

13-Jun-2018

# Global Payments, Inc. (GPN)

William Blair Growth Stock Conference

## CORPORATE PARTICIPANTS

Robert Paul Napoli  
*Analyst, William Blair & Co. LLC*

Cameron M. Bready  
*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

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## MANAGEMENT DISCUSSION SECTION

Robert Paul Napoli  
*Analyst, William Blair & Co. LLC*

Okay. My name is Bob Napoli, I'm the analyst for William Blair that covers the financial technology space. For a complete list of disclosures and set of contract ventures, please go to [www.williamblair.com](http://www.williamblair.com). We are very excited to have with us at William Blair conference this year Global Payments. Global Payments is a leading company in the payments space. They are at the forefront of technology-enabled payments, integrated payments, global in nature, stock price performance, fundamentals performance has been really, really strong, stocks gone from \$25 to \$118 over the last five years.

We have with us Cameron Bready, Senior Executive Vice President and Chief Financial Officer; as well as Winnie Smith and Heather Ross from the Investor Relations group. We're going to do a fireside chat format.

## QUESTION AND ANSWER SECTION

Robert Paul Napoli

*Analyst, William Blair & Co. LLC*

Q

And I'll kick it off with – Global Payments had their first Investor Day in the past three years. And could you go over the key messages that you were looking to get across? What were you looking to communicate, and what do you think maybe was overlooked by investors?

Cameron M. Bready

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Okay. Well, first of all thank you, Bob, very much for having us here. We're delighted to be at your conference today and certainly appreciate all of the interest in Global Payments. So, as you know that we did have our investor conference back in early March. And I think the overarching theme we were trying to call out in that particular forum was that we believe we have a unique model in the payments landscape today but we also think we are leading the market in terms of business model evolution towards more technology enabled payment distribution.

I think a key part of our messaging from that day really centered around the three pillars of growth we see in our business going forward, two of which are directly obviously connected to our technology-enabled payments thesis. We have our software driven payment strategy, which is the combination of both owned-software assets and partnerships with ISVs where we integrate our payment technology into those software environments and distribute those solutions to customers. We have our full sort of omni-channel capabilities globally and the ability to deliver both face to face and online and mobile payment functionality to customers in 50 plus markets around the globe.

And then we have our exposure to faster growth markets, and we are in many markets today around the world, including Spain, Central Europe, and obviously much of Asia Pacific as what we would characterize as faster growth markets. We're in the secular trends. The adoption of more electronic forms of payments and the abandonment of more paper-based forms of payments are driving nice secular growth trends in the business and we're the beneficiary of that.

So those three pillars of growth are really what underlie our confidence at that Investor Day and increasing our medium-term outlook for the business. We're now targeting organic rates of revenue growth in our business to high-single digit to low-double digit organically each year. We're targeting margin expansion up to 75 basis points annually. And that organic growth, coupled with our capital allocation strategies, we think will drive mid- to high-teens growth in earnings per share over the cycle.

Now over the last three years, we've compounded earnings growth of 26% annually, so obviously our outlook for the next few years, we hope to be able to achieve or even better that outlook for the business from earnings growth standpoint, but we're confident in our ability to compound very attractive rates of earnings growth in this business over the medium term.

And I think if you add all that together, we think we have a business model and business fundamentals and a growth profile that are [ph] that more (00:04:00) in the premium valuation. And we feel very good about where the business is. And obviously, we've made a lot of headway in terms of generating substantial returns for investors over the last five years. And frankly, sitting here today, I'm more confident in the business that we're operating

today, I'm more confident in our strategy, and I'm more confident in the outlook for the business and even [indiscernible] (00:04:22) four years ago when I joined Global Payments.

And so, in terms of what people are missing, I think, well, I'd like to think we laid it out fairly clearly. I do think part of our view of the world is not all payments companies are created equal. And we tried to draw the clear lines of distinction between our business, particularly in the areas of integrated payments and e-com and omnichannel relative to other peers in the marketplace. And I still feel like probably we don't get quite credit that we deserve for how differentiated we are in those two channels in particular which clearly are the hot topics in payments as we sit here today. But I certainly feel like we set the right foundation to continue to reinforce that message over the course of time.

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**Robert Paul Napoli**  
*Analyst, William Blair & Co. LLC*

Q

Thank you. Global made its largest acquisition ever, almost two years ago now, I guess, quite, Heartland Payments. I think you've integrated and I think you've achieved the cost synergies you set out. You also talked about revenue synergies, 100 basis points to 200 basis points, I think, annually of revenue synergies, cross-sells. How are you progressing – have you achieved those cost savings? Are you done on that front? And how are the revenue synergies progressing?

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**Cameron M. Bready**  
*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Yeah. It's a great question. So just maybe by way of a background for those less familiar with our story. Back in April of 2016, we acquired Heartland Payments for about \$4.3 billion. It was a U.S. competitor, sort of in-industry consolidation. At the time of the deal, we targeted about \$125 million of expense synergies from the transaction. We [ph] don't clearly (00:05:54) ended up realizing around \$135 million of expense synergies. We also targeted over time 100 basis points to 200 basis points of incremental revenue synergies coming from the combination of our distribution platform, and obviously products and capabilities and the ability to cross-sell across our various distribution platforms. So, we said in 2017 which is our first full year of owning Heartland Payments, and we had generated roughly 50 basis points of incremental revenue growth coming from synergies from the Heartland transaction. So we think we're very much on track to achieve that 100 basis points to 200 basis points over the course of the next couple of years.

Obviously from that 50 basis points start in 2017, we're scaling that into 2017, and I'm pretty confident that over the next year or so, we'll be within that targeted range that we had set out at the onset of the transaction, that 100 basis points to 200 basis points.

I would say in addition to that, and it's not really so much cross-selling and revenue synergy oriented. One of the things that we're doing is really trying to leverage what is a unique asset in Heartland, its sales and distribution model, the Heartland sales force. We're trying to leverage the culture, the tool, the technology that supports that business to create complementary distribution platforms in markets outside of the U.S.

So we think we have a really unique asset in that Heartland sales channel, and one of the things that we're doing in 2018 is really introducing that type of sales and distribution model into markets outside the U.S., including Canada, the UK, and then over time Asia Pacific as well. [ph] And one bit of our (00:07:32) thought process there is, we think we can add complementary distribution to markets outside of the U.S.

We believe in diversity, distribution of the company. We don't want to put all of our eggs in one basket from a distribution standpoint. And we think there's something obviously very effective in how Heartland goes to market

from [ph] a detail (00:07:52) standpoint, and we think by leveraging those capabilities, we can help accelerate growth in some other markets where we have a physical presence today by developing these complementary platforms.

Robert Paul Napoli

*Analyst, William Blair & Co. LLC*

Q

That's great. Interesting, and that's the – it kind of feeds in and it's outside of – one of the things that came out from your conference was, I think you will increase the target for – percentage of revenue from tech-enabled payments as you're embarking on the distribution feet on the Street expanding that, the Heartland model you also been expanding the tech-enabled [ph] fees (00:08:22) at a pretty rapid pace. Going from 40% to 60% of your revenue, where was it five years ago? I think I have a good idea, but just for the group here to explain the journey that you've made, and I think in line with that, you raised the target growth rate, are those interlinked?

Cameron M. Bready

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

They are interlinked. I think maybe by way of background again, five years ago, our technology enabled distribution would have been very small, probably 20%, three years ago, it's probably 30%. Today, it's about 40% of our business and we established the target in our investor conference to achieve 60% of our business being what we would characterize as technology-enabled over the course of the next few years. So by the end of 2020 is our target timeframe.

So, as we think about that business, and as I mentioned in my opening commentary, we think we're at the forefront. I think even you recognize, which I appreciate, that we're at the forefront of driving technology enablement in the payments landscape. And that's really through growth in our, what we call our integrated and vertical markets business, our software-driven payments thesis, and growth in our e-com and omnichannel solutions business on a global scale.

So over the next three years, we expect again to take that from roughly 40% of the business today to 60% of the business. And those two growth strategies, in particular, they are the tip of this [indiscernible] (00:09:43) growth in our business, both of those channels are growing in the double digits as our targeted growth rate for those businesses organically. Obviously, if you do the math, growing those channels at roughly low-double-digit over the next three years won't get you to 60%. So as we step back and look at the landscape, much of our M&A focus, one of the beautiful aspects of this business from a CFO standpoint is that high recurring revenue, high free cash flow. We have a lot of capacity to reinvest in the business. We have a lot of ability obviously from a balance sheet standpoint to invest in the business.

So, a lot of our focus from an M&A standpoint is finding those assets that nicely augment our technology enabled strategy to help drive that growth in technology enabled distribution from the 40% to 60% over the next three years. So, organic growth is going to drive a big portion of the uplift towards 60% and the rest is going to be filled out with more M&A.

Robert Paul Napoli

*Analyst, William Blair & Co. LLC*

Q

On the M&A front, your last acquisition, ACTIVE Network's a software company, how are you progressing on integrating the payments into the ACTIVE business? And what does the M&A pipeline look like? Is it focused primarily on software acquisitions in which you can add value through the payment side?

**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

So, I think ACTIVE is first and foremost a great representation of our payment – our software-driven payments thesis. So, it truly reflects the nexus that we see in vertical markets between enterprise software and payments. So, if you think about what ACTIVE does, it's effectively participation, management, software and membership management software used in sporting events and community organizations really throughout the globe, predominantly here in the U.S. market.

So, every registration, every participation or every membership [indiscernible] (00:11:35). And even their revenue model is really priced on a per registration or per membership basis. So, it really does reflect very well kind of our view around the intersection of software and payments, [ph] any (00:11:45) specific vertical markets and we're delighted with the performance of that business thus far. And I think it's a good example of the types of assets that we would continue to pursue from an M&A standpoint as we look to further advance our software driven payment strategy over the course of time.

So, sitting here today I would say the pipeline that we have is very full in a number of the assets that we're looking at today would fit the thesis that I just described around the nexus between software and payments very nicely. That's not to say there's not other things obviously in the pipeline that we continue to look at. As we think about our business on a global scale, it's really a marriage of technology and distribution. So, part of our growth strategy is around entering faster growth markets, as I mentioned in my opening commentary.

So a number of the things we're looking at in our pipeline today are opportunities that would allow us to enter new markets like we just did with HSBC in Mexico, while at the same time this is a scale business. So we also look at things that would otherwise enhance our scale and drive attractive returns for our shareholders as well. So the pipeline is comprised of a lot of things but I would say we're pretty intently focused on assets that are going to help advance that technology enabled portion of the business towards our 60% target over the next few years.

**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

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Now how do you – in buying software and you partner with a lot of software vendors, how do you avoid the conflict of interest between owning software and partnering with software providers? And given that the valuations of software companies has moved up quite a bit, are you more interested in partnering versus the acquisitions?

**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Part of what's unique about Global Payments is we have this dual-pronged strategy around software driven payments. We can partner and we can – and we really look at the world on a vertical by vertical basis. So, we get the question quite a bit about channel conflict but I have to say I think that's a little bit of a red herring. It's pretty easy to look at the world on a vertical basis and not try to own assets in vertical markets where you already have a good partnership.

So we look at vertical markets very carefully. We have a pretty stringent criteria. We think about our vertical market in terms of what would be an attractive vertical market for us to own a software versus what's a better vertical market for us to partner. And the beauty of our model is we really have the flexibility to do both.

I think as it relates to your question around valuations, we really look at the world through the lens of if we can't drive faster rates of revenue growth in the business, we can't scale the target business more effectively than the current owners. They're more largely a financial buyer and we're competing on a cost of capital basis and that's not really the business we're in today.

So, as we look at any opportunity, we really look at it through the lens of does it advance the strategy meaningfully, is it a good cultural fit for our business, is the financial profile attractive relative to what we're trying to achieve? We want to buy assets that help accelerate our revenue growth, that help us to scale margins more effectively. And then from a return standpoint, factoring all those things together, is the valuation attractive and does it allow us to generate the kind of returns for our investors.

So, I think needless to say, the market from a valuation standpoint has sort of moved up over the course of the last couple of years, but we still see good opportunities to acquire assets, where again that link between software and payments allows us to drive incremental value and generate attractive returns.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

Q

Any questions from the room? I'll come back to the room in a second if you're thinking of a question. Margin expansion of 75 basis points a year, is that just purely scale benefits? What's driving that [indiscernible] (00:15:30)?

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

[ph] It's great (00:15:32). But I think it's a little more than scale. So as I sit back and think about what are the levers to expand margins in this business and we're very focused on margin expansion as a management team. We recognize – our stock's very sensitive to margin expansion and we're very focused on generating attractive level of the margin expansion in the business.

I'd say first and foremost, we're the beneficiary of just business mix shift that is driving or is creating a nice tailwind for margin expansion. Our technology enabled businesses, which is our fastest growing channels, those are higher margin businesses. So as we grow those businesses at a faster pace than our more traditional relationship-led distribution channels, that's obviously driving a nice tailwind for margin expansion in the business just from that mix shift in general.

Two, we're very focused on – and software is one way to do this. And we're very focused on other opportunities to wrap more value around the payment transaction and the payment experience for our merchant customers. So the more value-added services, for lack of a better term, the more value you can wrap around the payment experience – whether it's analytics, engagement, again software, payroll – the more that we can do, the better margin profile we can have of the overall business because all those products are going to come in traditionally at higher margins than our core for processing revenue that we're able to generate from our merchant customers.

But I would say, third, it's a scale business. So the faster we can drive top line growth in the business, the marginal economics of the business, the marginal margin we earn on every new customer that we sign is very good. So there are scale benefits in the business that naturally come from an attractive rate of organic revenue growth.

And then lastly again, we're very focused on leveraging a common technology environment, a common operating environment in every major market around the globe where we can realistically do that. In some cases we're



prohibited to do it by regulation. But most of our major markets, all of our major markets and most of our overall markets around the globe are operating on a common front end and back end technology environment. So we made those investments in our business historically to move to a common platform and that generates a lot of scale efficiencies in the business as we move forward, which naturally contribute to margin expansion as well.

Robert Paul Napoli

*Analyst, William Blair & Co. LLC*

Q

Great. Thank you. Any questions? [ph] Well, yes (00:17:53)

Q

[indiscernible] (00:17:55-00:18:28)?

Robert Paul Napoli

*Analyst, William Blair & Co. LLC*

Q

[indiscernible] (00:18:28) repeat the question.

Cameron M. Bready

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Yeah. I'd be happy to repeat the question. The gist of the question was, the partnerships we have done in markets around the globe, including Spain and most recently with HSBC in Mexico, they prove to be low risk, good ways to enter markets, what's the pipeline effectively look like for those types of opportunities. And I'd start by saying you're absolutely right. And I think it's a great question.

Again, as we step back and look at the business, the business we're running is really about marrying technology and distribution around the globe. We have fantastic technology. And as we think about entering new markets, we're really looking for distribution. And outside of the U.S., the predominant mode of distribution in most market is still bank debt.

So, as we think about entering a market, we're often looking at partnering, we're acquiring bank-based merchant acquiring business that gives us a good, sound and solid distribution footprint in markets where we can bring the technology to drive, again, faster rates of growth, to gain market share, to get exposure to – again, going back to my earlier comments, the faster growth markets outside of the U.S. where the secular trends are very attractive in terms of the adoption of electronic payments. So, all that, it's a long way of saying that we're still very focused on finding opportunities to expand our business into new markets, into faster-growth markets.

A number of the opportunities in our pipeline are oriented towards those types of partnerships or acquisitions. Those tend to be a little harder to execute, because banks, with all due respect, tend to move a little slower. And sometimes those can take a year for us to nurture those transactions along to get them to the finish line.

But I think unlike a number of our competitors in space, we have a very proven track record around being able to generate substantial returns from our bank-based joint ventures in new markets. And I think our bank partners would hopefully be good references for our ability to partner effectively with them, drive growth in those business, bring new technology and innovation to the market, and really transform their merchant acquiring businesses, as we've done in with CaixaBank in Spain, as we did with HSBC in both the UK and in Asia. As we are doing with Erste Bank in Central Europe, as we're doing with Bank of the Philippine Islands in Asia, and soon hope to be doing or will be doing with HSBC in Mexico once we close that joint venture.



So our view on the faster-growth markets is we need distribution to be able to enter those markets. Bank partnerships have been a very effective way to do that, we'll benefit from the secular trends in the near to medium term and then longer term, we'll be able to continue to bring new product, new innovation, and more technology-enabled capabilities, including our software solutions to those markets as they mature. So we see very long run rates for growth in those faster growth markets.

Q

[indiscernible] (00:21:22-00:21:31)?

Cameron M. Bready

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

No, I think we're very careful with whom we choose to partner. So the question is once we do a partnership, are we 100% in the driving seat and are we held back by the bank. I think we're very careful to partner with banks that have similar philosophy that we do as it relates to how to grow and expand our merchant-acquiring business. Every bank JV is bespoke, it has its own flavor, it has its own governance, it has its own structure.

But I would say, by and large, we're very, very discerning about who we choose to partner with, the cultural fit has to be good, the outlook for the market has to be similar, and we have to see eye to eye as to how we want to grow and expand the business. And I think we pride ourselves on every JV that we've done to date has gone, I would say, extraordinarily well. Never have we had to pull out a contract to settle an issue with our partner. And I think each one of those is a good testament to our capabilities in payment, as well as our partner's willingness to open up their business to someone like us to help them drive a more effective outcome.

Q

[indiscernible] (00:22:39-00:22:48)?

Cameron M. Bready

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Sure. So great question. First question is how are the JVs treated from an accounting and consolidation standpoint. And secondly how large is our international business as a percent of the Global Payments and where do we see that going over the course of time.

So first question is it really depends on the JV. So we have JVs today that are consolidated, Spain, Erste Bank in Central Europe, Bank of the Philippine Islands, those are consolidated joint ventures. We have a joint venture in Brazil with CaixaBank that is an equity method, so it flows through other income/expense, and our joint venture in Mexico with HSBC, once that closes, that will be an equity method accounting joint venture as well, so it will flow through other income/expense, it won't be grossed up in revenue and expenses.

So that determination is really based on the governance of each individual JV. As I mentioned before, they're all bespoke. So, in some cases we are deemed to control them and therefore consolidate. In other cases, we're deemed not to control them and therefore don't consolidate.

As it relates to how we're positioned today, roughly two-thirds of the business is here in the U.S. market, so a third is outside of the U.S. market. Then another way to cut the data is about 75% of the business is in North America and about 25% of the business is outside of North America. So, Canada contributes about 8 or 9 points to the overall pie in terms of the North America portion of the business.

I think we're very open to growing both obviously our U.S. based business as well as our international businesses. We think part of our differentiation in the market is the ability to provide reach globally, particularly in some harder to serve markets, particularly in Asia. And I think because of the way we structured our business from a technology and operating standpoint, we can operate at scale in some markets in Asia that most of our competitors would never be able to do.

So we think our international reach and our footprint is a strategic advantage and one that we want to continue to perpetuate over time. And we are looking at a number of businesses outside of the U.S. that are attractive, I'd say, strategically and we'd like to continue to pursue. Whether or not we're successful with that I think remains to be seen. So, we're very open-minded to growing both our U.S. business and our international business. And it will really be a function over time of just what opportunities are able to be completed.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

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Integrated payments has for a [ph] few – (00:25:17) five years has probably intensified in a number of people that are interested in it. There's been a lot of consolidation as well, a number of companies – has competitive environment become more difficult at the margin? And where has it become more difficult? And then just maybe separate from that in Europe, where are they in the ball game, in integrated payments, and what opportunities are there in Europe or even Asia from the integrated payments perspective?

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

A

Yeah. So as our CEO likes to say, if we were pursuing strategy that nobody else was pursuing, we got to step back and ask ourselves why that is. So, it is actually nice to see after we've been doing this for a number of years that many of our competitors have decided that integrated payments is a great model for our space. So in some ways, that's gratifying, in some ways obviously it does increase the competitive tension in the environment.

Going back again and echoing perhaps or, at the risk of repeating myself, what I really like about where we're positioned today is unlike our competitors, we're both in the partnership world and in the owned asset world. And we have the flexibility to look at vertical markets on a vertical-by-vertical basis and make the right determination for our business as to whether or not we think partnering is the right way to exploit the market opportunity or whether owning the underlying software ourselves is the best means by which to drive growth and expansion in a particular vertical market.

I think as it relates to our competitive positioning in each, first and foremost, in the partnership model, I think where we're distinctive is we've been at this a lot longer than any of our peers. We are diversified across more vertical markets, I think, than any of our peers, and we probably arguably have more software partners than any of our peers.

We're across 60 different verticals in our software market. We have over 2,000 partners in that channel today. And I think the breadth and depth of experience that we have in integrating into a number of different software environments across a number of different verticals is really what allows us to be very successful with that business and allows that business to continue to drive very attractive rates of growth.

And obviously, we're very distinctive in the owned space because again, none of our competitors are really – own their own software in vertical markets or integrating their own payment technology into those solutions and then marketing that combined functionality to the marketplace. And part of what we like about that strategy, and this is a little bit of a nice segue maybe into your second part of your question is, by owning our own software assets, we obviously control how and when and the timing for which we seek to globalize those solutions.

So unlike our partnership model where we're somewhat at the mercy of our partner to decide if they want to expand internationally, when we own the underlying software asset ourselves, we can choose when to bring those assets or that asset to a new market. And we particularly like that aspect, because again, if you think that the U.S. is still in the early innings from an integrated payments point of view which we do, and the way we measure that is our most penetrated vertical today is probably 25% penetrated. And on average, we're probably 10% to 15% penetrated in the vertical markets that we operate in today.

So, to me, that suggests the market [indiscernible] (00:28:28) and we're probably the leader in integrated payments from a partnership standpoint. So, to me that suggests a market that still has a lot of runway for growth and still in the early inning.

So, if the U.S. is there, then, Europe is arguably in pre-game warm ups, as I described to someone earlier. So, it's very much in its infancy overseas. We brought our partnership model to the UK, largely with our U.S. based partners who have businesses overseas and are now starting to bring our own software assets to markets outside of the U.S. And that's I think an opportunity and that's very much right for us and part again of what we like about the own strategy is the ability to control how and when we globalize these solutions.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

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Thank you. We have about two more minutes time for one or two more questions. Your partnership with Vista Equity Partners, I guess kind of you acquired assets from them. You also have – they have a portfolio of 40 software companies with over \$50 billion in payments [ph] instead of (00:29:33) few deals with them. How is that progressing and is that a big opportunity? I mean you get a competitive advantage, but it's not certainly exclusive [ph] either (00:29:41).

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

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No. I think that's fair. So, again by way of background to your point, we acquired ACTIVE from this back in September of 2017. As part of that transaction, they took equity in Global Payments. So about 50% of the purchase price was cash, and about 50% was equity. And, they're holding that equity today. So they're a good shareholder of Global Payments and we're delighted to have them as a shareholder.

In connection with that acquisition, we also signed a strategic partnership with Vista whereby we're looking to provide really integrated payment capabilities to their vertical market software businesses. And thus far, we've owned ACTIVE and had that relationship in effect with Vista for three quarters, and we've signed three of their portfolio companies to really integrated payment contracts over that same period of time. So Vista is a fantastic partner, we're delighted to have them as both an equity holder and as a partner.

Our view of the world is, we're spending time with each one of their businesses. To your point, we have to be commercial and we have to be competitive with the market. This is not a freebie from our standpoint. So we have

to be able to provide them the solutions that meet their needs and we have to be able to do that in a commercially competitive way. And we believe that we can.

So our objective is to develop relationships with each individual portfolio companies. We're working to sign contracts individually with these portfolio companies because this is naturally a transient owner of businesses, as I'd like to say, and we want to have long-term relationships with these businesses. So we're doing it on a company by company basis. But we've made great progress thus far. Vista could not be more supportive of us as a company and obviously, of this effort to help their vertical market software businesses to monetize payment opportunities and we think we're very good at that.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

Great. All right. We're out of time. Breakout is in the Oak Room downstairs. Thank you very much.

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

Thanks very much. Thanks for having us.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

Good job. Thank you.

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

Thanks, Bob.

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**Robert Paul Napoli**

*Analyst, William Blair & Co. LLC*

Well done.

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**Cameron M. Bready**

*Senior Executive Vice President & Chief Financial Officer, Global Payments, Inc.*

Thank you.

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