudited Combined Statements of Operations

(In thousands)

	Nine Months Ended September 30,	
	2003	**2002**
Revenues	$57,446	$51,034
Operating expenses:		
Cost of service	32,157	29,013
Sales, general and administrative	12,677	13,655
	44,834	42,668
Operating income	12,612	8,366
Other income (expense):		
Other income	622	611
Interest income	45	112
Interest expense	(492)	(1,053)
Loss on sale of subsidiary shares	—	(7,217)
Minority interest in earnings	(1,352)	(692)
	(1,177)	(8,239)
Income before income taxes	11,435	127
Income taxes	4,995	2,380
Net income (loss)	$ 6,440	$ (2,253)

See Notes to Unaudited Combined Financial Statements.

CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE ACQUIRED BY GLOBAL PAYMENTS INC.

Unaudited Combined Statements of Cash Flows

(In thousands)

	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Cash flows from operating activities:		
Net income (loss)	$ 6,440	$ (2,253)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	1,696	1,286
Amortization of acquired intangibles	730	873
Minority interest in earnings	1,352	692
Loss on sale of subsidiary shares	—	7,217
Changes in operating assets and liabilities, net of the effects of acquisitions:		
Accounts receivable and other current assets	(1,734)	(920)
Other assets	(516)	(639)
Income taxes payable/receivable	(848)	1,998
Sundry creditors and other accounts payable	1,006	(703)
Net cash provided by operating activities	8,126	7,551
Cash flows from investing activities:		
Capital expenditures	(1,815)	(2,238)
Net cash used in investing activities	(1,815)	(2,238)
Cash flows from financing activities:		
Net payments on bank and other loans	(8,713)	(12,094)
Net payments on notes payable	(5)	(5)
Net change in outstanding checks not yet cleared bank	705	(1,671)
Redemption of subsidiary common stock	—	(1,020)
Proceeds from issuance of subsidiary common stock	—	5,500
Proceeds from sale of subsidiary common stock	—	4,000
Distributions to minority interests	(3,451)	—
Net cash used in financing activities	(11,464)	(5,290)
Effect of exchange rate changes on cash	(36)	(5)
(Decrease) increase in cash and cash equivalents	(5,189)	18
Cash and cash equivalents, beginning of period	12,630	13,221
Cash and cash equivalents, end of period	$ 7,441	$ 13,239
Noncash investing activities:		
Reallocation of goodwill in acquisition	$ —	$ (22,621)
Intangible assets acquired in acquisition	—	18,986
Acquisition of minority interest	—	3,635

See Notes to Unaudited Combined Financial Statements.

**CERTAIN OPERATIONS OF
LATIN AMERICA MONEY SERVICES, LLC
TO BE AQUIRED BY GLOBAL PAYMENTS INC.**

Notes To Unaudited Combined Financial Statements

September 30, 2003 and 2002

(In thousands of U.S. Dollars, except share data)

NOTE 1—COMBINATION AND PRESENTATION

On November 12, 2003, Global Payments Inc., or Global Payments, completed the acquisition of Latin America Money Services, LLC, or LAMS, a Delaware limited liability company which directly owned a majority of the outstanding equity interests in DolEx Dollar Express, Inc., a Texas corporation, or DolEx, and indirectly owned a majority of the outstanding equity interests in DolEx Envios, S.A. de C.V., a Mexican subsidiary of DolEx, or DolEx Envios. The transaction was structured as a merger of GP Ventures (Texas), Inc., a Delaware corporation and wholly-owned subsidiary of Global Payments, into LAMS, with LAMS remaining as the surviving entity in the merger. Global Payments also acquired the remaining equity interests in DolEx that were not already owned by LAMS from the DolEx Class B shareholders. As a result of the transaction, LAMS, a holding company, is now a wholly-owned subsidiary of Global Payments, DolEx, the primary operating company, is a wholly-owned subsidiary of LAMS and DolEx Envios is a majority-owned subsidiary of DolEx because one share of DolEx Envios is owned by GP Finance, Inc., a wholly-owned subsidiary of Global Payments. The acquired operations are collectively referred to as the Acquired Companies.

The accompanying combined financial statements include the combined assets and liabilities and the related operations of the Acquired Companies. This presentation represents the companies to be acquired by Global Payments, and therefore excludes the assets, liabilities, and business equity of the subsidiaries of the Acquired Companies not being acquired by Global Payments. Accordingly, the accompanying combined financial statements also exclude the results of operations for those entities. All significant intercompany accounts and transactions of the Acquired Companies have been eliminated. These financial statements have been presented on the historical cost basis in accordance with the accounting principles generally accepted in the United States of America. No adjustments have been made to reflect any effects of the Global Payments acquisition discussed above. Accordingly, these combined financial statements are not necessarily indicative of the results of the Acquired Companies which would have occurred or which will occur in the future, had the effects of the acquisition been reflected.

The financial statements included herein have been prepared without audit. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted, although the Acquired Companies believes that the disclosures are adequate and the information presented is not misleading. It is suggested that these financial statements be read in conjunction with the combined financial statements and notes thereto included in the Acquired Companies' audited combined financial statements appearing elsewhere in this Form 8-K for the years ended December 31, 2002 and 2001. In the opinion of management, the information furnished reflects adjustments of a normal and recurring nature and include those necessary for a fair presentation of the combined financial information for the interim periods reported.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Customers are charged fees based on the nature and amount of the transactions performed by the Acquired Companies on the customers' behalf. Such fees are recognized as revenue when received. Customers are quoted an exchange rate for each money transfer request. The Acquired Companies purchase local currencies at the best available rate, which generally results in a currency exchange gain. Currency exchange gains or losses are recognized when customers' requests are settled.

Commissions are paid to agents based on the nature and amount of the transactions performed for the Acquired Companies by the agents. Such commissions are recognized as expense when incurred and are included in cost of service in the combined statements of operations.

Goodwill and Intangible Assets

Goodwill represents the excess cost over fair value of net assets acquired, and for the periods prior to December 31, 2001, was being amortized on a straight-line basis over a 25-year period. For periods beginning on January 1, 2002, goodwill is no longer being amortized, but instead is tested for impairment at least annually.

In June 2001, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 142,*Goodwill and Other Intangible Assets*. SFAS No. 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually in accordance with provisions of SFAS No. 142. SFAS No. 142 also requires that intangible assets with definite useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with SFAS No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*, or SFAS No. 144,*Accounting for the Impairment or Disposal of Long-Lived Assets*, upon adoption.

The Acquired Companies recognized no transitional impairment losses on the date of adoption. Further, the Acquired Companies recognized no impairment losses as a result of the impairment testing for the period ended September 30, 2002.

NOTE 3 – ACQUISITIONS AND GOODWILL

In September 2000, LAMS acquired a 51% interest in DolEx. At the time of the purchase, LAMS also entered into an option agreement with the minority shareholders that provided LAMS the ability to increase its ownership at nominal consideration should DolEx not achieve specified earning targets in years 1 and 2 following the acquisition. During 2002, it did not appear to LAMS that DolEx was going to meet the contractually specified earnings targets, which were also not satisfied for the period ended September 30, 2001. LAMS and the minority shareholders negotiated a revision to the original purchase and option agreement and a restructure of DolEx effective February 15, 2002. On the date LAMS renegotiated the option agreement, it was expected LAMS would have earned the right to exercise control of 100% of DolEx on the date specified in the original contract September 30, 2002. The restructure provided for the redemption of 100% of the common shares owned by the minority shareholders in DolEx for $1,020, the sale of 61,569 shares of DolEx owned by LAMS for $4,000 to the minority shareholders, the issuance and sale of 84,756 of new DolEx common shares to the minority shareholders for $5,500, and an option for the minority shareholders to purchase up to 250,696 of additional DolEx common shares contingent upon specified DolEx earning targets for the year ended December 31, 2002. This renegotiated contract sold 13% of DolEx to the minority shareholders at February 15, 2002 for a net purchase price of $8,480 and included an option for a 15.85% reduction in ownership interest based upon future earnings forecasts that were reasonably likely to be achieved at nominal consideration (i.e., 1 cent per share).

As it was expected, based upon the earnings targets specified in the original purchase and option agreement, LAMS would earn the right to acquire 100% of DolEx for nominal additional consideration and the transaction to sell 28.85% of DolEx to the minority shareholders through the newly issued reorganization and option agreement, resulting in a step acquisition and reorganization which was accounted for as one transaction. This transaction resulted in the increase in LAMS' ownership from 51% to 71.15% at February 15, 2002. LAMS has recorded a loss of $7,217 at February 15, 2002 for the 28.85% ownership sold to minority shareholders for a net consideration of $8,480.

Goodwill relating to the DolEx acquisition was approximately $50,586 at December 31, 2001. As a result of the step acquisition from 51% to 100%, goodwill was reallocated as no additional consideration was paid for the net assets acquired, resulting in an increase in investment in subsidiary through the acquisition of minority interest of approximately $3,635, an increase in intangible assets of approximately $18,986, and a reduction in goodwill of $22,621.

In connection with the sale of the 28.85% interest in the minority shareholders for $8,480 in cash, LAMS has reflected a decrease in investment is subsidiary of approximately $2,162, intangible assets of approximately $5,477, and goodwill of approximately $8,058, and recognized a loss on the sale of subsidiary shares of $7,217 at February 14, 2002.

The intangible assets acquired in the step acquisition, net of the reduction from the sale of shares, include computer software of approximately $608 with a five-year average useful life, operating leases of approximately $2,371 with a five-year average useful life, and customer base of approximately $1,418 with a three-year average useful life, and will be amortized over the estimated percentage of decline in the future income generated by the customers, registered trademark of approximately $9,068 that is not subject to amortization, and state licenses of approximately $44 that are not subject to amortization.

Effective July 24, 2003, the shareholders of LAMS and the minority shareholders of DolEx have come to an agreement on the total number of shares exercisable under the option agreement to be 164,779.

GLOBAL PAYMENTS INC.

Unaudited Pro Forma Combined Financial Statements

On November 12, 2003, Global Payments Inc., or Global Payments or the Company, completed the acquisition of Latin America Money Services, LLC, or LAMS, a Delaware limited liability company which owned a majority of the outstanding equity interests in DolEx Dollar Express, Inc., a Texas corporation, or DolEx, and owned a majority of the outstanding equity interests in DolEx Envios, S.A. de C.V., a Mexican subsidiary of DolEx, or DolEx Envios. The transaction was structured as a merger of GP Ventures (Texas), Inc., a Delaware corporation and wholly-owned subsidiary of Global Payments, into LAMS, with LAMS remaining as the surviving entity in the merger. Global Payments also acquired the remaining equity interests in DolEx that were not already owned by LAMS from the DolEx Class B shareholders. As a result of the transaction, LAMS, a holding company, is now a wholly-owned subsidiary of Global Payments, DolEx, the primary operating company, is a wholly-owned subsidiary of LAMS and DolEx Envios is a majority-owned subsidiary of DolEx because one share of DolEx Envios is owned by GP Finance, Inc., a wholly-owned subsidiary of Global Payments.

Under the terms of the merger and related agreements, Global Payments paid a purchase price of $190 million plus certain closing adjustments such as an adjustment relating to closing cash on hand, certain merger expenses and the value of certain acquisitions that were consummated by DolEx prior to closing. Accordingly, at closing, Global Payments gave consideration of approximately $192 million for LAMS, DolEx and DolEx Envios, which the Company collectively refers to as the operations acquired from LAMS. The consideration consisted of a combination of $61 million in cash-on-hand at closing, net of cash acquired of approximately $9 million; the issuance of $114 million in promissory notes payable to the order of the LAMS members and the DolEx Class B shareholders, and the issuance of 223,289 shares of Global Payments common stock with a fair value on the closing date of approximately $8 million. Global Payments may be required to make further contingent payments to the LAMS members and the DolEx Class B shareholders primarily based on DolEx attaining certain performance levels for calendar 2003. The acquisition will be recorded using the purchase method of accounting. The net assets acquired consist of cash, accounts receivable, inventory, prepaid expenses and other current assets, tangible personal property, internally developed software, a customer related intangible, trademarks and the goodwill of the business, net of certain accrued expenses and settlement obligations. On December 1, 2003, the Company repaid the promissory notes payable in full using borrowings available under its U.S. credit facility.

Founded in 1996, DolEx is a leading provider of consumer-to-consumer electronic money transfer services to the Latino community living in the United States and their Latin American beneficiaries abroad. DolEx provides services that allow customers to transfer money electronically through its network of retail branches in the United States to beneficiaries in Latin America. The business is based in Arlington, Texas, operates hundreds of branches across the U.S. in areas with large Latino populations, and has settlement arrangements with thousands of banks, exchange houses and retail locations in Latin America.

The Company intends to operate the acquired business in a manner consistent with DolEx's historical operations. Global Payments does not expect to undertake significant operational integration activities, rather it intends to focus on a growth strategy. This growth strategy may include additional branch openings, primarily in under penetrated geographic regions; the pursuit of branch acquisition opportunities in locations that have meaningful customer bases; and the expansion of its settlement network throughout the Latin American market.

GLOBAL PAYMENTS INC.

Unaudited Pro Forma Combined Financial Statements

The following pro forma combined financial statements have been prepared as if the acquisition had taken place on June 1, 2002. The operating results are included in the Company's consolidated statements of income from the date of the acquisition. A pro forma combined balance sheet is not presented as this transaction is already reflected in the Company's balance sheet for November 30, 2003 included in its Quarterly Report on Form 10-Q for the quarterly period ended November 30, 2003 filed on January 14, 2004. Global Payments has a fiscal year end of May 31st. The operations acquired from LAMS have a fiscal year end of December 31st. For purposes of the pro forma combined financial statements, the information for the operations acquired from LAMS is presented using Global Payments' fiscal year end.

The unaudited pro forma financial statements are not necessarily indicative of the results that would have occurred if the acquisition had occurred on the date indicated or the expected financial position or results of operations in the future. The unaudited pro forma combined financial statements should be read in conjunction with Global Payments' separate historical financial statements and notes thereto, as well as the historical financial statements and notes thereto of the operations of LAMS to be acquired by Global Payments Inc. contained elsewhere herein, and in conjunction with the related notes to these unaudited pro forma combined financial statements.

GLOBAL PAYMENTS INC.
Unaudited Proforma Combined Statement of Income
For the year ended May 31, 2003

(In thousands, except share data)

	Global Payments Inc. Historical	Operations Acquired from LAMS Historical	Pro Forma Adjustments	Pro Forma Combined
Revenues	$ 516,084	$ 73,633	$ —	$ 589,717
Operating expenses:				
Cost of service	260,290	39,129	2,009 (a)	300,344
			(1,084)(b)	
Sales, general and administrative	161,272	16,248		177,520
Restructuring	1,257	—	—	1,257
	422,819	55,377	925	479,121
Operating income	93,265	18,256	(925)	110,596
Other income (expense):				
Interest and other income	1,183	1,892	(542)(c)	2,533
Interest and other expense	(4,296)	(1,022)	(3,908)(d)	(9,226)
Minority interest in earnings	(5,008)	(1,626)	1,626 (e)	(5,008)
	(8,121)	(756)	(2,824)	(11,701)
Income before income taxes	85,144	17,500	(3,749)	98,895
Provision for income taxes	31,844	7,018	(1,402)(f)	37,460
Net income	$ 53,300	$ 10,482	$ (2,347)	$ 61,435
Earnings per share				
Basic	$ 1.44			$ 1.65
Diluted	$ 1.41			$ 1.61
Weighted average shares outstanding:				
Basic	36,957		223 (g)	37,180
Diluted	37,824		223 (g)	38,047

See Notes to Unaudited Pro Forma Combined Financial Statements

GLOBAL PAYMENTS INC.
Unaudited Proforma Combined Statement of Income
For the six months ended November 30, 2003

(In thousands, except share data)

	Global Payments Inc. Historical	Operations Acquired from LAMS Historical	Pro Forma Adjustments	Pro Forma Combined
Revenues	$ 284,911	$ 37,163	$ —	$ 322,074
Operating expenses:				
Cost of service	129,436	20,166	1,005 (a)	150,169
			(438)(b)	
Sales, general and administrative	97,488	10,192		107,680
Restructuring	4,703	—	—	4,703
	231,627	30,358	567	262,552
Operating income	53,284	6,805	(567)	59,522
Other income (expense):				
Interest and other income	753	489	(393)(c)	849
Interest and other expense	(1,635)	(262)	(1,954)(d)	(3,851)
Minority interest in earnings	(3,366)	(847)	847 (e)	(3,366)
	(4,248)	(620)	(1,500)	(6,368)
Income before income taxes	49,036	6,185	(2,067)	53,154
Provision for income taxes	18,339	3,122	(773)(f)	20,688
Net income	$ 30,697	$ 3,063	$ (1,294)	$ 32,466
Earnings per share				
Basic	$ 0.82			$ 0.86
Diluted	$ 0.79			$ 0.83
Weighted average shares outstanding:				
Basic	37,466		223 (g)	37,689
Diluted	38,861		223 (g)	39,084

See Notes to Unaudited Pro Forma Combined Financial Statements

(In thousands)

The following pro forma adjustments were made to the historical combined income statements of the Company and the operations acquired from LAMS for the six month period ended November 30, 2003 and the year ended May 31, 2003 to reflect the acquisition as if it had occurred on June 1, 2002.

(a) To reflect the amortization expense related to the acquired customer related intangible and internally developed software costs previously not capitalized associated with the acquisition.

The acquisition has been recorded using the purchase method of accounting, and accordingly, the purchase price has been allocated to the assets acquired and liabilities assumed based on their estimated fair value as of the date of the acquisition.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisition. As a result of the outstanding contingent payment, final purchase price adjustments pursuant to the merger agreement and the Company's review of supporting details for certain opening balance sheet items, the allocation of the purchase price is subject to refinement.

	Operations Acquired from LAMS
Current assets	$ 13,637
Other long term assets	1,988
Property, furniture and equipment, net	12,241
Customer base	4,749
Trademark	42,944
Goodwill	146,320
Total assets acquired	221,879
Current liabilities	(9,406)
Long term liabilities	(19,591)
Net assets acquired	$ 192,882

The trademarks and goodwill are not subject to amortization and none of the amount assigned to goodwill is deductible for tax purposes.

The customer base was valued using an income approach, discounted cash flow analysis. In this approach, customer attrition, revenues and direct expenses associated with the customer relationship were considered, based on the information about the customers that the operations acquired from LAMS maintains through the loyalty card program, or the Amigo Latino card. The customer base useful life of three years is based on survival and mortality rates for customers using the loyalty card program.

The trademarks were valued using the relief-from-royalty income approach. Consideration was given to market share, market recognition, profitability of the trademarked services and third-party trademark license agreements in related industries. The trademarks were determined to have an indefinite useful life.

(In thousands)

Internally developed software valued at approximately $3 million was capitalized as property and equipment at the acquisition date. This software is a centralized, proprietary system that was developed and designed to meet the needs of customers, management and compliance requirements. Prior to January 1, 2002, the operations acquired from LAMS previously expensed all development costs associated with this software. The valuation was based on a cost approach, determining the cost of reproduction. The useful life of this software was determined to be seven years, based on the expected use of the asset without significant redesign or functionality enhancements.

(b) To reflect the decrease of the amortization expense relating to the intangible assets historically recorded by the operations acquired from LAMS.

(c) To reflect the decrease of historical other income attributed to subsidiaries of LAMS that the Company did not acquire. This related party income would not continue after the acquisition date.

(d) To reflect an increase in interest expense related to the debt incurred to fund the acquisition. As of June 1, 2002, the Company did not have sufficient cash on hand to fund the acquisition and would have to borrow the entire purchase price, less the value of common stock issued. The pro forma adjustment uses the interest rate that would have been in effect on November 12, 2003 under its U.S. credit facility.

(e) To reflect the elimination of the historical minority interest in earnings. The Company acquired the minority shareholders' investment in DolEx.

(f) To reflect the income tax benefit on the pro forma adjustments using the Company's effective tax rates for those periods.

(g) To reflect the shares of Global Payments common stock issued in conjunction with the acquisition.