

FROM CORPMAIL
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TO: ALL TYMSHARE LOCATIONS

PLEASE TYPE (CORPMAIL)@1978EARNINGS FOR NEWS RELEASE ISSUED TODAY.
LUCY WALLACE

TYPE (CORPMAIL)@1978EARNINGS

THE FOLLOWING NEWS RELEASE WAS ISSUED THIS MORNING. PLEASE POST AND
DISTRIBUTE TO ALL EMPLOYEES.

TYMSHARE REPORTS RECORD REVENUES FOR 1978;
EARNINGS CLIMB TO \$2.31 PER SHARE

CUPERTINO, CALIF., FEBRUARY 22, 1979 --- TYMSHARE, INC. TODAY REPORTED RECORD CONSOLIDATED REVENUES OF \$149,559,000 AND NET INCOME OF \$10,594,000, OR \$2.31 PER SHARE, FOR THE YEAR ENDED DECEMBER 31, 1978. THIS COMPARES WITH 1977 FIGURES OF \$101,174,000 IN REVENUES, AND NET INCOME OF \$8,008,000, OR \$1.82 PER SHARE, REFLECTING GAINS IN 1978 OVER 1977 OF APPROXIMATELY 48 PERCENT IN REVENUES AND 32 PERCENT IN NET INCOME.

FOURTH QUARTER 1978 REVENUES WERE \$39,154,000 COMPARED WITH \$29,165,000 IN THE SAME QUARTER OF 1977, WITH NET INCOME FOR FOURTH QUARTER 1978 AT \$2,325,000, OR \$0.50 PER SHARE, COMPARED TO THE SAME 1977 PERIOD RESULTS OF \$1,385,000, OR \$0.31 PER SHARE.

THE RESULTS FOR 1978 INCLUDE THE FULL YEAR OF OPERATIONS OF TYMSHARE TRANSACTION SERVICES, THE CREDIT CARD PROCESSING OPERATIONS ACQUIRED IN OCTOBER 1977, WHICH CONTRIBUTED APPROXIMATELY \$25.2 MILLION ~~IN REVENUE FOR 1978~~ AND \$6.1 MILLION IN REVENUE FOR 1977 (ALL IN THE FOURTH QUARTER), WITH NO SIGNIFICANT EFFECT UPON NET INCOME.

COMPARATIVE RESULTS FOR THE YEARS ENDED DECEMBER 31, 1978 AND 1977 ARE AS FOLLOWS:

YEAR ENDED DECEMBER 31

	1978	1977
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REVENUES	\$149,559,000	\$101,174,000
EXPENSES	130,165,000	85,366,000
INCOME BEFORE PROVISIONS FOR INCOME TAXES	19,394,000	15,808,000
PROVISION FOR INCOME TAXES	8,800,000	7,800,000
NET INCOME	10,594,000	8,008,000
NET INCOME PER SHARE (1)	\$2.31	\$1.82

COMPARATIVE UNAUDITED RESULTS FOR THE THREE MONTHS ENDED DECEMBER 31, 1978 AND 1977 ARE AS FOLLOWS:

REVENUES	\$ 39,154,000	\$ 29,165,000
EXPENSES	35,409,000	26,580,000
INCOME BEFORE PROVISION FOR INCOME TAXES	3,745,000	2,585,000
PROVISION FOR INCOME TAXES	1,420,000	1,200,000
NET INCOME	2,325,000	1,385,000
NET INCOME PER SHARE (1)	\$0.50	\$0.31

- (1) THE AVERAGE NUMBER OF SHARES USED IN THE PER SHARE COMPUTATION WAS 4,590,000 AND 4,409,000 FOR THE YEARS ENDED DECEMBER 31, 1978 AND 1977 RESPECTIVELY, AND 4,657,000 AND 4,455,000 FOR THE THREE MONTHS ENDED DECEMBER 31, 1978 AND 1977, RESPECTIVELY.