FLEETCOR TECHNOLOGIES INC
Form S-1/A
November 12, 2010
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As filed with the Securities and Exchange Commission on November 12, 2010

Registration No. 333-166092

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 5

TO

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

FLEETCOR TECHNOLOGIES, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**7389**	**72-1074903**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification No.)**

655 Engineering Drive, Suite 300

Norcross, Georgia 30092-2830

(770) 449-0479

(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)

Sean Bowen

Senior Vice President and General Counsel

655 Engineering Drive, Suite 300

Norcross, Georgia 30092-2830

(770) 449-0479

(Name, address, including zip code, and telephone number, including area code, of agent for service)

with copies to:

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Atlanta, Georgia 30309	**825 Eighth Avenue**
(404) 572-4600	**New York, New York 10019**
	(212) 474-1000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨		Accelerated filer ¨
Non-accelerated filer x	(Do not check if a smaller reporting company)	Smaller reporting company ¨

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price (1)(2)	Amount of registration fee
Common Stock, $0.001 par value per share	$500,000,000	$35,650(3)

(1) Includes shares issuable upon exercise of the underwriters over-allotment options. See Underwriting.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.
(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Preliminary Prospectus

Subject to Completion. Dated November 12, 2010

Shares

Common Stock

This is an initial public offering of the common stock of FleetCor Technologies, Inc.

FleetCor Technologies, Inc. is offering of the shares to be sold in the offering. The selling stockholders identified in this prospectus are offering an additional shares. FleetCor will not receive any proceeds from the sale of the shares being sold by the selling stockholders.

Prior to this offering, there has been no public market for the common stock. It is currently estimated that the initial public offering price per share will be between $ and $. FleetCor s common stock has been approved for listing on the New York Stock Exchange, subject to official notice of issuance, under the symbol FLT .

See Risk factors beginning on page 11 to read about risks you should consider before buying shares of common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Initial public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

Proceeds, before expenses, to the selling stockholders	$	$

To the extent the underwriters sell more than shares of common stock, the underwriters have the option to purchase up to an additional shares from the selling stockholders at the initial public offering price less the underwriting discount.

Delivery of the shares of common stock will be made on or about , 2010.

J.P. Morgan **Goldman, Sachs & Co.**

Barclays Capital **Morgan Stanley**

PNC Capital Markets LLC **Raymond James** **Wells Fargo Securities**

Prospectus dated , 2010.

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No dealer, salesperson or other person is authorized by us or the selling stockholders to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of the date on the front of this prospectus.

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Prospectus summary

This summary highlights significant aspects of our business and this offering that appear later in this prospectus, but it is not complete and does not contain all of the information that you should consider before making your investment decision. You should read carefully the entire prospectus, including the section entitled Risk Factors and the information presented in the historical financial data and related notes, before making an investment decision. This summary contains forward-looking statements, which involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements as a result of certain factors, including those set forth in this prospectus under the headings Risk factors and Special note regarding forward-looking statements. In this prospectus, unless indicated otherwise or the context otherwise requires, we, us, our and FleetCor refer to FleetCor Technologies, Inc., the issuer of the common stock, and its subsidiaries.

Overview

FleetCor is a leading independent global provider of specialized payment products and services to commercial fleets, major oil companies and petroleum marketers. We serve more than 530,000 commercial accounts in 18 countries in North America, Europe, Africa and Asia, and we had approximately 2.5 million commercial cards in use during the month of December 2009. Through our proprietary payment networks, our cards are accepted at approximately 83,000 locations in North America and internationally. In 2009, we processed approximately $14 billion in purchases on our proprietary networks and third-party networks. We believe that our size and scale, geographic reach, advanced technology and our expansive suite of products, services, brands and proprietary networks contribute to our leading industry position.

We provide our payment products and services in a variety of combinations to create customized payment solutions for our customers and partners. Our payment programs enable businesses to better manage and control employee spending and provide card-accepting merchants with a high volume customer base that can increase their sales and customer loyalty. In order to deliver our payment programs and services and process transactions, we own and operate six proprietary closed-loop networks through which we electronically connect to merchants and capture, analyze and report customized information. We also use third-party networks to deliver our payment programs and services in order to broaden our card acceptance and use. To support our payment products, we also provide a range of services, such as issuing and processing, as well as specialized information services that provide our customers with value-added functionality and data. Our customers can use this data to track important business productivity metrics, combat fraud and employee misuse, streamline expense administration and lower overall fleet operating costs.

We market our payment products directly to a broad range of commercial fleet customers, including vehicle fleets of all sizes and government fleets. Among these customers, we provide our products and services predominantly to small and medium commercial fleets. We believe these fleets represent an attractive segment of the global commercial fleet market given their relatively high use of less efficient payment products, such as cash and general purpose credit cards. We also manage commercial fleet card programs for major oil companies, such as British Petroleum (BP) (including its subsidiary Arco), Chevron and Citgo, and over 800 petroleum marketers. These companies collectively maintain hundreds of thousands of end-customer relationships with commercial fleets. We refer to these major oil companies and petroleum marketers with whom we have strategic relationships as our partners.

FleetCor benefits from an attractive business model, which is characterized by our recurring revenue, significant operating margins and low capital expenditure requirements. Our revenue is recurring in nature because we

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generate fees every time a card is used, customers rely on our payment programs to control their own recurring operating expenses and our partners and customers representing a substantial portion of our revenue enter into multi-year service contracts. Our highly-scalable business model creates significant operating efficiencies, which enable us to generate strong cash flow that may be used to repay indebtedness, make acquisitions and fund the future growth of our business. In addition, this business model enables us to continue to grow our business organically without significant additional capital expenditures.

We believe the fleet card industry is positioned for further consolidation because it is served by a fragmented group of suppliers, few with the size and scale to adequately invest to keep pace with industry advancements. For example, there is significant time and investment required to establish the closed-loop networks and technology solutions that address the diverse requirements of customers and partners across various geographic markets. We believe this dynamic will continue to shift market share to larger scale vendors with advanced technology platforms and drive further consolidation globally.

FleetCor s predecessor company was organized in the United States in 1986. In 2000, our current chief executive officer joined us and we changed our name to FleetCor Technologies, Inc. Since 2000, we have grown significantly through a combination of organic initiatives, product and service innovation and over 40 acquisitions of businesses and commercial account portfolios. We have grown our revenue from $30.7 million in 2001 to $381.3 million on a managed basis (as defined in Management s discussion and analysis of financial condition and results of operations) in 2009, representing a compound annual growth rate of 37.0%. In 2009, we generated 35.8% of our revenue from our international operations, compared to none in 2005. For the years ended December 31, 2005, 2006, 2007, 2008 and 2009, our consolidated revenue was $143.3 million, $186.2 million, $264.1 million, $341.1 million and $354.1 million, respectively. In the same periods, we generated operating income of $59.0 million, $71.8 million, $105.8 million, $152.5 million and $146.0 million, respectively. In addition, we have grown our net income from a net loss of $12.6 million in 2000 to net income of $89.1 million in 2009.

Industry background

The electronic payments industry is a large and fast-growing sector that is benefiting from favorable trends around the world. Packaged Facts, a research firm, estimates that total global card purchase volumes reached $6.8 trillion in 2009, growing at a compound annual growth rate of 10.8% from 2005 to 2009.

Commercial cards provide specialized capabilities and are among the fastest growing segments of the electronic payments industry. Commercial card products are typically charge cards, which are paid in full every month and provide businesses with control over the types of authorized purchases, integration with accounting systems, detailed reporting, and the ability to incorporate and transmit additional data with a payment transaction. Packaged Facts estimates that total global commercial card purchase volumes reached $916.5 billion in 2009, growing at a compound annual growth rate of 8.2% from 2005 to 2009, and will reach $1.5 trillion in 2014, growing at a compound annual growth rate of 10.6% from 2009 to 2014.

Fleet cards typically provide differentiated services that help commercial fleet operators operate their businesses more effectively. Fleet cards are specialized commercial cards that fleet operators provide to their drivers to pay for fuel, maintenance, repairs and other approved purchases. Fleet cards typically provide differentiated services, which include significant cost controls (managed through business rules implemented at the point of sale) and access to level 3 data regarding transactions, such as the amount of the expenditure, the identification of the driver and vehicle, the odometer reading, the identity of the fuel or vehicle maintenance provider and the items purchased.

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Fleets represent a large customer base around the world. Fleets are composed of one or more vehicles, including automobiles, vans, SUVs, trucks and buses, used by businesses and governments. We believe small and medium commercial fleets represent a significant market opportunity for growth.

Packaged Facts estimates that there were approximately 41.9 million fleet vehicles in the United States in 2008 and that total U.S. closed-loop fleet card purchase volumes reached $50.8 billion in 2009, growing at a compound annual growth rate of 6.0% from 2005 to 2009. Based on research by Packaged Facts, 35% of U.S. fleet vehicle fuel volume in 2009 was purchased utilizing closed-loop fleet cards.

Based on our analysis of data from several sources, we believe there were approximately 68 million fleet vehicles in 30 European and Eurasian countries in 2007. Datamonitor, a research firm, estimates that the total value of fuel sold on commercial fuel cards in 16 major European countries reached approximately 68 billion in 2006. Based on our analysis of data available for several of the largest European countries, including France, Germany, Italy, the Netherlands, Spain and the United Kingdom, we estimate that during 2005, approximately 59% of fleet vehicle fuel volume in Europe was purchased with some form of fleet card product.

Industry characteristics provide an attractive growth opportunity. The fleet card industry is served by a fragmented group of participants with varying distribution models, including oil companies, petroleum marketers, third-party independent fleet card issuers and network operators, transaction processors and software service providers. We believe there is a significant amount of aging technology, legacy systems, and dated business practices within the fleet card industry, which we believe will continue to shift market share to larger scale vendors with advanced technology platforms and create significant barriers to entry. Given the generally rising levels of fuel prices and the continued increase in the number and size of commercial fleets, we believe the use of fleet cards will continue to increase around the world. We believe increasing penetration could accelerate the growth of the fleet card sector relative to alternative payment methods, and we believe larger scale participants may be able to grow at a faster rate than the sector due to the fragmented nature of the industry. We believe there will be an increasingly limited number of vendors that can serve the fleet card market effectively and even fewer with the ability to provide products and network services on a global scale.

Our competitive strengths

We believe our competitive strengths include the following:

Global leadership. We are a leading independent global provider of specialized commercial payment products and services to fleets, major oil companies and petroleum marketers. We believe that our deep and diverse relationships, geographic reach, strong brands and scale contribute to our leading industry position.

Broad distribution capabilities. We target new customers across different markets by using multiple distribution channels and tailored sales and marketing efforts designed to address the unique characteristics of individual market segments. By targeting and effectively marketing our products to several different customer segments, we are able to address a variety of growth opportunities and diversify our revenue base.

Proprietary closed-loop networks. We operate six proprietary closed-loop networks which, as of December 31, 2009, served approximately 83,000 acceptance locations in North America and internationally. We believe that the significant time and investment required to establish a large-scale network with mass merchant acceptance makes our model extremely difficult to replicate and creates a significant barrier to entry in our industry.

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Advanced, reliable technology systems. We operate proprietary and industry-leading technology systems that use modern, scalable and standardized architecture. Our business models and best practices are codified in our technology systems, allowing us to take advantage of revenue-enhancing and cost-saving opportunities across our different businesses and geographies.

Superior products and services. We provide products and services tailored to the specific needs of our fleet customers, which we believe makes them more attractive than alternative payment methods such as cash, house accounts and general purpose credit cards, as well as many other fleet card products. We believe we are also able to achieve a competitive advantage over many other fleet card vendors by designing products targeting the unique needs of our customers and partners in different markets.

Strong execution capabilities. Our leadership team has a long and demonstrated track record of growing our business. We have achieved our growth through a strategy combining operational initiatives, strategic relationships and acquisitions.

Our growth strategy

Our strategy is to grow our revenue and profits by further penetrating our target markets, expanding our product and service offerings, entering new geographic markets and acquiring companies that meet our strategic criteria. The key elements of our growth strategy are to:

Penetrate our target markets further. We intend to expand our presence in target markets by adding more customers, cross-selling additional products and services to existing customers, entering into additional strategic relationships and making acquisitions.

Expand our products and services. We will seek to grow revenue by introducing new product features and functionality to our fleet card products, including additional maintenance, lodging and travel and entertainment capabilities. We aim to extend our network offerings in order to help major oil companies and petroleum marketers compete more effectively with other fleet cards and alternative payment methods.

Enter new geographic markets. We intend to continue expanding in areas of Europe and the United States where we currently do not have a significant presence. We are also evaluating other opportunities in markets we believe to be under-penetrated, such as Latin America and parts of Asia.

Pursue growth through strategic acquisitions. Since 2002, we have completed over 40 acquisitions of companies and commercial account portfolios. In certain international markets, where fleet card penetration is below levels observed in the United States, we will seek opportunities to increase our customer base through further strategic acquisitions.

Our products and services

We sell a range of customized fleet and lodging payment programs directly and indirectly through partners, such as major oil companies and petroleum marketers. We provide our customers with various card products that typically function like a charge card to purchase fuel, lodging and related products and services at participating locations. We support these cards with specialized issuing, processing and information services that enable us to manage card accounts, facilitate the routing, authorization, clearing and settlement of transactions, and provide value-added functionality and data including customizable card-level controls and productivity analysis tools. Depending on our customer s and partner s needs, we provide these services in a variety of outsourced solutions

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ranging from a comprehensive end-to-end solution (encompassing issuing, processing and network services) to limited back office processing services. In order to deliver our payment programs and services, we own and operate six proprietary closed-loop networks in North America and internationally. Our networks have well-established brands in local markets and proprietary technology that enable us to capture, transact, analyze and report value-added information pertinent to managing and controlling employee spending.

Risk factors

Investing in our common stock involves substantial risk, and our ability to successfully operate our business is subject to numerous risks, including those that are generally associated with our industry. Any of the risks set forth in this prospectus under the heading Risk factors may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, should evaluate the specific risks set forth in this prospectus under the heading Risk factors in deciding whether to invest in our common stock.

Our principal executive offices are located at 655 Engineering Drive, Suite 300, Norcross, Georgia 30092-2830, and our telephone number at that address is (770) 449-0479. Our website is located at *www.fleetcor.com*. The information on our website is not part of this prospectus.

Certain data included in this prospectus regarding our industry is derived from our internal assessments, which are based on a variety of sources, including publicly available data and information obtained from customers, other industry sources and management estimates. Independent consultant reports, industry publications and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable but do not guarantee the accuracy and completeness of such information. Our internal data and estimates are based upon information obtained from our investors, customers, suppliers, trade and business organizations, contacts in the markets in which we operate and management s understanding of industry conditions. Although we believe that such information is reliable, we cannot give you any assurance that any projections or estimates will be achieved.

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The offering

Shares of common stock offered by us	shares
Shares of common stock offered by the selling stockholders	shares
Shares of our common stock to be outstanding after this offering	shares
Option to purchase additional shares of common stock	The selling stockholders have granted the underwriters a 30-day option to purchase up to additional shares of common stock at the initial public offering price.
Voting rights	Each share of common stock will entitle its holder to one vote.
Use of proceeds	We estimate that the net proceeds we will receive from this offering, after deducting underwriting discounts and other estimated offering expenses payable by us, will be approximately $ million, assuming the shares are offered at $ per share, which is the mid-point of the price range set forth on the cover page of this prospectus.
	We intend to use approximately $ of the net proceeds we will receive from this offering to repay a portion of our outstanding term loans under the 2005 Credit Facility. We intend to use the remaining net proceeds for working capital and other general corporate purposes.
	We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.
Dividend policy	We currently expect to retain all future earnings, if any, for use in the operation and expansion of our business and debt repayment; therefore, we do not anticipate paying cash dividends on our common stock in the foreseeable future. See Dividend policy below.
Proposed New York Stock Exchange ticker symbol	FLT .
Risk factors	

You should carefully read and consider the information set forth under the heading Risk factors beginning on page 11 of this prospectus and all other information set forth in this prospectus before investing in our common stock.

The common stock to be outstanding after this offering is based on shares outstanding as of September 30, 2010, and excludes the following:

as of September 30, 2010, shares issuable upon the exercise of outstanding stock options at a weighted-average exercise price of $ per share; and

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2,700,000 shares reserved for future issuance under our 2010 Equity Compensation Plan.

Except as otherwise indicated, the information in this prospectus:

- assumes the automatic conversion of all outstanding shares of our preferred stock into shares of our common stock immediately prior to the closing of this offering;
- assumes the underwriters do not exercise their option to purchase up to additional shares from the selling stockholders;
- assumes a -for- stock split of shares of our common stock will be effected prior to the closing of this offering; and
- assumes that our shares of common stock will be sold at $ per share, which is the mid-point of the price range set forth on the cover page of this prospectus.

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Summary consolidated data for FleetCor Technologies, Inc.

The table below summarizes our consolidated financial information for the periods indicated and has been derived from our consolidated financial statements and presents certain other financial information. You should read the following information together with the more detailed information contained in Selected consolidated financial data, Management s discussion and analysis of financial condition and results of operations and our consolidated financial statements and the accompanying notes, each appearing elsewhere in this prospectus. The consolidated statement of income data for the years ended December 31, 2006 and 2005 as well as the consolidated balance sheet data as of December 31, 2007, 2006 and 2005 are derived from our audited consolidated financial statements not included in this prospectus. The unaudited consolidated financial statements include, in the opinion of management, all adjustments, which include only normal recurring adjustments, that management considers necessary for the fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in any future period.

	Nine months ended September 30,		Year ended December 31,				
(in thousands, except per share data)	**2010**	**2009**	**2009**	**2008**	**2007**	**2006**	**2005**
	(unaudited)						
Statement of income data(1):							
Revenues, net	$ 327,294	$ 256,761	$ 354,073	$ 341,053	$ 264,086	$ 186,209	$ 143,334
Expenses:							
Merchant commissions	39,549	28,860	39,709	38,539	39,358	32,784	24,247
Processing	52,608	43,099	57,997	51,406	34,060	26,388	18,360
Selling	23,155	21,470	30,579	23,778	22,625	19,464	13,740
General and administrative	40,025	38,251	51,375	47,635	41,986	23,175	20,562
Depreciation and amortization	25,238	20,235	28,368	27,240	20,293	12,571	7,448
Operating income	146,719	104,846	146,045	152,455	105,764	71,827	58,977
Other (income) expense, net	(767)	(369)	(933)	(2,488)	(1,554)	39	1,997
Interest expense, net	16,352	13,023	17,363	20,256	19,735	11,854	7,564
Total other expense	15,585	12,654	16,430	17,768	18,181	11,893	9,561
Income before income taxes	131,134	92,192	129,615	134,687	87,583	59,934	49,416
Provision for income taxes	40,752	28,088	40,563	37,405	25,998	21,957	18,748
Net income	$ 90,382	$ 64,104	$ 89,052	$ 97,282	$ 61,585	$ 37,977	$ 30,668
Pro forma earnings per share (unaudited)(2):							
Earnings per share, basic	$	$	$	$	$	$	$
Earnings per share, diluted							
Weighted average shares outstanding, basic							
Weighted average shares outstanding, diluted							
Balance sheet data (at end of period)							

Cash and cash equivalents	$ 110,773	$ 69,019	$ 84,701	$ 70,355	$ 68,864	$ 18,191	$
Restricted cash (3)	65,927	73,485	67,979	71,222	76,797	64,016	
Total assets	1,503,527	1,201,655	1,209,545	929,062	875,106	657,925	266,359
Total debt	501,326	360,250	351,551	370,747	341,851	255,032	127,543
Total stockholders equity	571,929	445,005	474,049	273,264	192,009	158,482	58,179
Other financial information (unaudited):							
EBITDA(4)	$ 172,724(5)	$ 125,450	$ 175,346	$ 182,183	$ 127,611	$ 84,359	$ 64,428
Adjusted EBITDA(4)	172,724(5)	129,506	180,646	197,983	143,811	97,494	71,411
Adjusted net income(4)	103,566	74,807	103,938	112,732	71,139	42,756	33,127

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(1) In June 2009, the Financial Accounting Standards Board, or FASB, issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. This guidance was effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, our statements of income will no longer include securitization activities in revenue. Rather, we will report interest income, provision for bad debts and interest expense associated with the debt securities issued from our securitization facility.

(2) Pro forma to give effect to (1) the conversion of all outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering as though the conversion had occurred at the beginning of the indicated fiscal period, (2) the forgiveness of all cumulative dividends on our convertible preferred stock, except for a portion of the dividends related to the Series D-3 convertible preferred stock where holders will receive cash dividends of approximately $7.3 million calculated as of September 30, 2010, (3) a -for- stock split of shares of our common stock prior to the closing of this offering and (4) compensation expense of approximately $ million related to shares of restricted stock which will vest upon the closing of this offering (assuming the price to the public is at the midpoint of the estimated price range set forth on the cover page of this prospectus).

(3) Restricted cash represents customer deposits repayable on demand.

(4) EBITDA is calculated as net income before the provision for income taxes, interest expense, net and depreciation and amortization. Adjusted EBITDA is calculated as EBITDA adjusted for the incremental interest expense attributable to our securitization facility. Adjusted net income is calculated as net income, adjusted to eliminate (a) stock-based compensation expense related to share-based compensation awards, (b) amortization of deferred financing costs and intangible assets and (c) amortization of the premium recognized on the purchase of receivables. We prepare adjusted net income to eliminate the effect of items that we do not consider indicative of our core operating performance. EBITDA, adjusted EBITDA and adjusted net income are supplemental measures of operating performance that do not represent and should not be considered as an alternative to net income or cash flow from operations, as determined by U.S. generally accepted accounting principles, or U.S. GAAP, and our calculation thereof may not be comparable to that reported by other companies. EBITDA, Adjusted EBITDA and adjusted net income have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations are:

- EBITDA, adjusted EBITDA and adjusted net income do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA, adjusted EBITDA and adjusted net income do not reflect changes in, or cash requirements for, our working capital needs;
- adjusted net income does not reflect the non-cash component of employee compensation;
- EBITDA and adjusted EBITDA do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and adjusted EBITDA do not reflect any cash requirements for such replacements.

We compensate for these limitations by relying primarily on our U.S. GAAP results and using EBITDA, adjusted EBITDA and adjusted net income only supplementally. We also compensate for these limitations by disclosing such limitations and reconciling EBITDA, adjusted EBITDA and adjusted net income to the most directly comparable U.S. GAAP measure, net income. Further, we also review U.S. GAAP measures and evaluate individual measures that are not included in EBITDA, adjusted EBITDA and adjusted net income. We believe that our presentation of these U.S. GAAP and non-GAAP financial measurements provides information that is useful to analysts and investors because they are important indicators of the strength of our operations and the performance of our core business. We believe it is useful to exclude stock-based compensation expense from adjusted net income because non-cash equity grants made at a certain price and point in time do not necessarily reflect how our business is performing at any particular time and stock-based compensation expense is not a key measure of our core operating performance. We also believe that amortization expenses can vary substantially from company to company and from period to period depending upon their financing and accounting methods, the fair value and average expected life of their acquired intangible assets, their capital structures and the method by which their assets were acquired; therefore, we have excluded amortization expense from our adjusted net income.

Management uses EBITDA, adjusted EBITDA and adjusted net income:

- as measurements of operating performance because they assist us in comparing our operating performance on a consistent basis;
- for planning purposes, including the preparation of our internal annual operating budget;
- to allocate resources to enhance the financial performance of our business; and
- to evaluate the performance and effectiveness of our operational strategies.

In addition, management uses EBITDA and adjusted EBITDA to calculate incentive compensation for our employees.

We believe these measurements are used by investors as supplemental measures to evaluate the overall operating performance of companies in our industry. By providing these non-GAAP financial measures, together with reconciliations, we believe we are enhancing investors understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing strategic initiatives.

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The following table reconciles net income to EBITDA and adjusted EBITDA:

(in thousands)	Nine Months ended September 30, 2010	2009	Year ended December 31, 2009	2008	2007	2006	2005
Net income	$ 90,382	$ 64,104	$ 89,052	$ 97,282	$ 61,585	$ 37,977	$ 30,668
Provision for income taxes	40,752	28,088	40,563	37,405	25,998	21,957	18,748
Interest expense, net	16,352	13,023	17,363	20,256	19,735	11,854	7,564
Depreciation and amortization	25,238	20,235	28,368	27,240	20,293	12,571	7,448
EBITDA	172,724(5)	125,450	175,346	182,183	127,611	84,359	64,428
Incremental interest expense(a)	N/A(5)	4,056	5,300	15,800	16,200	13,135	6,983
Adjusted EBITDA(a)	$ 172,724(5)	$ 129,506	$ 180,646	$ 197,983	$ 143,811	$ 97,494	$ 71,411

(a) We utilize an off-balance sheet securitization facility in the ordinary course of our business to finance a portion of our accounts receivable. Accounts receivable that we sell under the securitization facility are reported in our consolidated financial statements in accordance with relevant authoritative literature. Trade accounts receivable sold under this program are excluded from accounts receivable in our consolidated financial statements. In June 2009, the Financial Accounting Standards Board, or FASB, issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. This guidance was effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, our statements of income no longer include securitization activities in revenue. Rather, we report interest income, provision for bad debts and interest expense associated with the debt securities issued from our securitization facility. Although the provision for bad debts and interest expense related to our securitization facility are currently reported in revenue, we monitor these costs on a managed basis. Our revenue, processing expense, provision for bad debts and interest expense on a managed basis are set forth and reconciled under Management s Discussion and Analysis of Financial Condition and Results of Operations Accounts Receivable Securitization . The incremental interest expense represents the additional amount of interest expense that would have been reported if the new authoritative guidance discussed herein was applied to all years presented.

The following table reconciles net income to adjusted net income:

(in thousands)	Twelve Months ended September 30, 2010	Nine Months ended September 30, 2010	2009	Year ended December 31, 2009	2008	2007	2006	2005
Net income	$115,330	$ 90,382	$ 64,104	$ 89,052	$ 97,282	$ 61,585	$ 37,977	$ 30,668
Stock-based compensation expense	3,120	2,453	1,999	2,666	2,758	1,165	139	93
Amortization of intangible assets	16,867	12,749	9,782	13,900	12,038	9,825	4,978	2,060
Amortization of premium on receivables	3,262	2,447	2,442	3,257	5,471	1,702	1,443	581
Amortization of deferred financing costs	2,153	1,480	1,169	1,842	1,123	895	982	1,229
Total pre-tax adjustments	25,402	19,129	15,392	21,665	21,390	13,587	7,542	3,963
Income tax impact of pre-tax adjustments at the effective tax rate	(7,856)	(5,945)	(4,689)	(6,779)	(5,940)	(4,033)	(2,763)	(1,504)
Adjusted net income	$132,876	$ 103,566	$ 74,807	$ 103,938	$ 112,732	$ 71,139	$ 42,756	$ 33,127

In addition, adjusted net income (loss) was $24,579, $11,734, $(12,492) and $(1,455) for the years ended December 31, 2004, 2003, 2002 and 2001, respectively. The following table reconciles net income to adjusted net income (loss) for these periods.

(in thousands)	2004	2003	Year ended December 31, 2002	2001
Net income (loss)	$ 22,708	$ 10,806	$ (18,956)	$ (3,680)
Stock based compensation expense	244	523		
Amortization of goodwill and intangible assets	376	178		990
Goodwill impairment			4,305	
Amortization of discount on related-party notes	119		1,664	732
Amorization of deferred financing costs	1,132	238	513	503
Total pre-tax adjustments	1,871	939	6,482	2,225
Income tax impact of pre-tax adjustments at the effective tax rate		(11)	(18)	
Adjusted net income (loss)	$ 24,579	$ 11,734	$ (12,492)	$ (1,455)

(5) For periods ended subsequent to January 1, 2010 interest expense, net includes incremental interest expense attributable to our securitization facility. Had we continued to include the incremental interest expense attributable to the securitization facility of $3.7 million within revenue for the nine months ended September 30, 2010, EBITDA would have been $169.0 million.

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Risk factors

This offering involves a high degree of risk. In addition to the other information contained in this prospectus, prospective investors should carefully consider the following risks before investing in our common stock. If any of the following risks actually occur, our business, operating results and financial condition could be materially adversely affected. As a result, the trading price of our common stock could decline, and you may lose all or part of your investment in our common stock. The risks discussed below also include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See Special note regarding forward-looking statements in this prospectus.

Risks related to our business

A decline in retail fuel prices could adversely affect our revenue and operating results.

Our fleet customers use our products and services primarily in connection with the purchase of fuel. Accordingly, our revenue is affected by fuel prices, which are subject to significant volatility. A decline in retail fuel prices could cause a decrease in our revenue from fees paid to us by merchants based on a percentage of each transaction purchase amount. We believe that in 2009, approximately 19.1% of our consolidated revenue, as adjusted for the impact of the new accounting guidance related to our securitization facility as described under the heading Management s discussion and analysis of financial condition and results of operations Accounts receivable securitization , was directly influenced by the absolute price of fuel. In this prospectus, for the periods between January 1, 2005 and December 31, 2009, we refer to our consolidated revenue as adjusted for the impact of the new accounting guidance related to our securitization facility as our consolidated revenue on a managed basis . For the periods prior to January 1, 2005, we did not maintain a securitization facility. Changes in the absolute price of fuel may also impact unpaid account balances and the late fees and charges based on these amounts. A decline in retail fuel prices could adversely affect our revenue and operating results.

Fuel prices are dependent on several factors, all of which are beyond our control. These factors include, among others:

- supply and demand for oil and gas, and market expectations regarding supply and demand;
- actions by members of OPEC and other major oil-producing nations;
- political conditions in oil-producing and gas-producing nations, including insurgency, terrorism or war;
- oil refinery capacity;
- weather;
- the prices of foreign exports;
- the implementation of fuel efficiency standards and the adoption by our fleet customers of vehicles with greater fuel efficiency or alternative fuel sources;

- general worldwide economic conditions; and
- governmental regulations, taxes and tariffs.

A portion of our revenue is derived from fuel-price spreads. As a result, a contraction in fuel-price spreads could adversely affect our operating results.

Approximately 18.6% of our consolidated revenue on a managed basis in 2009 was derived from transactions where our revenue is tied to fuel-price spreads. Fuel-price spreads equal the difference between the fuel price we charge to the fleet customer and the fuel price paid to the fuel merchant. In transactions where we derive revenue

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from fuel-price spreads, the fuel price paid to the fuel merchant is calculated as the merchant s wholesale cost of fuel plus a commission. The merchant s wholesale cost of fuel is dependent on several factors including, among others, the factors described above affecting fuel prices. The fuel price that we charge to our fleet customer is dependent on several factors including, among others, the fuel price paid to the fuel merchant, posted retail fuel prices and competitive fuel prices. We experience fuel-price spread contraction when the merchant s wholesale cost of fuel increases at a faster rate than the fuel price we charge to our fleet customers, or the fuel price we charge to our fleet customers decreases at a faster rate than the merchant s wholesale cost of fuel. Accordingly, when fuel-price spreads contract, we generate less revenue, which could adversely affect our operating results.

If we fail to adequately assess and monitor credit risks of our customers, we could experience an increase in credit loss.

We are subject to the credit risk of our customers, many of which are small to mid-sized businesses. We use various methods to screen potential customers and establish appropriate credit limits, but these methods cannot eliminate all potential credit risks and may not always prevent us from approving customer applications that are fraudulently completed. Changes in our industry and movement in fuel prices may result in periodic increases to customer credit limits and spending and, as a result, increased credit losses. We may also fail to detect changes to the credit risk of customers over time. Further, during a declining economic environment, we experience increased customer defaults. If we fail to adequately manage our credit risks, our bad debt expense could be significantly higher than historic levels and adversely affect our business, operating results and financial condition. Although the provision for bad debts and interest expense related to our securitization facility were included as a component of net revenue for the periods prior to January 1, 2010 in accordance with then-prevailing accounting guidance, we considered such amounts an expense for the periods prior to January 1, 2010. Accordingly, for internal reporting purposes, we included such amount as a component of operating expense, which we refer to as on a managed basis. As further described under the heading Management s discussion and analysis of financial condition and results of operations Accounts receivable securitization , on a managed basis, our provision for bad debts equaled $32.6 million for the year ended December 31, 2009. For the nine months ended September 30, 2010, our provision for bad debts equaled $15.1 million.

We derive a portion of our revenue from program fees and charges paid by the users of our cards. Any decrease in our receipt of such fees and charges, or limitations on our fees and charges, could adversely affect our business, results of operations and financial condition.

Our card programs include a variety of fees and charges associated with transactions, cards, reports, late payments and optional services. We derived approximately 54.0% of our consolidated revenue on a managed basis from these fees and charges during the year ended December 31, 2009 and approximately 55.0% of our consolidated revenue from these fees and charges during the nine months ended September 30, 2010. If the users of our cards decrease their transaction activity, the extent to which they pay invoices late or their use of optional services, our revenue could be materially adversely affected. In addition, several market factors can affect the amount of our fees and charges, including the market for similar charges for competitive card products and the availability of alternative payment methods such as cash or house accounts. Furthermore, regulators and Congress have scrutinized the electronic payments industry s pricing, charges and other practices related to its customers. Any legislative or regulatory restrictions on our ability to price our products and services could materially and adversely affect our revenue. Any decrease in our revenue derived from these fees and charges could materially and adversely affect our business, operating results and financial condition.

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We operate in a competitive business environment, and if we are unable to compete effectively, our business, operating results and financial condition would be adversely affected.

The market for our products and services is highly competitive, and competition could intensify in the future. Our competitors vary in size and in the scope and breadth of the products and services they offer. Our primary competitors in the United States are small, regional and large independent fleet card providers, major oil companies and petroleum marketers that issue their own fleet cards and major financial services companies that provide card services to major oil companies and petroleum marketers. We also compete for customers with providers of alternative payment mechanisms, such as financial institutions that issue corporate and consumer credit cards and merchants offering house cash accounts or other forms of credit. Our primary competitors in Europe are independent fleet card providers, major oil companies and petroleum marketers that issue branded fleet cards, and providers of card outsourcing services to major oil companies and petroleum marketers.

The most significant competitive factors in our business are the breadth of product and service features, network acceptance size, customer service and account management and price. We may experience competitive disadvantages with respect to any of these factors from time to time as potential customers prioritize or value these competitive factors differently. As a result, a specific offering of our products and service features, networks and pricing may serve as a competitive advantage with respect to one customer and a disadvantage for another based on the customers preferences.

Some of our existing and potential competitors have longer operating histories, greater brand name recognition, larger customer bases, more extensive customer relationships or greater financial and technical resources. In addition, our larger competitors may also have greater resources than we do to devote to the promotion and sale of their products and services and to pursue acquisitions. For example, major oil companies and petroleum marketers and large financial institutions may choose to integrate fuel-card services as a complement to their existing card products and services. As a result, they may be able to adapt more quickly to new or emerging technologies and changing opportunities, standards or customer requirements. To the extent that our competitors are regarded as leaders in specific categories, they may have an advantage over us as we attempt to further penetrate these categories.

Future mergers or consolidations among competitors, or acquisitions of our competitors by large companies may present competitive challenges to our business. Resulting combined entities could be at a competitive advantage if their fuel-card products and services are effectively integrated and bundled into sales packages with their widely utilized non-fuel-card-related products and services. Further, larger competitors have reduced, and could continue to reduce, the fees for their services, which has increased and may continue to increase pricing pressure within our markets.

Overall, increased competition in our markets could result in intensified pricing pressure, reduced profit margins, increased sales and marketing expenses and a failure to increase, or a loss of, market share. We may not be able to maintain or improve our competitive position against our current or future competitors, which could adversely affect our business, operating results and financial condition.

Our business is dependent on several key strategic relationships, the loss of which could adversely affect our operating results.

We intend to seek to expand our strategic relationships with major oil companies. We refer to the major oil companies and petroleum marketers with whom we have strategic relationships as our partners. During 2009 and the nine months ended September 30, 2010, our top three strategic relationships with major oil companies accounted for approximately 18% and 22%, respectively, of our consolidated revenue. No single partner represented more than 10% of our consolidated revenue in 2009. In the nine months ended September 30, 2010, one partner accounted for approximately 11% of our consolidated revenue. Two of our partners each represented

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greater than 5% of our consolidated revenue during 2009. Our agreements with our major oil company partners typically have initial terms of five to ten years with current remaining terms ranging from less than one year up to seven years.

The success of our business is in part dependent on our ability to maintain these strategic relationships and enter into additional strategic relationships with major oil companies. In our relationships with these major oil companies, our services are marketed under our partners brands. If these partners fail to maintain their brands, or decrease the size of their branded networks, our ability to grow our business may be adversely affected. Our inability to maintain or further develop these relationships or add additional strategic relationships could materially and adversely affect our business and operating results.

To enter into a new strategic relationship or renew an existing strategic relationship with a major oil company, we often must participate in a competitive bidding process, which may focus on a limited number of factors, such as pricing. The use of these processes may affect our ability to effectively compete for these relationships. Our competitors may be willing to bid for these contracts on pricing or other terms that we consider uneconomical in order to win this business. The loss of our existing major oil company partners or the failure to contract with additional partners could materially and adversely affect our business, operating results and financial condition.

We depend, in part, on our merchant relationships to grow our business. To grow our customer base, we must retain and add relationships with merchants who are located in areas where our customers purchase fuel and lodging. If we are unable to maintain and expand these relationships, our business may be adversely affected.

A portion of our growth is derived from acquiring new merchant relationships to serve our customers, our new and enhanced product and service offerings and cross-selling our products and services through existing merchant relationships. We rely on the continuing growth of our merchant relationships and our distribution channels in order to expand our customer base. There can be no guarantee that this growth will continue. Similarly, our growth also will depend on our ability to retain and maintain existing merchant relationships that accept our proprietary closed-loop networks in areas where our customers purchase fuel and lodging. Our contractual agreements with fuel merchants typically have initial terms of one year and automatically renew on a year-to-year basis unless either party gives notice of termination. Our agreements with lodging providers typically have initial terms of one year and automatically renew on a month-to-month basis unless either party gives notice of termination. Furthermore, merchants with which we have relationships may experience bankruptcy, financial distress, or otherwise be forced to contract their operations. The loss of existing merchant relationships, the contraction of our existing merchants operations or the inability to acquire new merchant relationships could adversely affect our ability to serve our customers and our business and operating results.

A decline in general economic conditions, and in particular, a decline in demand for fuel and other vehicle products and services would adversely affect our business, operating results and financial condition.

Our operating results are materially affected by conditions in the economy generally, both in the United States and internationally. We generate revenue based in part on the volume of fuel purchase transactions we process. Our transaction volume is correlated with general economic conditions in the United States and Europe and in particular, the amount of business activity in these economies. Downturns in these economies are generally characterized by reduced commercial activity and, consequently, reduced purchasing of fuel and other vehicle products and services by businesses. The recession in 2007 and 2008 negatively affected the organic growth of our business in 2009, which resulted from lower transaction volume from existing customers. Unfavorable changes in economic conditions, including declining consumer confidence, inflation, recession or other changes, may lead our customers, which are largely comprised of commercial fleets, to demand less fuel, or lead our partners to reduce their use of our products and services. These declines could result from, among other things, reduced fleet traffic, corporate purchasing, travel and other commercial activities from which we derive revenue.

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Further, economic conditions also may impact the ability of our customers or partners to pay for fuel or other services they have purchased and, as a result, our reserve for credit losses and write-offs of accounts receivable could increase. In addition, demand for fuel and other vehicle products and services may be reduced by other factors that are beyond our control, such as the development and use of vehicles with greater fuel efficiency and alternative fuel sources.

We are unable to predict the likely duration and severity of the current disruption in financial markets and adverse economic conditions in the United States and Europe. As a result, a sustained deterioration in general economic conditions in the United States or Europe, or increases in interest rates in key countries in which we operate, could adversely affect our business and operating results.

We have expanded into new lines of business in the past and may do so in the future. If we are unable to successfully integrate these new businesses, our results of operations and financial condition may be adversely affected.

We have expanded our business to encompass new lines of business in the past. For example, within the past several years we have entered into the lodging card business in the United States and now offer a limited telematics service to European customers. We may continue to enter new lines of business and offer new products and services in the future. There is no guarantee that we will be successful in integrating these new lines of business into our operations. If we are unable to do so, our operating results and financial condition may be adversely affected.

If we fail to develop and implement new technology, products and services, adapt our products and services to changes in technology or the marketplace, or if our ongoing efforts to upgrade our technology, products and services are not successful, we could lose customers and partners.

The markets for our products and services are highly competitive, and characterized by technological change, frequent introduction of new products and services and evolving industry standards. We must respond to the technological advances offered by our competitors and the requirements of our customers and partners, in order to maintain and improve upon our competitive position. We may be unsuccessful in expanding our technological capabilities and developing, marketing or selling new products and services that meet these changing demands, which could jeopardize our competitive position. In addition, we engage in significant efforts to upgrade our products and services and the technology that supports these activities on a regular basis. If we are unsuccessful in completing the migration of material technology, otherwise upgrading our products and services and supporting technology or completing or gaining market acceptance of new technology, products and services, it would have a material adverse effect on our ability to retain existing customers and attract new ones in the impacted business line.

Our debt obligations, or our incurrence of additional debt obligations, could limit our flexibility in managing our business and could materially and adversely effect our financial performance.

As of September 30, 2010, we had approximately $323.5 million of long-term indebtedness outstanding. In addition, we are permitted under our credit agreement to incur additional indebtedness, subject to specified limitations. Our substantial indebtedness currently outstanding, or as may be outstanding if we incur additional indebtedness, could have important consequences, including the following:

- we may have difficulty satisfying our obligations under our debt facilities and, if we fail to satisfy these obligations, an event of default could result;

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- we may be required to dedicate a substantial portion of our cash flow from operations to required payments on our indebtedness, thereby reducing the availability of cash flow for acquisitions, working capital, capital expenditures and other general corporate activities. See Management s discussion and analysis of financial condition and results of operations Contractual obligations, which sets forth our payment obligations with respect to our existing long-term debt;

- covenants relating to our debt may limit our ability to enter into certain contracts or to obtain additional financing for acquisitions, working capital, capital expenditures and other general corporate activities;

- covenants relating to our debt may limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate, including by restricting our ability to make strategic acquisitions;

- we may be more vulnerable than our competitors to the impact of economic downturns and adverse developments in the industry in which we operate;

- we are exposed to the risk of increased interest rates because certain of our borrowings are subject to variable rates of interest;

- although we have no current intention to pay any dividends, we may be unable to pay dividends or make other distributions with respect to your investment; and

- we may be placed at a competitive disadvantage against any less leveraged competitors.

The occurrence of one or more of these potential consequences could have a material adverse effect on our business, financial condition, operating results, and ability to satisfy our obligations under our indebtedness.

In addition, we and our subsidiaries may be able to incur substantial additional indebtedness in the future. Although our credit agreement contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of additional indebtedness that could be incurred in compliance with these restrictions could be substantial. If new debt is added to our existing debt levels, the related risks that we will face would increase.

We meet a significant portion of our working capital needs through a securitization facility, which we must renew on an annual basis.

We meet a significant portion of our working capital needs through a securitization facility, pursuant to which we sell accounts receivable to a special-purpose entity that in turn sells undivided participation interests in the accounts receivable to certain purchasers, who finance their purchases through the issuance of short-term commercial paper. The securitization facility has a one year term. During the financial crisis that began in 2008, the market for commercial paper experienced significant volatility. Although we have been able to renew our securitization facility annually, there can be no assurance that we will continue to be able to renew this facility in the future on terms acceptable to us.

A significant rise in fuel prices could cause our accounts receivable to increase beyond the capacity of the securitization facility. There can be no assurance that the size of the facility can be expanded to meet these increased working capital needs. Further, we may not be able to fund such increases in accounts receivable with our available cash resources. Our inability to meet working capital needs could adversely affect our financial condition and business, including our relationships with merchants, customers and partners. Further, we are exposed to the risk of increased interest rates because our borrowings under the securitization facility are subject to variable rates of interest.

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We are subject to risks related to volatility in foreign currency exchange rates, and restrictions on our ability to utilize revenue generated in foreign currencies.

As a result of our foreign operations, we are subject to risks related to changes in currency rates for revenue generated in currencies other than the U.S. dollar. For the year ended December 31, 2009 and the nine months ended September 30, 2010, approximately 36.0% and 33.0% of our revenue, respectively, was denominated in currencies other than the U.S. dollar (primarily Czech koruna and British pound). Revenue and profit generated by international operations may increase or decrease compared to prior periods as a result of changes in foreign currency exchange rates. Resulting exchange gains and losses are included in our net income. Volatility in foreign currency exchange rates may materially adversely affect our operating results and financial condition.

Furthermore, we are subject to exchange control regulations that restrict or prohibit the conversion of more than a specified amount of our foreign currencies into U.S. dollars, and, as we expand, we may become subject to further exchange control regulations that limit our ability to freely utilize and transfer currency in and out of particular jurisdictions. These restrictions may make it more difficult to effectively utilize the cash generated by our operations and may adversely effect our financial condition.

We conduct a significant portion of our business in foreign countries and we expect to expand our operations into additional foreign countries where we may be adversely affected by operational and political risks that are greater than in the United States.

We have foreign operations in, or provide services in, Belarus, Belgium, Canada, the Czech Republic, Estonia, Ireland, Latvia, Lithuania, Luxembourg, the Netherlands, Pakistan, Poland, the Russian Federation, Slovakia, South Africa, Ukraine and the United Kingdom. We also expect to seek to expand our operations into various countries in Asia, Europe and Latin America as part of our growth strategy.

Some of the countries where we operate, and other countries where we will seek to operate, have undergone significant political, economic and social change in recent years, and the risk of unforeseen changes in these countries may be greater than in the United States. In particular, changes in laws or regulations, including with respect to taxation, information technology, data transmission and the Internet, or in the interpretation of existing laws or regulations, whether caused by a change in government or otherwise, could materially adversely affect our business, operating results and financial condition. In addition, conducting and expanding our international operations subjects us to other risks that we do not generally face in the United States. These include:

- difficulties in managing the staffing of our international operations, including hiring and retaining qualified employees;

- increased expense related to localization of our products and services, including language translation and the creation of localized agreements;

- potentially adverse tax consequences, including the complexities of foreign value added tax systems, restrictions on the repatriation of earnings and changes in tax rates;

- increased expense to comply with foreign laws and legal standards, including laws that regulate pricing and promotion activities and the import and export of information technology, which can be difficult to monitor and are often subject to change;

- increased expense to comply with U.S. laws that apply to foreign operations, including the Foreign Corrupt Practices Act and Office of Foreign Assets Control regulations;

longer accounts receivable payment cycles and difficulties in collecting accounts receivable;

increased financial accounting and reporting burdens and complexities;

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- political, social and economic instability;
- terrorist attacks and security concerns in general; and
- reduced or varied protection for intellectual property rights and cultural norms in some geographies that are simply not respectful of intellectual property rights.

The occurrence of one or more of these events could negatively affect our international operations and, consequently, our operating results. Further, operating in international markets requires significant management attention and financial resources. Due to the additional uncertainties and risks of doing business in foreign jurisdictions, international acquisitions tend to entail risks and require additional oversight and management attention that are typically not attendant to acquisitions made within the United States. We cannot be certain that the investment and additional resources required to establish, acquire or integrate operations in other countries will produce desired levels of revenue or profitability.

We are dependent on technology systems and electronic communications networks managed by third parties, which could result in our inability to prevent disruptions in our services.

Our ability to process and authorize transactions electronically depends on our ability to communicate with our fuel, lodging and vehicle maintenance providers electronically through point-of-sale devices and electronic networks that are owned and operated by third parties. In addition, in order to process transactions promptly, our computer equipment and network servers must be functional 24 hours a day, which requires access to telecommunications facilities managed by third-parties and the availability of electricity, which we do not control. A severe disruption of one or more of these networks, including as a result of utility or third-party system interruptions, could impair our ability to authorize transactions and process information, which could harm our reputation, result in a loss of customers or partners and adversely affect our business and operating results.

We also utilize third-party providers to assist us with disaster recovery operations. As a result, we are subject to the risk of a provider s unresponsiveness in the event of a significant breakdown in our computer equipment or networks. Furthermore, our property and business interruption insurance may not be adequate to compensate us for all losses or failures that may occur.

We may experience software defects, system errors, computer viruses and development delays, which could damage customer relations, decrease our profitability and expose us to liability.

Our products and services are based on proprietary and third-party network technology and processing systems that may encounter development delays and could be susceptible to undetected errors, viruses or defects. Development delays, system errors, viruses or defects that result in service interruption or data loss could have a material adverse effect on our business, damage our reputation and subject us to third-party liability. In addition, errors, viruses and defects in our network technology and processing systems could result in additional development costs and the diversion of our technical and other resources from other development efforts or operations. Further, our attempts to limit our potential liability, through disclaimers and limitation-of-liability provisions in our agreements, may not be successful.

We may incur substantial losses due to fraudulent use of our fleet cards.

Under certain circumstances, when we fund customer transactions, we may bear the risk of substantial losses due to fraudulent use of our fleet cards. We do not maintain any insurance to protect us against any such losses.

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We may not be able to adequately protect the data we collect about our customers and partners, which could subject us to liability and damage our reputation.

We electronically receive, process, store and transmit our customers and partners sensitive information, including bank account information and expense data. We keep this information confidential; however, our websites, networks, information systems, services and technologies may be targeted for sabotage, disruption or misappropriation. Unauthorized access to our networks and computer systems could result in the theft or publication of confidential information or the deletion or modification of records or could otherwise cause interruptions in our service and operations.

Because techniques used to obtain unauthorized access or to sabotage systems change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Although we believe we have sufficient controls in place to prevent disruption and misappropriation and to respond to such attacks, any inability to prevent security breaches could have a negative impact on our reputation, expose us to liability, decrease market acceptance of electronic transactions and cause our present and potential clients to choose another service provider. Any of these developments could have a material adverse effect on our business, operating results and financial condition.

We expect to expand through acquisitions, which may divert our management s attention and result in unexpected operating difficulties, increased costs and dilution to our stockholders. We also may never realize the anticipated benefits of the acquisitions.

We have been an active business acquirer both in the United States and internationally, and, as part of our growth strategy, we expect to seek to acquire businesses, commercial account portfolios, technologies, services and products in the future. We have substantially expanded our overall business, customer base, headcount and operations both domestically and internationally through acquisitions. The acquisition and integration of each business involves a number of risks and may result in unforeseen operating difficulties and expenditures in assimilating or integrating the businesses, technologies, products, personnel or operations of the acquired business. Furthermore, future acquisitions may:

- involve our entry into geographic or business markets in which we have little or no prior experience;
- involve difficulties in retaining the customers of the acquired business;
- result in a delay or reduction of sales for both us and the business we acquire; and
- disrupt our ongoing business, divert our resources and require significant management attention that would otherwise be available for ongoing development of our current business.

In addition, international acquisitions often involve additional or increased risks including, for example:

- difficulty managing geographically separated organizations, systems and facilities;
- difficulty integrating personnel with diverse business backgrounds and organizational cultures;
- increased expense to comply with foreign regulatory requirements applicable to acquisitions;

difficulty entering new foreign markets due to, among other things, lack of customer acceptance and a lack of business knowledge of these new markets; and

political, social and economic instability.

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To complete a future acquisition, we may determine that it is necessary to use a substantial amount of our cash or engage in equity or debt financing. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges senior to those of holders of our common stock. Any debt financing obtained by us in the future could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters that make it more difficult for us to obtain additional capital in the future and to pursue other business opportunities, including potential acquisitions. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all, which could limit our ability to engage in acquisitions. Moreover, we can make no assurances that the anticipated benefits of any acquisition, such as operating improvements or anticipated cost savings, would be realized or that we would not be exposed to unexpected liabilities in connection with any acquisition.

Further, an acquisition may negatively affect our operating results because it may require us to incur charges and substantial debt or other liabilities, may cause adverse tax consequences, substantial depreciation and amortization or deferred compensation charges, may require the amortization, write-down or impairment of amounts related to deferred compensation, goodwill and other intangible assets, or may not generate sufficient financial return to offset acquisition costs.

The market for fleet-card services is evolving and may not continue to develop or grow.

Our fleet-card businesses rely on the acceptance and use of payment cards by businesses to purchase fuel for their vehicle fleets. If the use of fleet cards by businesses does not continue to grow, it could have a material adverse effect on our business, operating results and financial condition. In order to consistently increase and maintain our profitability, businesses and partners must continue to adopt our services. Similarly, growth in the acceptance and use of fleet cards will be impacted by the acceptance and use of electronic payment transactions generally. Furthermore, new technologies may displace fleet cards as payment mechanisms for fuel purchase transactions. A decline in the acceptance and use of fleet cards, and electronic payment transactions generally, by businesses and merchants could have a material adverse effect on our business, operating results and financial condition. The market for our lodging cards is also evolving and that portion of our business is subject to similar risks.

Our balance sheet includes significant amounts of goodwill and intangible assets. The impairment of a significant portion of these assets would negatively affect our financial results.

Our balance sheet includes goodwill and intangible assets that represent approximately 52% of our total assets at September 30, 2010. These assets consist primarily of goodwill and identified intangible assets associated with our acquisitions. We also expect to engage in additional acquisitions, which may result in our recognition of additional goodwill and intangible assets. Under current accounting standards, we are required to amortize certain intangible assets over the useful life of the asset, while goodwill is not amortized. On at least an annual basis, we assess whether there have been impairments in the carrying value of goodwill and intangible assets. If the carrying value of the asset is determined to be impaired, then it is written down to fair value by a charge to operating earnings. An impairment of a significant portion of goodwill or intangible assets could materially negatively affect our operating results and financial condition.

If we are unable to protect our intellectual property rights and confidential information, our competitive position could be harmed and we could be required to incur significant expenses in order to enforce our rights.

To protect our proprietary technology, we rely on copyright, trade secret and other intellectual property laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. Despite

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our precautions, it may be possible for third parties to obtain and use without consent confidential information or infringe on our intellectual property rights, and our ability to police that misappropriation or infringement is uncertain, particularly in countries outside of the United States. In addition, our confidentiality agreements with employees, vendors, customers and other third parties may not effectively prevent disclosure or use of proprietary technology or confidential information and may not provide an adequate remedy in the event of such unauthorized use or disclosure.

Protecting against the unauthorized use of our intellectual property and confidential information is expensive, difficult and not always possible. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our confidential information, including trade secrets, or to determine the validity and scope of the proprietary rights of others. This litigation could be costly and divert management resources, either of which could harm our business, operating results and financial condition. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property and proprietary information.

We cannot be certain that the steps we have taken will prevent the unauthorized use or the reverse engineering of our proprietary technology. Moreover, others may independently develop technologies that are competitive to ours or infringe our intellectual property. The enforcement of our intellectual property rights also depends on our legal actions against these infringers being successful, and we cannot be sure these actions will be successful, even when our rights have been infringed. Furthermore, effective patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which we may offer our products and services.

Claims by others that we or our customers infringe their intellectual property rights could harm our business.

Third parties could claim that our technologies and processes underlying our products and services infringe their intellectual property. In addition, to the extent that we gain greater visibility and market exposure as a public company, we may face a higher risk of being the target of intellectual property infringement claims asserted by third parties. We may, in the future, receive notices alleging that we have misappropriated or infringed a third party s intellectual property rights. There may be third-party intellectual property rights, including patents and pending patent applications, that cover significant aspects of our technologies, processes or business methods. Any claims of infringement or misappropriation by a third party, even those without merit, could cause us to incur substantial defense costs and could distract our management from our business, and there can be no assurance that we will be able to prevail against such claims. Some of our competitors may have the capability to dedicate substantially greater resources to enforcing their intellectual property rights and to defending claims that may be brought against them than we do. Furthermore, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages, potentially including treble damages if we are found to have willfully infringed a patent. A judgment could also include an injunction or other court order that could prevent us from offering our products and services. In addition, we might be required to seek a license for the use of a third party s intellectual property, which may not be available on commercially reasonable terms or at all. Alternatively, we might be required to develop non-infringing technology, which could require significant effort and expense and might ultimately not be successful.

Third parties may also assert infringement claims against our customers relating to their use of our technologies or processes. Any of these claims might require us to defend potentially protracted and costly litigation on their behalf, regardless of the merits of these claims, because under certain conditions we agree to indemnify our customers from third-party claims of intellectual property infringement. If any of these claims succeed, we might be forced to pay damages on behalf of our customers, which could adversely affect our business, operating results and financial condition.

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Our success is dependent, in part, upon our executive officers and other key personnel, and the loss of key personnel could materially adversely affect our business.

Our success depends, in part, on our executive officers and other key personnel. Our senior management team has significant industry experience and would be difficult to replace. The market for qualified individuals is competitive, and we may not be able to attract and retain qualified personnel or candidates to replace or succeed members of our senior management team or other key personnel. The loss of key personnel could materially adversely affect our business.

Changes in laws, regulations and enforcement activities may adversely affect our products and services and the markets in which we operate.

The electronic payments industry is subject to increasing regulation in the United States and internationally. Domestic and foreign government regulations impose compliance obligations on us and restrictions on our operating activities, which can be difficult to administer because of their scope, mandates and varied requirements. We are subject to a number of government regulations, including, among others: interest rate and fee restrictions; credit access and disclosure requirements; collection and pricing regulations; compliance obligations; security and data breach requirements; identity theft avoidance programs; and anti-money laundering compliance programs. Government regulations can also include licensing or registration requirements. While a large portion of these regulations focuses on individual consumer protection, legislatures continue to consider whether to include business consumers within the scope of these regulations. As a result, new or expanded regulation focusing on business cardholders or changes in interpretation or enforcement of regulations may have an adverse effect on our business and operating results, due to increased compliance costs and new restrictions affecting the terms under which we offer our products and services. In addition, we have structured our business in accordance with existing tax laws and interpretations, including those related to state occupancy taxes, value added taxes in foreign jurisdictions and restrictions on repatriation of funds or transfers of revenue between jurisdictions. Changes in tax laws or their interpretations could increase our tax liability, further limit our utilization of funds located in foreign jurisdictions and have a material adverse effect on our business and financial condition.

We generate a portion of our revenue from our lodging card business, which is affected by conditions in the hotel industry generally and has a concentration of customers in the railroad and trucking industries.

Revenue from our lodging card business, which we acquired on April 1, 2009, equaled $37.1 million of our consolidated revenue for the year ended December 31, 2009. Our lodging card business earns revenue from customers purchasing lodging from the hotel industry and derives a significant portion of this revenue from end users in the railroad and trucking industries. Therefore, we are exposed to risks affecting each of these industries. For example, unfavorable economic conditions adversely impacting the hotel, railroad and trucking industries generally could cause a decrease in demand for our products and services in our lodging card business, resulting in decreased revenue. In addition, mergers or consolidations in these industries could reduce our customer and partnership base, resulting in a smaller market for our products and services.

We contract with government entities and are subject to risks related to our governmental contracts.

In the course of our business we contract with government entities, including state and local government fleet customers, as well as federal government agencies. As a result, we are subject to various laws and regulations that apply to companies doing business with federal, state and local governments. The laws relating to government contracts differ from other commercial contracting laws and our government contracts may contain

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pricing terms and conditions that are not common among private contracts. In addition, we may be subject to investigation from time to time concerning our compliance with the laws and regulations relating to our government contracts. Our failure to comply with these laws and regulations may result in suspension of these contracts or administrative or other penalties.

Litigation and regulatory actions could subject us to significant fines, penalties or requirements resulting in increased expenses.

We are not currently party to any legal proceedings or governmental inquiries or investigations that we consider to be material. We are, however, subject to litigation from time to time in the ordinary course of our business, which if ultimately determined unfavorably could force us to pay damages or fines, or change our business practices, any of which could have a material adverse effect on our operating results. In addition, we may become involved in various actions or proceedings brought by domestic and foreign governmental regulatory agencies in the event of alleged noncompliance with laws or regulations, which could potentially subject us to significant fines, penalties or other requirements resulting in increased expenses or restricting the conduct of our business. We are currently involved in such an investigation by the Office of Fair Trading in the United Kingdom, relating to our Keyfuels product line. This product line consists of our proprietary payment card and associated site network in the United Kingdom. A competitor alleged we are dominant in a relevant market with our Keyfuels product line. The Office of Fair Trading is investigating whether we are dominant and, if dominant, whether some of our contracts with some sites and dealers would constitute exclusive dealings requiring them to be reformed to eliminate exclusivity. Although we do not currently anticipate an adverse result or material adverse impact from the investigation, if determined adversely, the regulator has authority to require us to reform contracts to eliminate exclusivity and impose significant fines.

We rely on third parties for card issuing and processing services supporting our MasterCard network fleet card products. Failure to maintain these contractual relationships upon acceptable terms would have an adverse effect on our MasterCard network fleet card offerings, customer retention and operating results.

Some of our fleet-card products in North America are accepted in the MasterCard merchant network pursuant to our contractual relationships with two issuing banks and two third-party processors. In order to continue offering fleet cards accepted at MasterCard network merchants, we must maintain our contractual relationship with at least one issuing bank. Further, unless we develop our own MasterCard-approved processing capabilities, we must continue to obtain processing services from at least one processor approved by MasterCard with the capability to provide acceptable levels of reporting data for fleet operators. Generally, these contracts have remaining terms of between three and five years and automatically renew from year to year unless either party provides notice of termination; however, one of the two issuing banks has provided us with notice that it does not intend to automatically renew our agreement when it expires in 2012. Approximately 1.4% of our 2009 revenue and 2.3% of our revenue for the nine months ended September 30, 2010, respectively, was associated with this issuing bank. We intend to replace this issuing bank if satisfactory arrangements to renew the contract are not concluded and we believe an alternative issuing bank can be found; however, our failure to maintain these relationships, or find suitable alternatives, could have an adverse effect on our MasterCard network fleet card products, our customer retention and our operating results.

Changes in MasterCard interchange fees could decrease our revenue.

A portion of our revenue is generated by network processing fees charged to merchants, known as interchange fees, associated with transactions processed using our MasterCard-branded fleet cards. Interchange fee amounts associated with our MasterCard network fleet cards are affected by a number of factors, including regulatory limits in the United States and Europe and fee changes imposed by MasterCard. In addition, interchange fees are

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the subject of intense legal and regulatory scrutiny and competitive pressures in the electronic payments industry, which could result in lower interchange fees generally in the future. Temporary or permanent decreases in the interchange fees associated with our MasterCard network fleet-card transactions, could adversely affect our business and operating results.

If we are not able to maintain and enhance our brands, it could adversely affect our business, operating results and financial condition.

We believe that maintaining and enhancing our brands is critical to our customer relationships, and our ability to obtain partners and retain employees. The successful promotion of our brands will depend upon our marketing and public relations efforts, our ability to continue to offer high-quality products and services and our ability to successfully differentiate our services from those of our competitors. In addition, future extension of our brands to add new products or services different from our current offerings may dilute our brands, particularly if we fail to maintain our quality standards in these new areas. The promotion of our brands will require us to make substantial expenditures, and we anticipate that the expenditures will increase as our markets become more competitive and we expand into new markets. To the extent that these activities yield increased revenue, this revenue may not offset the expenses we incur. There can be no assurance that our brand promotion activities will be successful.

Failure to comply with the United States Foreign Corrupt Practices Act, and similar laws associated with our international activities, could subject us to penalties and other adverse consequences.

As we continue to expand our business internationally, we may expand into certain foreign countries, particularly those with developing economies, where companies often engage in business practices that are prohibited by U.S. regulations, including the United States Foreign Corrupt Practices Act, or the FCPA. Such laws prohibit improper payments or offers of payments to foreign governments and their officials and political parties by U.S. and other business entities for the purpose of obtaining or retaining business. We have implemented policies to discourage such practices; however, there can be no assurances that all of our employees, consultants and agents, including those that may be based in or from countries where practices that violate U.S. laws may be customary, will not take actions in violation of our policies, for which we may be ultimately responsible. Violations of the FCPA may result in severe criminal or civil sanctions and suspension or debarment from U.S. government contracting, which could negatively affect our business, operating results and financial condition.

Risks related to this offering and ownership of our common stock

Our stock price will likely be volatile and your investment could decline in value.

The market price of our common stock following this offering may fluctuate substantially as a result of many factors, some of which are beyond our control. These fluctuations could cause you to lose all or part of the value of your investment in our common stock. Factors that could cause fluctuations in the market price of our common stock include the following:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;
- announcements by us or our competitors of significant contracts, acquisitions, or capital commitments;

announcements by third parties of significant claims or proceedings against us;

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- regulatory developments in the United States and abroad;
- future sales of our common stock, and additions or departures of key personnel; and
- general domestic and international economic, market and currency factors and conditions unrelated to our performance.

In addition, the stock market in general has experienced significant price and volume fluctuations that have often been unrelated or disproportionate to operating performance of individual companies. These broad market factors may seriously harm the market price of our common stock, regardless of our operating performance. In the past, following periods of volatility in the market price of a company s securities, securities class action litigation has often been instituted. A securities class action suit against us could result in significant liabilities and, regardless of the outcome, could result in substantial costs and the diversion of our management s attention and resources.

Our common stock has no prior market and our stock price may decline after the offering.

Before this offering, there has been no public market for shares of our common stock. Although our common stock has been approved for listing on the New York Stock Exchange, subject to official notice of issuance, an active trading market for our common stock may not develop or, if it develops, may not be sustained after this offering. Our company and the representatives of the underwriters will negotiate to determine the initial public offering price. The initial public offering price may be higher than the market price of our common stock after the offering and you may not be able to sell your shares of our common stock at or above the price you paid in the offering. As a result, you could lose all or part of your investment.

Our principal stockholders will have a controlling influence over our business affairs and may make business decisions with which you disagree and which may adversely affect the value of your investment.

After this offering, it is anticipated that our principal stockholders and their affiliates will beneficially own or control, directly or indirectly, shares of our common stock, which in the aggregate will represent approximately % of the outstanding shares of our common stock, or % if the underwriters option to purchase additional shares is exercised in full. As a result, if some of these persons or entities act together, they will have the ability to exercise significant influence over matters submitted to our stockholders for approval, including the election and removal of directors, amendments to our certificate of incorporation and bylaws and the approval of any business combination. These actions may be taken even if they are opposed by other stockholders. This concentration of ownership may also have the effect of delaying or preventing a change of control of our company or discouraging others from making tender offers for our shares, which could prevent our stockholders from receiving a premium for their shares.

Some of these persons or entities who make up our principal stockholders may have interests different from yours. For example, because many of these stockholders purchased their shares at prices substantially below the price at which shares are being sold in this offering and have held their shares for a relatively longer period, they may be more interested in selling FleetCor to an acquirer than other stockholders or may want us to pursue strategies that deviate from the interests of other stockholders.

Investors purchasing common stock in this offering will experience immediate and substantial dilution.

The initial public offering price of shares of our common stock is substantially higher than the net tangible book value per outstanding share of our common stock. You will incur immediate and substantial dilution of $ per share in the net tangible book value of shares of our common stock, based on an assumed initial public offering price of $, the midpoint of the range set forth on the cover of this prospectus. In addition, we have

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outstanding options with exercise prices significantly below the initial public offering price. To the extent outstanding options are ultimately exercised, there will be further dilution of the common stock sold in this offering.

Future sales, or the perception of future sales, of a substantial amount of our common shares could depress the trading price of our common stock.

If we or our stockholders sell substantial amounts of our shares of common stock in the public market following this offering or if the market perceives that these sales could occur, the market price of shares of our common stock could decline. These sales may make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem appropriate, or to use equity as consideration for future acquisitions.

Upon completion of this offering, we will have shares of common stock authorized and shares of common stock outstanding. Of these shares, the shares to be sold in this offering will be freely tradable. Before the sale of any shares to be sold in this offering, we, our executive officers and directors, and the selling stockholders and other stockholders (subject to certain limited exceptions) will have entered into agreements with the underwriters not to sell or otherwise dispose of shares of our common stock for a period of at least 180 days following completion of this offering, with certain exceptions. Immediately upon the expiration of this lock-up period, shares will be freely tradable pursuant to Rule 144 under the Securities Act of 1933 by non-affiliates and another shares will be eligible for resale pursuant to Rule 144 under the Securities Act of 1933, subject to the volume, manner of sale and other limitations of Rule 144.

Our failure to maintain effective internal control over financial reporting could adversely affect our business, operating results and financial condition.

Beginning with our annual report for the year ended December 31, 2011, Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, will require us to include a report by our management on our internal control over financial reporting. This report must contain an assessment by management of the effectiveness of our internal control over financial reporting as of the end of the year and a statement as to whether or not our internal controls are effective. Our annual report for the year ended December 31, 2011 must also contain a statement that our independent registered public accounting firm has issued an attestation report on our internal control over financial reporting.

In order to achieve timely compliance with Section 404, we have begun a process to document and evaluate our internal control over financial reporting. Our efforts to comply with Section 404 have resulted in, and are likely to continue to result in, significant costs, the commitment of time and operational resources and the diversion of management s attention. Even if we develop effective controls, such controls may become inadequate because of changes in conditions, and the degree of compliance with the policies or procedures may deteriorate. If our management identifies one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective. If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an unqualified opinion that we have maintained effective internal control over financial reporting, market perception of our financial condition and the market price of our stock may be adversely affected, we could be subject to sanctions or investigations by the New York Stock Exchange, the Securities and Exchange Commission (the SEC) or other regulatory authorities, and customer perception of our business may suffer.

Furthermore, implementing any appropriate changes to our internal control over financial reporting may entail substantial costs to modify our existing accounting systems, may take a significant period of time to complete and may distract our officers, directors and employees from the operation of our business. These changes, however, may not be effective in maintaining the adequacy of our internal control over financial reporting, and any failure to

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maintain that adequacy, or consequent inability to produce accurate financial statements on a timely basis, could increase our operating costs and could adversely affect our business, operating results and financial condition.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon completion of this offering, we will become subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our disclosure controls and procedures are designed to reasonably ensure that information required to be disclosed by us in reports we file or submit under the Exchange Act is accumulated and communicated to management and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are and will be met. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

We will incur significantly increased costs as a result of operating as a public company, and our management will be required to devote substantial time to compliance efforts.

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002 and rules subsequently implemented by the Securities and Exchange Commission and the New York Stock Exchange impose additional requirements on public companies, including enhanced corporate governance practices. For example, the listing requirements for the New York Stock Exchange provide that listed companies satisfy certain corporate governance requirements relating to independent directors, audit committees, stockholder meetings, stockholder approvals, solicitation of proxies, conflicts of interest, stockholder voting rights and codes of business conduct. Our management and other personnel will need to devote a substantial amount of time and resources in complying with these requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. These rules and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors and board committees or as executive officers and more expensive for us to obtain director and officer liability insurance.

Anti-takeover provisions in our charter documents could discourage, delay or prevent a change in control of our company and may affect the trading price of our common stock.

Our corporate documents, to be effective immediately before this offering, and the Delaware General Corporation Law contain provisions that may enable our board of directors to resist a change in control of FleetCor even if a change in control were to be considered favorable by you and other stockholders. These provisions:

- stagger the terms of our board of directors and require supermajority stockholder voting to remove directors;
- authorize our board of directors to issue preferred stock and to determine the rights and preferences of those shares, which may be senior to our common stock, without prior stockholder approval;
- establish advance notice requirements for nominating directors and proposing matters to be voted on by stockholders at stockholder meetings;

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- prohibit our stockholders from calling a special meeting and prohibit stockholders from acting by written consent; and

- require supermajority stockholder voting to effect certain amendments to our certificate of incorporation and bylaws.

In addition, our certificate of incorporation will prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or consolidating with us except under certain circumstances. These provisions could discourage, delay or prevent a transaction involving a change in control of FleetCor. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions you desire.

We do not expect to pay any dividends on our common stock for the foreseeable future.

We currently expect to retain all future earnings, if any, for future operation, expansion and debt repayment and have no current plans to pay any cash dividends to holders of our common stock for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our operating results, financial condition, cash requirements, contractual restrictions and other factors that our board of directors may deem relevant. In addition, we must comply with the covenants in our credit agreements in order to be able to pay cash dividends, and our ability to pay dividends generally may be further limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it.

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Special note regarding forward-looking statements

This prospectus contains statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. Many of these statements are contained under the headings Prospectus summary, Management s discussion and analysis of financial condition and results of operations and Business. In some cases, we have identified such forward-looking statements with typical conditional words such as anticipate, intend, believe, estimate, plan, seek, or expect, may, will, would, could or should, the negative of these terms or other comparable terminology.

These forward-looking statements are not a guarantee of performance, and you should not place undue reliance on such statements. We have based these forward-looking statements largely on our current expectations and projections about future events. Forward-looking statements are subject to many uncertainties and other variable circumstances, including those discussed in this prospectus under the headings Risk factors and Management s discussion and analysis of financial condition and results of operations, many of which are outside of our control, that could cause our actual results and experience to differ materially from any forward-looking statement. Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements included in this prospectus are made only as of the date hereof. We do not undertake, and specifically decline, any obligation to update any such statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments.

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Use of proceeds

We estimate that the net proceeds we will receive from the sale of shares of our common stock in this offering, after deducting underwriting discounts and other offering expenses payable by us, will be approximately $ million. This estimate assumes an initial public offering price of $ per share, the mid-point of the range set forth on the cover page of this prospectus. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the net proceeds to us from this offering by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and other offering expenses payable by us. We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders (including any shares sold by the selling stockholders pursuant to the underwriters option to purchase additional shares). See Principal and Selling Stockholders for more information.

We intend to use approximately $ of the net proceeds from this offering to repay a portion of our existing term loan indebtedness under our 2005 Credit Facility, as further described under Description of indebtedness 2005 Credit Facility. As of September 30, 2010, we had $274.0 million in outstanding term loans under the 2005 Credit Facility, which bears interest at LIBOR plus 2.25% (2.5% at September 30, 2010) and matures in April 2013. In addition, we intend to use the remaining net proceeds for working capital and other general corporate purposes.

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Dividend policy

We currently expect to retain all future earnings, if any, for use in the operation and expansion of our business. We have never declared or paid any dividends on our common stock and do not anticipate paying cash dividends to holders of our common stock in the foreseeable future. In addition, our credit agreements restrict our ability to pay dividends. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, capital requirements and covenants in our existing financing arrangements and any future financing arrangements.

Pursuant to the terms of our Series D-3 preferred stock, accumulated and unpaid dividends on the Series D-3 convertible preferred stock, in an aggregate amount of approximately $7.3 million as of September 30, 2010, become payable in cash upon the automatic conversion of the Series D-3 convertible preferred stock into common stock in connection with this offering. The actual amount of this dividend will differ based on the actual closing date of this offering.

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Capitalization

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2010:

on an actual basis;

on a pro forma basis to give effect to (1) the automatic conversion of all of the outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering, (2) a -for- stock split of shares of our common stock to be effected prior to the closing of this offering, (3) the amendment and restatement of our certificate of incorporation in connection with this offering, (4) the payment of three-eighths of the cumulative dividend on the Series D-3 convertible preferred stock, aggregating $ million and (5) compensation expense of approximately $ million related to shares of restricted stock which will vest upon the closing of this offering (assuming the price to the public is at the midpoint of the estimated price range set forth on the cover page of this prospectus); and

on a pro forma as adjusted basis to give further effect to (1) the sale by us of shares of common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and other offering expenses payable by us, and (2) the repayment of an estimated $ million of outstanding term loans under the 2005 Credit Facility with a portion of the net proceeds of this offering.

You should read the following information together with the information contained in Selected consolidated financial data, Management s discussion and analysis of financial condition and results of operations and our consolidated financial statements and the accompanying notes appearing elsewhere in this prospectus.

	As of September 30, 2010		
(dollars in thousands)	**Actual**	**Pro forma**	**Pro forma as adjusted (1)**
		(unaudited)	**(unaudited)**
Cash and cash equivalents (excluding restricted cash)	$ 110,773	$	$
Dividends payable (2)			
Total debt (including current portion):			
Term note payable domestic	274,000		
Term note payable foreign	59,209		
Other debt	168,117		
Total debt	501,326		
Convertible preferred stock, par value $0.001 per share: 1,919,135 shares authorized and issued and 1,668,449 shares outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted, for Series D-1; 230,769 shares authorized and issued and 201,923 shares outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted, for Series D-2; 3,995,413 shares	344,018		

authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted, for Series D-3; 8,164,281 shares authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted, for Series D-4; and 3,400,000 shares authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted, for Series E (aggregate liquidation preference of $409,996)

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(dollars in thousands)	As of September 30, 2010 Actual	Pro forma (unaudited)	Pro forma as adjusted (1) (unaudited)
Preferred stock, par value $0.001 per share: 1,000,000 shares authorized, no shares issued or outstanding, actual; shares authorized, no shares issued or outstanding, pro forma and pro forma as adjusted			
Common stock, par value $0.001 per share: 52,000,000 shares authorized, 26,376,540 shares issued and 13,629,684 outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares issued and outstanding, pro forma as adjusted	26		
Additional paid-in capital	97,968		
Retained earnings	312,742		
Accumulated other comprehensive loss	(7,605)		
Treasury stock 12,746,856 shares, actual; shares, pro forma and pro forma as adjusted	(175,220)		
Total stockholders equity	571,929		
Total capitalization	$ 1,073,255	$	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $, which is the mid-point of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of the amount of cash and cash equivalents, additional paid-in capital, total stockholders equity and total capitalization by approximately $, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and other offering expenses payable by us. The pro forma information discussed above is illustrative only and following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

(2) As of September 30, 2010, the dividend payable would have been approximately $7.3 million. The actual amount of this dividend will differ based on the actual closing date of this offering.

The table above excludes:

- as of September 30, 2010, shares of common stock issuable upon the exercise of outstanding stock options at a weighted-average exercise price of $ per share; and

- 2,700,000 shares of common stock reserved for future issuance under our 2010 Equity Compensation Plan.

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Dilution

If you invest in shares of our common stock, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock upon the closing of this offering. Pro forma net tangible book value per share of common stock is determined by dividing the number of outstanding shares of common stock, after giving effect to (1) a -for- split of shares of our common stock immediately prior to the closing of this offering and (2) the automatic conversion of all outstanding shares of our convertible preferred stock into common stock immediately prior to the closing of this offering into the net tangible book value attributable to our common stock, which is our total tangible assets less our total liabilities. After giving further effect to (1) the payment of accrued dividends on our Series D-3 convertible preferred stock, which are payable in connection with the conversion of such preferred stock into common stock, (2) the sale of shares of our common stock by us in this offering at an assumed initial public offering price of $ per share, the midpoint of the range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and other offering expenses payable by us and (3) the repayment of an estimated $ million of outstanding term loans under the 2005 Credit Facility with a portion of the net proceeds of this offering, the adjusted pro forma net tangible book value attributable to shares of our common stock as of September 30, 2010 would have been approximately $, or $ per share. This represents an immediate increase in pro forma net tangible book value of $ per share to the holders of our existing common stock and an immediate dilution of $ per share to new investors purchasing shares of common stock at the initial public offering price.

The following table illustrates this per share dilution:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of September 30, 2010	$	
Increase in pro forma net tangible book value per share attributable to investors purchasing shares in this offering		
Adjusted pro forma net tangible book value per share after this offering		
Dilution in net tangible book value per share to new investors		$

A $1.00 increase (decrease) in the assumed initial public offering price of $, which is the mid-point of the estimated price range set forth on the cover page of this prospectus, would increase (decrease): (1) our adjusted pro forma net tangible book value by $ million; (2) our adjusted pro forma net tangible book value per common share by $; and (3) the dilution in net tangible book value per common share to new investors in this offering by $, in each case, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and other offering expenses payable by us.

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The following table sets forth, as of September 30, 2010, the differences between the number of shares of common stock purchased from us, after giving effect to the conversion of our convertible preferred stock into common stock, the total price paid and average price per share paid by existing stockholders and by the new investors in this offering at an assumed initial public offering price of $ per share.

	Shares purchased		Total consideration		Average price
Number	**Number**	**Percent**	**Amount**	**Percent**	**per share**
Existing stockholders		%	$	%	$
New investors					
Total		100%	$	100%	$

A $1.00 increase (decrease) in the assumed initial public offering price of $, which is the mid-point of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) total consideration paid by new investors and the total average price per share by approximately $ and $, respectively, assuming the number of shares offered, as set forth on the cover page of this prospectus, remains the same.

If the underwriters exercise their option to purchase up to additional shares in full, the following will occur:

- the number of shares of common stock held by existing stockholders will represent % of the total number of shares of our common stock outstanding after this offering; and

- the number of shares held by new investors will represent approximately % of the total number of shares of our common stock outstanding after this offering.

The foregoing discussion and tables assume no exercise of stock options to purchase shares of our common stock issuable upon the exercise of stock options outstanding as of September 30, 2010, at a weighted average exercise price of $ per share. To the extent that any options are exercised, new investors will experience further dilution.

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Unaudited pro forma condensed consolidated financial information

On April 1, 2009, FleetCor entered into an acquisition agreement to acquire all of the outstanding stock of CLC Group, Inc, and subsidiaries which we refer to in this prospectus as the CLC Acquisition. The total consideration for this acquisition was $169.1 million, consisting of cash paid of $161.1 million and the issuance of $8 million of our Series E convertible preferred stock.

The unaudited pro forma condensed consolidated statement of income for the year ended December 31, 2009 has been derived from the application of pro forma adjustments to our historical audited consolidated financial statements for the year ended December 31, 2009 and CLC Group, Inc. and subsidiaries unaudited financial statements for the quarter ended March 31, 2009 and gives effect to the CLC Acquisition as if it occurred on January 1, 2009. The unaudited pro forma condensed consolidated statement of income for the nine months ended September 30, 2009 has been derived from the application of pro forma adjustments to our historical unaudited consolidated financial statements for the nine months ended September 30, 2009 and CLC Group, Inc. and subsidiaries unaudited financial statements for the quarter ended March 31, 2009 and gives effect to the CLC Acquisition as if it occurred on January 1, 2009. Our operating results for all periods subsequent to March 31, 2009 reflect the impact of the CLC Acquisition. The acquisition was accounted for as a purchase in accordance with the authoritative guidance related to business combinations. We have not included pro forma balance sheet information because our consolidated balance sheet, as of December 31, 2009, reflects the effect of the CLC Acquisition.

The unaudited pro forma condensed consolidated statement of income does not purport to represent what our results of operations would have been if the CLC Acquisition had occurred on January 1, 2009 and are not intended to project our results of operations for any future period. The unaudited pro forma adjustments are based on estimates, available information and certain assumptions that we believe are reasonable and may be revised as additional information becomes available. The pro forma adjustments and principal assumptions are described in the accompanying notes. You should read this table together with the discussion under the headings Selected consolidated financial data and Management s discussion and analysis of financial condition and results of operations and CLC Group, Inc. and subsidiaries consolidated financial statements and the related notes included elsewhere in this prospectus.

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FleetCor Technologies, Inc.

Unaudited pro forma condensed consolidated statement of income

Year ended December 31, 2009

(in thousands, except share data)

	FleetCor Technologies, Inc.	CLC Group, Inc. and subsidiaries January 1, 2009 through March 31, 2009	Acquisition adjustments	Pro forma
Revenues, net	$ 354,073	$ 16,308	$	$ 370,381
Operating expenses	179,660	7,187		186,847
	174,413	9,121		183,534
Depreciation and amortization	28,368	790	469(a)	29,627
Operating income	146,045	8,331	(469)	153,907
Other (income) expense, net	(933)	132		(801)
Interest expense, net	17,363	253		17,616
Total other expense	16,430	385		16,815
Income before income taxes	129,615	7,946	(469)	137,092
Provision for income taxes	40,563	3,266	(150)(b)	43,679
Net income	$ 89,052	$ 4,680	$ (319)	$ 93,413
Pro forma earnings per share:				
Basic				$ 5.61
Diluted				2.84
Basic weighted average shares outstanding				14,052
Diluted weighted average shares outstanding				32,925

(a) Represents additional amortization of intangible assets recorded in connection with the purchase price allocation of the CLC Acquisition computed as follows:

Amortization of intangible assets based on purchase price allocation	$ 1,069
Amortization of intangible assets included in CLC Group, Inc. and subsidiaries historical financial statements	600
Additional amortization expense	$ 469

(b) Represents a reduction in the provision for income taxes for the additional amortization expense recorded that related to intangible assets in connection with the CLC Group, Inc. and subsidiaries purchase price allocation.

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FleetCor Technologies, Inc.

Unaudited pro forma condensed consolidated statement of income

Nine months ended September 30, 2009

(in thousands, except share data)

	FleetCor Technologies, Inc.	CLC Group, Inc. and subsidiaries(a)	Acquisition adjustments	Pro forma
Revenues, net	$ 256,761	$ 16,308	$	$ 273,069
Operating expenses	131,680	7,187		138,867
	125,081	9,121		134,202
Depreciation and amortization	20,235	790	469	21,494
Operating income	104,846	8,331	(469)(b)	112,708
Other (income) expense, net	(369)	132		(237)
Interest expense, net	13,023	253		13,276
Total other expense	12,654	385		13,039
Income before income taxes	92,192	7,946	(469)	99,669
Provision for income taxes	28,088	3,266	(150)(c)	31,204
Net income	$ 64,104	$ 4,680	$ (319)	$ 68,465
Pro forma earnings per share:				
Basic				$ 4.36
Diluted				2.09
Basic weighted average shares outstanding				13,967
Diluted weighted average shares outstanding				32,769

(a) Represents CLC Group, Inc. and subsidiaries unaudited financial statements for the quarter ended March 31, 2009. Our operating results for all periods subsequent to March 31, 2009 reflect the impact of the CLC Acquisition.

(b) Represents additional amortization of intangible assets recorded in connection with the purchase price allocation of the CLC Acquisition computed as follows:

Amortization of intangible assets based on purchase price allocation	$ 1,069
Amortization of intangible assets included in CLC Group, Inc. and subsidiaries historical financial statements	600
Additional amortization expense	$ 469

(c) Represents a reduction in the provision for income taxes for the additional amortization expense recorded that related to intangible assets in connection with the CLC Group, Inc. and subsidiaries purchase price allocation.

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Selected consolidated financial data

We derived the consolidated statement of income and other financial data for the years ended December 31, 2009, 2008 and 2007 and the selected consolidated balance sheet data as of December 31, 2009 and 2008 from the audited consolidated financial statements included elsewhere in this prospectus. The consolidated statement of income data for the nine months ended September 30, 2010 and 2009 as well as the consolidated balance sheet data as of September 30, 2010 are derived from our unaudited consolidated financial statements that are included elsewhere in this prospectus. We derived the selected historical financial data for the years ended December 31, 2006 and 2005 and the selected consolidated balance sheets as of December 31, 2007, 2006 and 2005 from our audited consolidated financial statements that are not included in this prospectus.

The selected consolidated financial data set forth below should be read in conjunction with Management s discussion and analysis of financial condition and results of operations and our audited consolidated financial statements and notes thereto included elsewhere in this prospectus. The unaudited consolidated financial statements include, in the opinion of management, all adjustments, which include only normal recurring adjustments, that management considers necessary for the fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in any future period.

	Nine months ended September 30,		**Year ended December 31,**				
(in thousands, except per share data)	**2010**	**2009**	**2009**	**2008**	**2007**	**2006**	**2005**
	(unaudited)						
Consolidated statement of income data(1):							
Revenues, net	$ 327,294	$ 256,761	$ 354,073	$ 341,053	$ 264,086	$ 186,209	$ 143,334
Expenses:							
Merchant commissions	39,549	28,860	39,709	38,539	39,358	32,784	24,247
Processing	52,608	43,099	57,997	51,406	34,060	26,388	18,360
Selling	23,155	21,470	30,579	23,778	22,625	19,464	13,740
General and administrative	40,025	38,251	51,375	47,635	41,986	23,175	20,562
Depreciation and amortization	25,238	20,235	28,368	27,240	20,293	12,571	7,448
Operating income	146,719	104,846	146,045	152,455	105,764	71,827	58,977
Other, net	(767)	(369)	(933)	(2,488)	(1,554)	39	1,997
Interest expense, net	16,352	13,023	17,363	20,256	19,735	11,854	7,564
Total other expense	15,585	12,654	16,430	17,768	18,181	11,893	9,561
Income before income taxes	131,134	92,192	129,615	134,687	87,583	59,934	49,416
Provision for income taxes	40,752	28,088	40,563	37,405	25,998	21,957	18,748
Net income	$ 90,382	$ 64,104	$ 89,052	$ 97,282	$ 61,585	$ 37,977	$ 30,668
Pro forma earnings per share (unaudited)(2):							
Earnings per share, basic	$	$	$	$	$	$	$
Earnings per share, diluted							
Weighted average shares outstanding, basic							
Weighted average shares outstanding, diluted							

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(in thousands)	As of September 30, 2010	2009	2008	2007	2006	As of December 31, 2005
Consolidated balance sheet data:						
Cash and cash equivalents(3)	$ 110,773	$ 84,701	$ 70,355	$ 68,864	$ 18,191	$
Restricted cash(3)(4)	65,927	67,979	71,222	76,797	64,016	
Total assets	1,503,527	1,209,545	929,062	875,106	657,925	266,359
Total debt	501,326	351,551	370,747	341,851	255,032	127,543
Total stockholders equity	571,929	474,049	273,264	192,009	158,482	58,179

(1) In June 2009, the Financial Accounting Standards Board, or FASB, issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. This guidance was effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, our statements of income will no longer include securitization activities in revenue. Rather, we will report interest income, provision for bad debts and interest expense associated with the debt securities issued from our securitization facility.

(2) Pro forma to give effect to (1) the conversion of all outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the completion of this offering, (2) the forgiveness of all cumulative dividends except for a portion of the dividends related to Series D-3 convertible preferred stock where holders will receive cash dividends of approximately $7.3 million on our convertible preferred stock calculated as of September 30, 2010, (3) a -for- stock split of shares of our common stock to be effected prior to the closing of this offering and (4) compensation expense of approximately $ million related to shares of restricted stock which will vest upon the closing of this offering (assuming the price to the public is at the midpoint of the estimated price range set forth on the cover page of this prospectus).

(3) No cash and cash equivalents were maintained at December 31, 2005 due to a negative cash balance, which was classified as accounts payable. Further, there was no restricted cash at December 31, 2005 as restricted cash relates to acquisitions we made in 2006.

(4) Restricted cash represents customer deposits repayable on demand.

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Management s discussion and analysis of financial condition and results of operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this prospectus. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause actual results to differ materially from management s expectations. Factors that could cause such differences include, but are not limited to, those identified below and those described in Risk factors appearing elsewhere in this prospectus. All foreign currency amounts that have been converted into U.S. dollars in this discussion are based on the exchange rate as reported by OANDA for the applicable periods. In this prospectus, when we refer to consolidated revenue, the provision for bad debts and interest expense on a managed basis , in each case, for the periods between January 1, 2005 and December 31, 2009, such amounts have been adjusted for the impact of the new accounting guidance related to our securitization facility as further discussed below. For the periods prior to January 1, 2005, we did not maintain a securitization facility. The term managed basis is used throughout Management s discussion and analysis of financial condition and results of operations .

Overview

FleetCor is a leading independent global provider of specialized payment products and services to commercial fleets, major oil companies and petroleum marketers. We serve more than 530,000 commercial accounts in 18 countries in North America, Europe, Africa and Asia, and we had approximately 2.5 million commercial cards in use during the month of December 2009. Through our proprietary payment networks, our cards are accepted at approximately 83,000 locations in North America and internationally. In 2009, we processed approximately $14 billion in purchases on our proprietary networks and third-party networks. We believe that our size and scale, geographic reach, advanced technology and our expansive suite of products, services, brands and proprietary networks contribute to our leading industry position.

We provide our payment products and services in a variety of combinations to create customized payment solutions for our customers and partners. We sell these products and services directly and indirectly through partners with whom we have strategic relationships, such as major oil companies and petroleum marketers. We refer to these major oil companies and petroleum marketers as our partners. We provide our customers with various card products that typically function like a charge card to purchase fuel, lodging and related products and services at participating locations. Our payment programs enable businesses to better manage and control employee spending and provide card-accepting merchants with a high volume customer base that can increase their sales and customer loyalty.

In order to deliver our payment programs and services and process transactions, we own and operate six proprietary closed-loop networks through which we electronically connect to merchants and capture, analyze and report customized information. We also use third-party networks to deliver our payment programs and services in order to broaden our card acceptance and use. To support our payment products, we also provide a range of services, such as issuing and processing, as well as specialized information services that provide our customers with value-added functionality and data. Our customers can use this data to track important business productivity metrics, combat fraud and employee misuse, streamline expense administration and lower overall fleet operating costs.

FleetCor s predecessor company was organized in the United States in 1986. In 2000, our current chief executive officer joined us and we changed our name to FleetCor Technologies, Inc. Since 2000, we have grown significantly through a combination of organic initiatives, product and service innovation and over 40 acquisitions of businesses and commercial account portfolios. We have grown our revenue from $30.7 million in

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2001 to $381.3 million on a managed basis in 2009, representing a compound annual growth rate of 37.0%. In 2009, we generated 35.8% of our revenue from our international operations, compared to none in 2005. In addition, we have grown our net income from a net loss of $12.6 million in 2000 to net income of $89.1 million in 2009. Our corporate headquarters are located in Norcross, Georgia. As of December 31, 2009, we employed approximately 1,130 employees, approximately 650 of whom were located in the United States.

Our segments, sources of revenue and expenses

Segments

We operate in two segments, which we refer to as our North American and International segments. Our revenue is reported net of the wholesale cost for underlying products and services. In this prospectus, we refer to this net revenue as revenue. For the years ended December 31, 2009, 2008, 2007 and 2006, and the nine months ended September 30, 2010 and 2009, our North American and International segments generated the following revenue:

	Nine months ended September 30,				Year ended December 31,							
	2010		2009		2009		2008		2007		2006	
(dollars in millions)	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue
North America	$ 219.4	67.0%	$ 167.0	65.0%	$ 227.4	64.2%	$ 205.5	60.2%	$ 161.4	61.1%	$ 169.6	91.1%
International	107.9	33.0%	89.8	35.0%	126.7	35.8%	135.6	39.8%	102.7	38.9%	16.6	8.9%
	$327.3	100.0%	$ 256.8	100.0%	$ 354.1	100.0%	$ 341.1	100.0%	$ 264.1	100.0%	$ 186.2	100.0%

For the years ended December 31, 2009, 2008, 2007 and 2006, and the nine months ended September 30, 2009, our consolidated revenues, net on a managed basis for our North American and International segments was as follows:

	Nine months ended September 30,		Year Ended December 31,							
	2009		2009		2008		2007		2006	
(dollars in millions)	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue	Revenue	% of total revenue
North America	$ 188.4	67.7%	$ 254.6	66.8%	$ 248.7	64.7%	$ 188.9	64.8%	$ 193.1	92.1%
International	89.8	32.3%	126.7	33.2%	135.6	35.3%	102.7	35.2%	16.6	7.9%
	$ 278.2	100.0%	$ 381.3	100.0%	$ 384.3	100.0%	$ 291.6	100.0%	$ 209.7	100.0%

Revenue, net on a managed basis for the twelve months ended September 30, 2010 aggregated $430.4 million. North American and International segment revenue, net on a managed basis for the twelve months ended September 30, 2010 aggregated $285.6 million and $144.8 million, respectively. Revenue, net for the twelve months ended September 30, 2010 represents revenue, net for the year ended December 31, 2009, minus revenue, net for the nine months ended September 30, 2009, plus revenue, net for the nine months ended September 30, 2010.

Sources of Revenue

Transactions. In both of our segments, we derive revenue from transactions and the related revenue per transaction. As illustrated in the diagram below, a transaction is defined as a purchase by a customer. Our customers include holders of our card products and those of our partners, for whom we manage card programs. Revenue from transactions is derived from our merchant and network relationships as well as our customers and partners. Through our merchant and network relationships we primarily offer fuel, vehicle maintenance or lodging services to our customers. We also earn revenue from our customers and partners through program fees and charges. The following diagram illustrates a typical transaction flow.

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Illustrative Transaction Flow

From our merchant and network relationships, we derive revenue from the difference between the price charged to a customer for a transaction and the price paid to the merchant or network for the same transaction. As illustrated in the table below, the price paid to a merchant or network may be calculated as (i) the merchant s wholesale cost of fuel plus a markup; (ii) the transaction purchase price less a percentage discount; or (iii) the transaction purchase price less a fixed fee per unit. The difference between the price we pay to a merchant and the merchant s wholesale cost for the underlying products and services is considered a merchant commission and is recognized as an expense. Approximately 46.0% and 45.0% of our revenue during 2009 and the first nine months of 2010, respectively, was derived from our merchant and network relationships.

Illustrative Revenue Model for Fuel Purchases

(unit of one gallon)

Illustrative Revenue Model				**Merchant Payment Methods**			
Retail Price	$ 3.00	**i) Cost Plus Mark-up:**		**ii) Percentage Discount:**		**iii) Fixed Fee:**	
Wholesale Cost	(2.86)	Wholesale Cost	$ 2.86	Retail Price	$ 3.00	Retail Price	$ 3.00
		Mark-up	0.05	Discount (3%)	(0.09)	Fixed Fee	(0.09)
FleetCor Revenue	$ 0.14						
Merchant Commission	$ (0.05)	Price Paid to Merchant	$ 2.91	Price Paid to Merchant	$ 2.91	Price Paid to Merchant	$ 2.91
Price Paid to Merchant	$ 2.91						

From our customers and partners, we derive revenue from a variety of program fees including transaction fees, card fees, network fees and report fees. Our payment programs include other fees and charges associated with late payments and based on customer credit risk. Approximately 54.0% and 55.0% of our revenue during 2009 and the first nine months of 2010, respectively, was derived from customer and partner program fees and charges.

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Transaction volume and revenue per transaction. Set forth below is revenue per transaction information for the years ended December 31, 2009, 2008 and 2007 and the nine months ended September 30, 2010 and 2009:

	Nine months ended September 30,		Year ended December 31,			
	2010	**2009**	**2009**	**2008**	**2007**	**2006**
Transactions (in millions)						
North America	111.0	107.2	143.4	149.5	130.0	142.0
International	36.4	36.8	50.5	39.9	28.4	3.5
Total transactions	147.4	144.0	193.9	189.4	158.4	145.5
Revenue per transaction						
North America	$ 1.98	$ 1.56	$ 1.59	$ 1.37	$ 1.24	$ 1.19
International	2.97	2.44	2.51	3.40	3.61	4.80
Consolidated revenue per transaction	2.22	1.78	1.83	1.80	1.67	1.28
Managed consolidated revenue per transaction	N/A(1)	$ 1.93	$ 1.97	$ 2.02	$ 1.84	$ 1.45

(1) As a result of the adoption of authoritative accounting guidance, effective January 1, 2010, our statements of income no longer include securitization activities in revenues and therefore this presentation is not applicable for this period.

For the nine months ended September 30, 2010 compared to the same period in 2009, transaction volume increased from 144.0 million to 147.4 million, an increase of 3.4 million or 2.3%. We experienced an increase in transactions in our North American segment due to our acquisition of CLC Group, Inc. and subsidiaries in April 2009, and organic growth in certain payment programs. We experienced a decrease in transactions in our International segment due to the loss of a high transaction, low revenue contract, partially offset by organic growth in certain payment programs.

From 2008 to 2009 transactions increased from 189.3 million to 193.9 million, an increase of 4.6 million or 2.4%. We experienced a decrease in transactions in our North American segment due primarily to a reduction in transactions by existing customers that we believe was a result of the economic downturn, partially offset by our acquisition of CLC Group, Inc., in April 2009, and organic growth in certain payment programs. We experienced an increase in transactions in our International segment due to the full year impact of acquisitions completed in 2008 and new acquisitions in 2009. Transactions increased from 158.4 million in 2007 to 189.3 million in 2008, an increase of 30.9 million or 19.5%. The increase was due primarily to organic growth in the business and acquisitions in our International segment.

Revenue per transaction is derived from the various revenue types as discussed above and can vary based on geography, the relevant merchant relationship, the payment product utilized and the types of products or services purchased, the mix of which would be influenced by our acquisitions, organic growth in our business, and fluctuations in foreign currency exchange rates. The revenue per transaction in the International segment runs higher than the North America segment due primarily to higher margins and higher fuel prices in our international product lines. International revenue per transaction has decreased from 2007 to 2009 in part due to changes in foreign exchange rates and the impact of an acquisition completed in 2008 that carries a lower fee per transaction based on the relevant card products associated with this acquisition.

Our consolidated revenue per transaction increased from $1.85 in the nine months ended September 30, 2009 to $2.22 in the nine months ended September 30, 2010. The increase was primarily due to the following:

during the nine months ended September 30, 2010, our total revenue increased by $21.4 million, or $0.08 per transaction, as a result of the adoption of authoritative accounting guidance related to our asset securitization facility as further discussed in Note 2 Summary of significant accounting policies ;

acquisitions completed during 2009, which carried a higher rate per transaction due to the relevant card products associated with these acquisitions;

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- higher program fees and charges in certain payment programs;

- the weakening of the U.S. dollar during the nine months ended September 30, 2010, relative to other foreign currencies, which resulted in favorable foreign exchange rates that increased our revenue per transaction; and

- the loss of a high transaction, low revenue contract in our International segment.

Our consolidated revenue per transaction increased from $1.80 in 2008 to $1.83 in 2009. During 2009, our consolidated revenue per transaction was positively impacted by:

- acquisitions completed during 2009, that carried a higher rate per transaction due to the relevant card products associated with these acquisitions; and

- higher program fees and charges primarily resulting from the full-year impact of the implementation of a private label contract on our proprietary system.

During 2009, our consolidated revenue per transaction was negatively impacted by a range of factors, including:

- the strengthening of the U.S. dollar during 2009, relative to other foreign currencies, which resulted in unfavorable foreign exchange rates that reduced our 2009 revenue per transaction;

- the wholesale price of fuel decreased at a higher rate than the retail price of fuel during the second half of 2008 causing the margin between the wholesale cost of fuel and the retail price of fuel in 2008 to expand beyond historical levels. In 2009, fuel price spreads returned to historical levels; and

- the average retail price of fuel in 2009 was significantly lower than the average retail price of fuel in 2008, which resulted in a decrease in our 2009 revenue per transaction.

Our consolidated revenue per transaction increased from $1.67 in 2007 to $1.80 in 2008. During 2008, our revenue per transaction was positively impacted by:

- higher program fees and charges primarily resulting from the full-year impact of a private label contract and organic growth in our existing business; and

- the wholesale price of fuel decreased at a higher rate than the retail price of fuel during the second half of 2008 causing the margin between the wholesale cost of fuel and the retail price of fuel in 2008 to expand beyond historical levels;

- the average retail price of fuel in 2008 was significantly higher than the average retail price of fuel in 2007, which resulted in an increase in our 2008 revenue per transaction; and

- the weakening of the U.S. dollar during 2008, relative to foreign currencies, which resulted in favorable foreign exchange rates that increased our 2008 consolidated revenue per transaction.

During 2008, our consolidated revenue per transaction was negatively impacted by:

- an acquisition completed during 2008, that carried a lower rate per transaction due to the relevant card products associated with the acquisition.

Sources of expenses

We incur expenses in the following categories:

- *Merchant commissions* We incur merchant commissions expenses when we reimburse merchants with whom we have direct, contractual relationships in respect of specific transactions in which a customer purchases products or services from the merchant. Merchant commission equals the difference between the price paid by us to the merchant and the merchant s wholesale cost of the underlying products or services.

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Processing Our processing expense consists of expenses related to processing transactions, servicing our customers and merchants and bad debt expense related to non-securitized accounts receivable.

Selling Our selling expenses consist primarily of wages, benefits, sales commissions (other than merchant commissions) and related expenses for our sales, marketing and account management personnel and activities.

General and administrative Our general and administrative expenses include compensation and related expenses (including stock-based compensation) for our executive, finance and accounting, information technology, human resources, legal and other administrative personnel. Also included are facilities expenses, third-party professional services fees, travel and entertainment expenses, and other corporate-level expenses.

Depreciation and amortization Our depreciation and amortization expenses include depreciation of property and equipment, consisting of computer hardware and software (including proprietary software development expense), card-reading equipment, furniture, fixtures, vehicles and buildings and leasehold improvements related to office space. Our amortization expenses include intangible assets related to customer and vendor relationships, tradenames and trademarks, non-compete agreements and software. We are amortizing intangible assets related to business acquisitions and certain private label contracts associated with the purchase of accounts receivable.

Other income, net Other income, net includes foreign currency transaction gains or losses, revenue/costs from the sale of assets and other miscellaneous operating costs and revenue.

Interest expense, net Interest expense, net includes interest income on our cash balances and interest expense on our outstanding debt and excludes interest on our securitization facility. We have historically invested our cash primarily in short-term money market funds.

Provision for income taxes The provision for income taxes consists primarily of corporate income taxes related to profits resulting from the sale of our products and services in the United States and internationally. Our worldwide effective tax rate is lower than the U.S. statutory rate of 35%, due primarily to lower rates in foreign jurisdictions and foreign-sourced non-taxable income.

Factors and trends impacting our business

We believe that the following factors and trends are important in understanding our financial performance:

Fuel prices Our fleet customers use our products and services primarily in connection with the purchase of fuel. Accordingly, our revenue is affected by fuel prices, which are subject to significant volatility. A change in retail fuel prices could cause a decrease or increase in our revenue from several sources, including fees paid to us based on a percentage of each customer s total purchase. We believe that in 2009, approximately 19.1% of our consolidated revenue on a managed basis was directly influenced by the absolute price of fuel. Changes in the absolute price of fuel may also impact unpaid account balances and the late fees and charges based on these amounts.

Fuel-price spread volatility A portion of our revenue involves transactions where we derive revenue from fuel-price spreads, which is the difference between the price charged to a fleet customer for a transaction and the price paid to the merchant for the same transaction. In these transactions, the price paid to the merchant is based on the wholesale cost of fuel. The merchant s wholesale cost of fuel is dependent on several factors including, among others, the factors described above affecting fuel prices. The fuel price that we charge to our customer is dependent on several factors including, among others, the fuel price paid to the merchant, posted retail fuel prices and competitive fuel prices.

We experience fuel-price spread contraction when the merchant s wholesale cost of fuel increases at a faster rate than the fuel price we charge to our customers, or the fuel price we charge to our customers decreases at a faster rate than the merchant s wholesale cost of fuel. Approximately 18.6% of our consolidated revenue on a managed basis in 2009 was derived from transactions where our revenue is tied to fuel-price spreads.

Acquisitions Since 2002, we have completed over 40 acquisitions of companies and commercial account portfolios. Acquisitions have been an important part of our growth strategy, and it is our intention to continue to seek opportunities to increase our customer base and diversify our service offering through further strategic acquisitions. The impact of acquisitions has, and may continue to have, a significant impact on our results of operations and may make it difficult to compare our results between periods.

Interest rates Our results of operations are affected by interest rates. We are exposed to market risk changes in interest rates on our cash investments and debt.

Global economic downturn Our results of operations are materially affected by conditions in the economy generally, both in North America and internationally. Factors affected by the economy include our transaction volumes and the credit risk of our customers. These factors affected our businesses in both our North American and International segments.

Foreign currency changes Our results of operations are impacted by changes in foreign currency rates; namely, by movements of the British pound, the Czech koruna, the Russian rouble, the Canadian dollar and the Euro relative to the U.S. dollar. Approximately 64% of our revenue in 2009 was derived in U.S. dollars and was not affected by foreign currency exchange rates.

Expenses In connection with being a public company and complying with the Sarbanes-Oxley Act of 2002, we expect our general and administrative expense to increase and then remain relatively constant or increase slightly as a percentage of revenue. Over the long term, we expect that our general and administrative expense will decrease as a percentage of revenue as our revenue increases. To support our expected revenue growth, we plan to continue to incur additional sales and marketing expense by investing in our direct marketing, third-party agents, internet marketing, telemarketing and field sales force.

Accounts receivable securitization

We utilize an off-balance sheet securitization facility in the ordinary course of our business to finance a portion of our accounts receivable. Our off-balance sheet activity utilizes a qualified special-purpose entity, or QSPE, in the form of a limited liability company. The QSPE raises funds by issuing debt to third-party investors. The QSPE holds trade accounts receivable whose cash flows are the primary source of repayment for the liabilities of the QSPE. Investors only have recourse to the assets held by the QSPE. Our involvement in these arrangements takes the form of originating accounts receivable and providing servicing activities. Accounts receivable that we sell under the securitization facility are reported in our consolidated financial statements in accordance with relevant authoritative literature. Trade accounts receivable sold under this program are excluded from accounts receivable in our consolidated financial statements.

In June 2009, the Financial Accounting Standards Board, or FASB, issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. The concept of a QSPE entity, which had previously facilitated sale accounting for certain asset transfers, is removed by this standard. This guidance was effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, we consolidate the QSPE and the securitization of accounts receivable related to the QSPE are accounted for as a secured borrowing rather than as a sale. Accordingly, we record accounts receivable and short-term debt related to the securitization facilities as assets and liabilities on our balance sheet. In addition, our statements of income

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no longer includes securitization activities in revenue. Rather, we report provision for bad debts and interest expense associated with the debt securities issued by the QSPE.

As a result of the implementation of this guidance, at September 30, 2010, we had $167 million of accounts receivable and short-term debt on our balance sheet. See Note 2 Summary of significant accounting policies to our consolidated financial statements included herein for further details.

Although bad debt and interest associated with our securitization facility were reported in revenue for the periods prior to January 1, 2010, we monitored these costs on a managed basis. The following table presents certain statement of income items adjusted for the impact of the new accounting guidance described above related to our securitization facility.

	Nine months ended September 30, 2009									Year ended December 31, 2007		
			2009			2009			2008			2007
(in millions)	As reported	Adjust-ments	As adjusted	As reported	Adjust-ments	As adjusted	As reported	Adjust-ments	As adjusted	As reported	Adjust-ments	As adjusted
Net revenue	$256.8	$21.4	$278.2	$ 354.1	$ 27.2	$ 381.3	$ 341.1	$ 43.2	$ 384.3	$ 264.1	$ 27.5	$ 291.6
Processing expense	43.1	17.3	60.4	58.0	21.9	79.9	51.4	27.4	78.8	34.1	11.3	45.4
Interest expense, net	13.0	4.1	17.1	17.4	5.3	22.7	20.3	15.8	36.1	19.7	16.2	35.9

				Year ended December 31,		
			2006			2005
(in millions)	As reported	Adjust-ments	As adjusted	As reported	Adjust-ments	As adjusted
Net revenue	$186.2	$23.5	$209.7	$ 143.4	$ 16.6	$ 160.0
Processing expense	26.3	10.4	36.7	18.4	9.6	28.0
Interest expense, net	11.9	13.1	25.0	7.5	7.0	14.5

For periods prior to the year ended December 31, 2005, we did not maintain an asset securitization facility. Our revenue for the years ended December 31, 2004, 2003, 2002 and 2001 equaled $100.0 million, $72.6 million, $43.2 million and $30.7 million, respectively.

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Managed provision for bad debts as a percentage of gross billed revenue is as follows (dollar amounts in millions):

	Nine months ended September 30, 2009	2009	2008	2007	Year ended December 31, 2006
Provision for bad debt included in:					
Processing expense	$ 8.1	$ 10.7	$ 7.5	$ 3.7	$ 4.8
Revenue, net	17.3	21.9	27.4	11.3	10.4
Managed provision for bad debts	25.4	32.6	34.9	15.0	15.2
Managed provision for bad debts as a percentage of gross billed revenue (1)	0.62%	0.56%	0.43%	0.36%	0.43%

(1) In this table, gross billed revenue represents revenue billed to customers, when our card products are utilized, for which we bear credit risk and includes the costs underlying the transaction (e.g. fuel and lodging). Gross billed revenue is calculated on a one quarter lag. For example, gross billed revenue for the year ended December 31, 2007 is calculated as gross billed revenue for the three months ended December 31, 2006 plus gross billed revenue for the nine month period from January 1, 2007 through September 30, 2007. We believe this calculation better matches our provision for bad debts with the related gross billed revenue. For the nine months ended September 30, 2010 the provision for bad debts was $15.1 million, or 0.34%, as a percentage of gross billed revenue.

Acquisitions

During 2009, we acquired three companies the two largest of which are described below. The results of CLC Group, Inc. and its subsidiaries since the date of acquisition are included within our North American segment. The results of operations for the remaining acquisitions are included in our International segment from their respective dates of acquisition.

In April 2009, we completed the acquisition of all of the outstanding stock of CLC Group, Inc., a provider of lodging management programs based in Wichita, Kansas, which we refer to as the CLC Acquisition in this prospectus. The aggregate purchase price was $169.1 million, $161.1 million paid in cash and $8.0 million paid in the form of our Series E convertible preferred stock. Through this acquisition, we entered the lodging payments business. The consolidated financial statements of CLC Group, Inc. and its subsidiaries for 2008 are included elsewhere in this prospectus and pro forma adjustments to our historical results of operations for the year ended December 31, 2009 and for the nine months ended September 30, 2009, to give effect to the CLC Acquisition as if it occurred on January 1, 2009, are included in this prospectus under the caption Unaudited Pro Forma Condensed Consolidated Financial Information.

In August 2009, we completed the acquisition of all of the outstanding shares of ReD Fuel Cards (Europe) Limited, a fleet card company based in the United Kingdom, which we refer to as the ReD Acquisition in this prospectus. The aggregate purchase price was $62.9 million (based on the exchange rate on the date of acquisition). As a result of this acquisition, we expanded our commercial fleet card offerings in the United Kingdom and Ireland.

During 2008, we acquired four companies, the three largest of which are discussed below. The results of operations for these acquisitions are included in our International segment from their respective dates of acquisition.

In March 2008, we completed the acquisition of all of the outstanding shares of Abbey Group (OXON) Limited, a fleet card company based in the United Kingdom, and affiliated entities, for an aggregate purchase price of $15.0 million (based on the exchange rate on the date of the acquisition).

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In June 2008, we completed the acquisition of all of the outstanding shares of ICP International Card Products B.V., or ICP, a payment transaction processing company based in the Netherlands, for an aggregate cash purchase price of $5.9 million (based on the exchange rate on the date of the acquisition). As a result of this acquisition, we expanded our processing services for major oil companies in Europe, Asia and Africa.

In July 2008, we completed the acquisition of all of the outstanding shares of Petrol Plus Region, an independent fuel card provider based in Russia, and an affiliated entity, for an aggregate purchase price of $49.0 million. As a result of this acquisition, we have become the leading independent fuel card company in Russia with additional operations in Poland, Lithuania, Latvia and Estonia.

In April 2007, we completed the acquisition of all of the outstanding shares of Fambo UK Limited, a fuel card company based in the United Kingdom, for an aggregate purchase price of $34.3 million (based on the exchange rate on the date of the acquisition). The results of operations for this acquisition are included in the consolidated results of operations of our International segment from the date of acquisition.

Results of operations

Year ended December 31, 2009 compared to the year ended December 31, 2008

The following table sets forth selected consolidated statement of operations data for the years ended December 31, 2009 and 2008 (dollars in millions).

	Year ended December 31, 2009	% of total revenue	Year ended December 31, 2008	% of total revenue	Increase (decrease)	% Change
Revenues, net:						
North America	$ 227.4	64%	$ 205.5	60%	$ 21.9	10.7 %
International	126.7	36%	135.6	40%	(8.9)	(6.6)%
Total revenues, net	354.1	100%	341.1	100%	13.0	3.8 %
Consolidated operating expenses:						
Merchant commissions	39.7	11%	38.5	11%	1.2	3.1 %
Processing	58.0	16%	51.4	15%	6.6	12.8 %
Selling	30.6	9%	23.8	7%	6.8	28.6 %
General and administrative	51.4	15%	47.6	14%	3.8	8.0 %
Depreciation and amortization	28.4	8%	27.3	8%	1.1	4.0 %
Operating income	146.0	41%	152.5	45%	(6.5)	(4.3)%
Other income, net	(.9)	0%	(2.5)	(1)%	1.6	(64.0)%
Interest expense, net	17.3	5%	20.3	6%	(3.0)	(14.8)%
Provision for income taxes	40.5	11%	37.4	11%	3.1	8.3 %
Net income	$ 89.1	25%	$ 97.3	29%	$ (8.2)	(8.4)%
Operating income for segments:						
North America	$ 91.7	40%	$ 88.3	43%	$ 3.4	3.9 %
International	54.3	43%	64.2	47%	(9.9)	(15.4)%

Operating income	$	146.0	41%	$	152.5	45%	$	(6.5)	(4.3)%
Operating margin for segments:									
North America		40.3%			43.0%			(2.5)%	
International		42.9%			47.3%			(4.4)%	

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Revenue

Our consolidated revenue increased from $341.1 million in 2008 to $354.1 million in 2009, an increase of $13.0 million, or 3.8%. During 2009, our consolidated revenue was positively impacted by:

- acquisitions completed during 2009, which represented an aggregate of $45.5 million in revenue from their respective dates of acquisition;

- acquisitions completed during 2008, which contributed an aggregate of $7.2 million in revenue in 2009 in excess of revenue recognized in 2008 (excluding the impact of foreign exchange rate fluctuations); and

- higher program fees and charges from our existing customers, including the full-year impact of the implementation of a private label contract on our proprietary system, which contributed approximately $14.9 million of revenue year over year.

During 2009, our consolidated revenue was negatively impacted by a range of factors, including:

- the strengthening of the U.S. dollar during 2009, relative to other foreign currencies, which resulted in unfavorable foreign exchange rates as compared to 2008 that reduced our revenue in 2009 by $18.1 million;

- lower transaction volumes during 2009 due primarily to the impact of the economic downturn;

- a decrease in the wholesale price of fuel at a higher rate than the retail price of fuel during the second half of 2008, causing the margin between the wholesale cost of fuel and the retail price of fuel to expand beyond historical levels. We believe the differential contributed incremental revenue of approximately $9 million in 2008 relative to revenue in 2009. Fuel-price spread margins returned to more historical levels in 2009; and

- the average retail price of fuel was lower in 2009 as compared to 2008. We believe that the lower average retail price of fuel in 2009 reduced revenue by approximately $10 million.

North American segment revenue

North American revenue increased from $205.5 million in 2008 to $227.4 million in 2009, an increase of $21.9 million, or 10.7%. The increase in our North American revenue was due primarily to:

- the impact of nine months of revenue following the CLC Acquisition in April 2009, the results of which were reported in our results of operations from the date of acquisition and represented $37.1 million in revenue;

- the loss on sales of receivables to the securitization facility, which on a managed basis represents interest on the securitization facility and bad debt expense on the securitized accounts receivable, decreased from $43.2 million in 2008 to $27.2 million in 2009, resulting in a lower adjustment to revenue of $16.0 million in 2009 versus 2008; and

- $14.9 million in higher program fees and charges from our existing customers, including the full-year impact of the implementation of a private label contract on our proprietary system.

The increase in North American revenue was primarily offset by:

- a decrease in the wholesale price of fuel at a higher rate than the retail price of fuel during the second half of 2008, causing the margin between the wholesale cost of fuel and the retail price of fuel to expand beyond historical levels. We believe the differential contributed incremental revenue of approximately $9 million in 2008 relative to revenue in 2009. Fuel-price spread margins returned to more historical levels in 2009;

- the average retail price of fuel was lower in 2009 as compared to 2008. We believe that the lower average retail price of fuel in 2009 reduced revenue by approximately $10 million; and

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lower transaction volumes, which we believe resulted from the economic downturn.

International segment revenue

International segment revenue decreased from $135.6 million in 2008 to $126.7 million in 2009, a decrease of $8.9 million, or 6.6%. The decrease in International segment revenue was due primarily to the following:

the strengthening of the U.S. dollar during 2009, relative to foreign currencies, which resulted in unfavorable foreign exchange rates that reduced our revenue in 2009 by $18.1 million; and

lower transaction volumes, which we believe resulted from the economic downturn.

The decrease in International segment revenue was partially offset by:

the full-year impact of acquisitions completed during 2008 and the partial-year impact of acquisitions completed during 2009, which represented an aggregate increase in revenue of $15.7 million in 2009; and

higher revenue per transaction from our existing card products as compared to 2008.

Consolidated operating expenses

Merchant commissions. Merchant commissions increased from $38.5 million in 2008 to $39.7 million in 2009, an increase of $1.2 million, or 3.1%. This increase was due primarily to acquisitions completed during 2009 which added $6.2 million in expense, partially offset by the favorable impact of foreign exchange rates of $3.3 million, and lower transaction volumes by existing customers, which we believe were due to the economic downturn.

Processing. Processing expenses increased from $51.4 million in 2008 to $58.0 million in 2009, an increase of $6.6 million, or 12.8%. This increase was due primarily to the impact of acquisitions completed during 2009 of $7.7 million and an increase of $0.5 million for bad debt related to non-securitized accounts receivable due to a higher percentage of uncollectible accounts. These increases were partially offset by the favorable impact of foreign exchange rates of $1.0 million and lower servicing costs of $2.4 million due to operating efficiencies.

Selling. Selling expenses increased from $23.8 million in 2008 to $30.6 million in 2009, an increase of $6.8 million, or 28.6%. The increase was due primarily to the impact of acquisitions completed during 2009 of $3.5 million and additional sales and marketing expense of $4.1 million to increase sales production. These increases were partially offset by the favorable impact of foreign exchange rates of $0.7 million.

General and administrative. General and administrative expense increased from $47.6 million in 2008 to $51.4 million in 2009, an increase of $3.8 million, or 8.0%. An increase of $9.2 million was attributable to acquisitions completed during 2009. This increase was partially offset by the favorable impact of foreign exchange rates of $3.7 million and operating efficiencies that we believe reduced expenses by $2.2 million.

Depreciation and amortization. Depreciation and amortization increased from $27.3 million in 2008 to $28.4 million in 2009, an increase of $1.1 million, or 4.0%. An increase of $5.7 million was attributable to acquisitions completed during 2009 due primarily to the amortization of intangible assets related to customer and vendor relationships, tradenames and trademarks, non-compete agreements and software. This increase was partially offset by the impact of a contract that became fully amortized during 2008 and represented $5.9 million of additional amortization in 2008.

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Operating income and operating margin

Consolidated operating income

Operating income decreased from $152.5 million in 2008 to $146.0 million in 2009, a decrease of $6.5 million, or 4.3%. Our operating margin was 44.7% and 41.2% for 2008 and 2009, respectively. The decrease in operating income and margin from 2008 to 2009 was due primarily to the impact of lower price-spread revenue during 2009 relative to the higher than normal fuel-price spreads experienced during the second half of 2008, the unfavorable impact of foreign exchange rates in 2009 compared to 2008, lower average retail price of fuel in 2009 compared to 2008 and a decrease in transaction volumes as a result of the global economic downturn.

For the purpose of segment operations, we calculate segment operating income by subtracting segment operating expenses from segment revenue. Similarly, segment operating margin is calculated by dividing segment operating income by segment revenue.

North American segment operating income

North American operating income increased from $88.3 million in 2008 to $91.7 million in 2009, an increase of $3.4 million, or 3.9%. North American operating margin was 43.0% and 40.3% for 2008 and 2009, respectively. The increase in operating income from 2008 to 2009 was due primarily to the impact of the CLC Acquisition, which we completed in April 2009, and organic growth in our rate per transaction during 2009 compared to 2008. These factors were partially offset by lower fuel-price spread revenue in 2009 compared to 2008 due to higher than normal fuel-price spreads in the second half of 2008, a lower average retail price of fuel in 2009 compared to 2008 and a decrease in transaction volumes, which we believe resulted from the economic downturn. Operating margin decreased from 2008 to 2009 due primarily to lower fuel-price spread revenue in 2009 as discussed above without a corresponding decrease in our operating expenses. As a result, the higher than normal revenues in 2008 increased operating margin in that year by approximately 3%.

International segment operating income

International operating income decreased from $64.2 million in 2008 to $54.3 million in 2009, a decrease of $9.9 million, or 15.4%. International operating margin was 47.3% and 42.9% for 2008 and 2009, respectively. The decrease in operating income and margin from 2008 to 2009 was due primarily to the impact of foreign exchange rates and lower transaction volumes as a result of the economic downturn. These factors were partially offset by the impact of completed acquisitions during 2009 and the full year impact of the acquisitions completed during 2008.

Other income, net

Other income decreased from $2.5 million in 2008 to $0.9 million in 2009, a decrease of $1.6 million, or 64.0%. The decrease was due primarily to the reversal of a previously-recorded litigation reserve of $1.1 million in 2008 and losses on foreign currency transactions of $0.5 million in 2009.

Interest expense, net

Interest expense, net reflects the amount of interest paid on our 2005 Credit Facility and CCS Credit Facility described below under the headings 2005 Credit Facility and CCS Credit Facility , respectively, offset by interest income. Interest expense decreased from $20.3 million in 2008 to $17.3 million in 2009, a decrease of $3.0 million, or 14.8%. The decrease from 2008 to 2009 resulted from lower average interest rates during 2009 than experienced during 2008. The average interest rate (including the effect of interest rate derivatives) on the

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2005 Credit Facility was 5.13% in 2009 versus 6.19% in 2008. The average interest rate on the CCS Credit Facility was 3.81% in 2009 versus 5.82% in 2008.

Provision for income taxes

The provision for income taxes increased from $37.4 million in 2008 to $40.5 million in 2009, an increase of $3.1 million, or 8.3%. The increase from 2008 to 2009 was due primarily to an increase in our effective tax rate from 27.8% in 2008 to 31.3% in 2009. The increase in our effective tax rate was due primarily to the increase in valuation allowances on state net operating losses. As of December 31, 2009, we had net operating loss carryforwards for state income tax purposes of approximately $53.0 million, which are available to offset future state taxable income through 2021. A valuation allowance was made against our state net operating loss carryforwards, the cumulative effect of which was recognized as an increase in tax expense of approximately $0.9 million for 2009. Additionally, part of the increase was due to acquisition-related costs, which were expensed for accounting purposes but capitalized for tax purposes, and the mix of earnings between domestic and foreign jurisdictions with differing tax rates.

Net income

For all the reasons discussed above, our net income decreased from $97.3 million in 2008 to $89.1 million in 2009, a decrease of $8.2 million, or 8.4%.

Year ended December 31, 2008 compared to the year ended December 31, 2007

The following table sets forth selected consolidated statement of operations data for the years ended December 31, 2008 and 2007 (dollars in millions).

	Year ended December 31, 2008	% of total revenue	Year ended December 31, 2007	% of total revenue	Increase (decrease)	% change
Revenues, net:						
North America	$ 205.5	60%	$ 161.4	61%	$ 44.1	27.3%
International	135.6	40%	102.7	39%	32.9	32.0%
Total revenues, net	341.1	100%	264.1	100%	77.0	29.2%
Consolidated operating expenses:						
Merchant commissions	38.5	11%	39.4	15%	(.9)	(2.3)%
Processing	51.4	15%	34.1	13%	17.3	50.7%
Selling	23.8	7%	22.6	9%	1.2	5.3%
General and administrative	47.6	14%	42.0	16%	5.6	13.3%
Depreciation and amortization	27.3	8%	20.2	8%	7.1	35.1%
Operating income	152.5	45%	105.8	40%	46.7	44.1%
Other income, net	(2.5)	(1)%	(1.5)	(1)%	(1.0)	66.7%
Interest expense, net	20.3	6%	19.7	7%	.6	3.0%
Provision for income taxes	37.4	11%	26.0	10%	11.4	43.8%
Net income	$ 97.3	29%	$ 61.6	23%	$ 35.7	58.0%

Operating income for segments:								
North America	$	88.3	43%	$	64.6	40%	$	23.7	36.7%
International		64.2	47%		41.2	40%		23.0	55.8%
Operating income	$	152.5	45%	$	105.8	40%	$	46.7	44.1%
Operating margin for segments:									
North America		43.0%			40.0%			2.9%	
International		47.3%			40.1%			7.2%	

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Revenue

Our consolidated revenue increased from $264.1 million in 2007 to $341.1 million in 2008, an increase of $77.0 million, or 29.2%. During 2008, our consolidated revenue was positively impacted by:

- acquisitions of businesses during 2008, which represented an aggregate of $15.1 million in revenue from their respective dates of acquisition;
- acquisitions of businesses and a commercial account portfolio completed during 2007, which contributed an aggregate of $7.6 million in 2008 in excess of revenue recognized in 2007;
- higher program fees and other fees and charges primarily resulting from the full-year impact of a private label contract and higher fees for a number of our commercial account portfolios;
- the decrease in the wholesale price of fuel at a higher rate than the retail price of fuel during the second half of 2008, which caused the margin between the wholesale cost of fuel and the retail price of fuel to expand beyond historical levels and which we believe contributed incremental revenue of approximately $23 million relative to revenue in 2007; and
- the average retail price of fuel was higher in 2008 as compared to 2007. We believe that the higher average retail price of fuel in 2008 increased revenue by approximately $7 million.

Our consolidated revenue was also negatively impacted during 2008 by lower transaction volumes which we believe resulted from the economic downturn.

North American segment revenue

Revenue increased from $161.4 million in 2007 to $205.5 million in 2008, an increase of $44.1 million, or 27.3%. The increase in revenue was due primarily to:

- higher program fees and other fees and charges primarily as a result of the full-year impact of a private label contract and higher fees in a number of our commercial account portfolios of $43.7 million;
- incrementally higher fuel-price spread revenue of approximately $23 million during 2008 relative to 2007; and
- the average retail price of fuel was higher in 2008 as compared to 2007. We believe that the higher average retail price of fuel in 2008 increased revenue by approximately $7 million.

The increase in North America revenue was partially offset by:

- a change in the loss on sales of receivables to the securitization facility (on a managed basis we view the loss as interest on the securitization facility and bad debt expense on the securitized accounts receivable) resulting in a higher adjustment to revenue of $15.7 million in 2008; and

- lower transaction volumes during 2008, which we believe resulted from the economic downturn.

International segment revenue

Revenue increased from $102.7 million in 2007 to $135.6 million in 2008, an increase of $32.9 million, or 32.0%. The increase in revenue was due primarily to:

- acquisitions completed during 2008 plus the full-year impact of acquisitions completed during 2007, which represented an aggregate of $22.7 million in revenue in 2008;

- higher transaction volumes and revenue per transaction from our existing card products as compared to 2007; and

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the weakening of the U.S. dollar during 2008, relative to certain foreign currencies, which resulted in favorable foreign exchange rates that increased our revenue in 2008 by $8.6 million.

Consolidated operating expenses

Merchant commissions. Merchant commissions decreased from $39.4 million in 2007 to $38.5 million in 2008, a decrease of $0.9 million, or 2.3%. The decrease was attributable primarily to lower transaction volumes that incurred merchant commissions.

Processing. Processing expense increased from $34.1 million in 2007 to $51.4 million in 2008, an increase of $17.3 million, or 50.7%. The increase from 2007 to 2008 was due primarily to the implementation of a new private label contract of $4.3 million, the impact of four completed acquisitions during 2008 and the full-year impact of acquisitions completed during 2007 of $5.1 million, and additional credit/collections department expense of $3.5 million.

Selling. Selling expense increased from $22.6 million in 2007 to $23.8 million in 2008, an increase of $1.2 million, or 5.3%. The increase resulted from the impact of acquisitions completed in 2007 and 2008 of $2.0 million.

General and administrative. General and administrative expense increased from $42.0 million in 2007 to $47.6 million in 2008, an increase of $5.6 million, or 13.3%. The increase was due primarily to the impact of acquisitions completed in 2007 and 2008 of $4.4 million, additional stock-based compensation expense of $1.5 million and increased acquisition related expenses. These increases were partially offset by cost saving initiatives of $1.9 million.

Depreciation and amortization. Depreciation and amortization increased from $20.2 million in 2007 to $27.3 million in 2008, an increase of $7.1 million, or 35.1%. The increase was due primarily to acquisitions completed during 2008, which increased depreciation and amortization by $1.5 million and the amortization of the premium attributable to the purchase of a new private label portfolio of $1.5 million. Amortization expense increased as a result of our amortization of intangible assets related to customer and vendor relationships, intellectual property and software. In addition, during 2008, we accelerated the amortization of a private label contract of $2.2 million.

Operating income and operating margin for segments

Consolidated operating income

Operating income increased from $105.8 million in 2007 to $152.5 million in 2008, an increase of $46.7 million, or 44.1%. Our operating margin was 40.0% and 44.7% for 2007 and 2008, respectively. The increase in operating income from 2007 to 2008 resulted from a number of factors, the most significant of which included the completion of four acquisitions during 2008 and the full-year impact of three acquisitions completed during 2007, higher price-spread revenue as a result of higher than normal fuel-price spreads in the second half of 2008 compared to 2007, higher average retail price of fuel in 2008 as compared to 2007 and organic growth in the business. In addition, the impact of higher fuel spread revenue in 2008 increased operating margins compared to 2007.

North American segment operating income

North American operating income increased from $64.6 million in 2007 to $88.3 million in 2008, an increase of $23.7 million, or 36.7%. The North American operating margin was 40.0% and 43.0% for 2007 and 2008, respectively. The increase in operating income from 2007 to 2008 resulted from a number of factors, the most significant of which related to higher fuel price-spread revenue as a result of higher than normal fuel-price

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spreads in the second half of 2008 compared to 2007, higher average retail price of fuel in 2008 as compared to 2007 and organic growth in our business. In addition, the impact of higher fuel price-spread revenue in 2008 increased operating margins.

International segment operating income

International operating income increased from $41.2 million in 2007 to $64.2 million in 2008, an increase of $23.0 million, or 55.8%. International operating margin was 40.1% and 47.3% for 2007 and 2008, respectively. The increase in operating income from 2007 to 2008 was due primarily to acquisitions completed during 2008 and the full-year impact of acquisitions completed during 2007, favorable foreign currency exchange rates in 2008 versus 2007 and organic growth in our business. Operating margins were also positively impacted during 2008 by the economies of scale gained through the integration of acquired companies into our existing business.

Other income, net

Other income increased from $1.5 million in 2007 to $2.5 million in 2008, an increase of $1.0 million, or 66.7%. The increase was due primarily to the reversal of a previously recorded litigation reserve of $1.1 million in 2008.

Interest expense, net

Interest expense increased from $19.7 million in 2007 to $20.3 million in 2008, an increase of $0.6 million, or 3.0%. The increase from 2007 to 2008 resulted from additional borrowings of $50.0 million under our 2005 Credit Facility. The increase in interest associated with the increased borrowing was offset by lower average interest rates in 2008 on the 2005 Credit Facility. The average interest rate (including the effect of interest rate derivatives) on the 2005 Credit Facility was 6.19% in 2008 versus 7.72% in 2007. The average interest rate on the CCS Credit Facility was 5.82% in 2008 versus 5.15% in 2007.

Provision for income taxes

The provision for income tax increased from $26.0 million in 2007 to $37.4 million in 2008, an increase of $11.4 million, or 43.8%. The increase was due primarily to higher income before taxes of $134.7 million in 2008 compared to $87.6 million in 2007. Our consolidated effective tax rate for 2008 was 27.8% as compared to 29.7% for 2007. The decrease in our effective tax rate was due primarily to a reduction in our reserve for uncertain tax positions in certain foreign jurisdictions, a reduction in the statutory tax rate in certain foreign jurisdictions and the mix of earnings between domestic and foreign jurisdictions.

Net income

For all the reasons discussed above, our net income increased from $61.6 million in 2007 to $97.3 million in 2008, an increase of $35.7 million, or 58.0%.

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Nine months ended September 30, 2010 compared to the nine months ended September 30, 2009

The following table sets forth selected consolidated statement of operations data for the nine months ended September 30, 2010 and 2009 (dollars in thousands).

	Nine months ended September 30, 2010	% of Revenue	Nine months ended September 30, 2009	% of Revenue	Increase (Decrease)	% Change
Revenues, net:						
North America	$ 219,447	67%	$ 167,002	65%	$ 52,445	31.4%
International	107,847	33%	89,759	35%	18,088	20.2%
Total revenues, net	327,294	100%	256,761	100%	70,533	27.5%
Consolidated operating expenses:						
Merchant commissions	39,549	12%	28,860	11%	10,689	37.0%
Processing	52,608	16%	43,099	17%	9,509	22.1%
Selling	23,155	7%	21,470	8%	1,685	7.8%
General and administrative	40,025	12%	38,251	15%	1,774	4.6%
Depreciation and amortization	25,238	8%	20,235	8%	5,003	24.7%
Operating Income	146,719	45%	104,846	41%	41,873	39.9%
Other income, net	(767)	0%	(369)	0%	(398)	107.9%
Interest expense, net	16,352	5%	13,023	5%	3,329	25.6%
Provision for income taxes	40,752	12%	28,088	11%	12,664	45.1%
Net income	$ 90,382	28%	$ 64,104	25%	$ 26,278	41.0%
Operating income for segments:						
North America	$ 95,185	43.4%	$ 65,978	39.5%	$ 29,207	44.3%
International	51,534	47.8%	38,868	43.3%	12,666	32.6%
Operating income	$ 146,719	44.8%	$ 104,846	40.8%	$ 41,873	39.9%
Operating margin for segments:						
North America	43.4%		39.5%		3.9%	
International	47.8%		43.3%		4.5%	

Revenue

Our consolidated revenue increased from $256.8 million in the nine months ended September 30, 2009 to $327.3 million in the nine months ended September 30, 2010, an increase of $70.5 million, or 27.5%. The increase in revenue was primarily due to the following:

during the nine months ended September 30, 2010, our total revenue increased by $21.4 million as a result of the adoption of authoritative accounting guidance related to our asset securitization facility as further discussed in Note 2 Summary of significant accounting policies ;

acquisitions completed during 2009, which increased revenue by $10.9 million in the first nine months of 2010;

increased volume and higher program fees and charges from our existing customers, which increased revenue in the nine months ended September 30, 2010 by approximately $37.7 million; and

the weakening of the U.S. dollar during the nine months ended September 30, 2010, relative to other foreign currencies, which resulted in favorable foreign exchange rates as compared to the nine months ended September 30, 2009, which increased our revenue in the nine months ended September 30, 2010 by $0.6 million.

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North American segment revenue

North American segment revenue increased from $167.0 million in the nine months ended September 30, 2009 to $219.4 million in the nine months ended September 30, 2010, an increase of $52.4 million, or 31.4%. The increase was primarily due to the following:

- during the nine months ended September 30, 2010, our total revenue increased by $21.4 million as a result of the adoption of authoritative accounting guidance related to our asset securitization facility as further discussed in Note 2 Summary of significant accounting policies ;
- an acquisition completed in April 2009 which added approximately $11.6 million in revenue for the nine months ended September 30, 2010, which was offset by a decrease of $12.0 million related to the fulfillment of a contract which expired;
- $30.1 million in higher program fees and charges from our existing customers; and
- higher transaction volumes, which we believe resulted from the economic recovery.

International segment revenue

International segment revenue increased from $89.8 million in the nine months ended September 30, 2009 to $107.8 million in the nine months ended September 30, 2010, an increase of $18.1 million, or 20.2%. The increase in International segment revenue was due primarily to the following:

- the impact of acquisitions completed during 2009, which represented an increase in revenue of $11.3 million in the nine months ended September 30, 2010;
- the weakening of the U.S. dollar during the nine months ended September 30, 2010, relative to foreign currencies, which resulted in favorable foreign exchange rates that increased our revenue in the nine months ended September 30, 2010 by $0.6 million; and
- higher revenue per transaction from our existing card products as compared to the nine months ended September 30, 2009.

Consolidated operating expenses

Merchant commissions. Merchant commissions increased from $28.9 million in the nine months ended September 30, 2009 to $39.5 million in the nine months ended September 30, 2010, an increase of $10.7 million, or 37.0%. This increase was due primarily to organic growth in certain payment programs.

Processing. Processing expense increased from $43.1 million in the nine months ended September 30, 2009 to $52.6 million in the nine months ended September 30, 2010, an increase of $9.5 million, or 22.1%. During the nine months ended September 30, 2010, our processing expenses increased by $17.3 million as a result of the adoption of authoritative accounting guidance related to our asset securitization facility as further discussed in Note 2 Summary of significant accounting policies and the impact of acquisitions completed during 2009 which added $3.2 million in processing expense in the nine months ended September 30, 2010. Partially offsetting these increases was lower bad debt in our existing businesses of $10.3 million,

Selling. Selling expense increased from $21.5 million in the nine months ended September 30, 2009 to $23.2 million in the nine months ended September 30, 2010, an increase of $1.7 million, or 7.8%. The increase was due primarily to the impact of acquisitions completed during 2009 of $0.3 million and organic growth in certain payment programs.

General and administrative. General and administrative expense increased from $38.3 million in the nine months ended September 30, 2009 to $40.0 million in the nine months ended September 30, 2010, an increase of

$1.8 million, or 4.6%. The increase was primarily due to the impact of acquisitions completed during 2009 of $0.2 million, an unfavorable impact of foreign exchange rates of $0.8 million and an investment in increased head count to support new business development.

Depreciation and amortization. Depreciation and amortization increased from $20.2 million in the nine months ended September 30, 2009 to $25.2 million in the nine months ended September 30, 2010, an increase of $5.0 million, or 24.7%. An increase of $1.3 million was attributable to the impact of the amortization of intangible assets related to customer and vendor relationships, tradenames and trademarks, non-compete agreements and software associated with acquisitions completed during 2009. The increase in depreciation is also related to the depreciation of a new operating system put into service during 2009.

Operating income and operating margin

Consolidated operating income

Operating income increased from $104.8 million in the nine months ended September 30, 2009 to $146.7 million in the nine months ended September 30, 2010, an increase of $41.9 million, or 39.9%. Our operating margin was 40.8% and 44.8% for the nine months ended September 30, 2009 and 2010, respectively. The increase in operating income and margin during these periods was due primarily to a favorable impact of foreign exchange rates in the nine months ended September 30, 2010 compared to the nine months ended September 30, 2009, acquisitions completed during 2009 that carried a higher operating margin than our existing businesses, lower bad debt expense and an increase in revenue per transaction in our existing businesses.

For the purpose of segment operations, we calculate segment operating income by subtracting segment operating expenses from segment revenue. Similarly, segment operating margin is calculated by dividing segment operating income by segment revenue.

North American segment operating income

North American operating income increased from $66.0 million in the nine months ended September 30, 2009 to $95.2 million in the nine months ended September 30, 2010, an increase of $29.2 million, or 44.3%. North American operating margin was 39.5% and 43.4% for the nine months ended September 30, 2009 and 2010, respectively. The increase in operating income and margins during these periods was due primarily to the impact of the CLC Acquisition, which closed in April 2009 and carried a higher operating margin than our existing businesses, and organic growth in our rate per transaction during the nine months ended September 30, 2010 as compared to the nine months ended September 30, 2009.

International segment operating income

International operating income increased from $38.9 million in the nine months ended September 30, 2009 to $51.5 million in the nine months ended September 30, 2010, an increase of $12.7 million, or 32.6%. International operating margin was 43.3% and 47.8% for the nine months ended September 30, 2009 and 2010, respectively. The increase in operating income and margin during these periods was due primarily to the impact of completed acquisitions during the nine months ended September 30, 2009, the impact of foreign exchange rates and an increase in rate per transaction resulting from organic growth and the loss of a high transaction, low revenue contract during the nine months ended September 30, 2010.

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Other income, net

Other income increased from $0.4 million in the nine months ended September 30, 2009 to $0.8 million in the nine months ended September 30, 2010, an increase of $0.4 million, or 107.9%.

Interest expense, net

Interest expense, net reflects the amount of interest paid on our 2005 Credit Facility and CCS Credit Facility net of interest income. Interest expense increased from $13.0 million in the nine months ended September 30, 2009 to $16.4 million in the nine months ended September 30, 2010, an increase of $3.3 million, or 25.6%. During the nine months ended September 30, 2010, our interest expense increased by $4.1 million as a result of the adoption of the adoption of authoritative accounting guidance related to our asset securitization facility as further discussed in Note 2 Summary of significant accounting policies , and higher average interest rates on the 2005 Credit Facility. These increases were partially offset by higher interest income, the impact of lower principal balances on both the 2005 Credit Facility and the CCS Credit Facility and lower average interest rates on the CCS Credit Facility. The average interest rate (including the effect of interest rate derivatives) on the 2005 Credit Facility was 5.80% in the nine months ended September 30, 2010 versus 5.31% in the nine months ended September 30, 2009. The average interest rate on the CCS Credit Facility was 2.67% in the nine months ended September 30, 2010 versus 3.76% in the nine months ended September 30, 2009.

Provision for income taxes

The provision for income taxes increased from $28.1 million in the nine months ended September 30, 2009 to $40.8 million in the nine months ended September 30, 2010, an increase of $12.7 million, or 45.1%. We provide for income taxes during interim periods based on an estimate of our effective tax rate for the year. Discrete items and changes in the estimate of the annual tax rate are recorded in the period they occur. Our effective tax rate for the nine months ended September 30, 2010 was 31.1% as compared to 30.5% for the nine months ended September 30, 2009. The increase in the effective tax rate was primarily due to a change in the mix of earnings between the United States and Europe. We pay taxes in many different taxing jurisdictions, including the United States, most U.S. states and many non-U.S. jurisdictions. The tax rates in non-U.S. taxing jurisdictions are lower than the U.S. tax rate. Consequently, as our earnings fluctuate between taxing jurisdictions our effective tax rate fluctuates.

Net income

For all the reasons discussed above, our net income increased from $64.1 million in the nine months ended September 30, 2009 to $90.4 million in the nine months ended September 30, 2010, an increase of $26.3 million, or 41.0%.

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Quarterly results of operations

The following table sets forth our selected unaudited quarterly consolidated statement of income data for each of the eight quarters in the two-year period ended September 30, 2010. This information is derived from our unaudited financial statements, which in the opinion of management contain all adjustments necessary for a fair statement of such financial data. The results of historical periods are not necessarily indicative of the results of operations for any future period. You should read this data together with our consolidated financial statements and the accompanying notes appearing elsewhere in this prospectus.

								Quarter ended
(in millions)	**September 30, 2010**	**June 30, 2010**	**March 31, 2010**	**December 31, 2009**	**September 30, 2009**	**June 30, 2009**	**March 31, 2009**	**December 31, 2008**
Revenues, net	$ 111.7	$ 111.4	$ 104.2	$ 97.3	$ 100.6	$ 88.1	$ 68.1	$ 91.3
Operating income	49.1	50.6	47.1	41.2	47.9	33.9	23.1	32.0
Net income	33.4	29.6	27.3	24.9	29.9	20.8	13.4	22.4

Liquidity and capital resources

Our principal liquidity requirements are to service and repay our indebtedness, make acquisitions of businesses and commercial account portfolios and meet working capital, tax and capital expenditure needs.

Sources of liquidity

At September 30, 2010, our unrestricted cash and cash equivalent balance totaled $110.8 million. Our restricted cash balance at September 30, 2010 totaled $65.9 million. Restricted cash represents customer deposits, primarily in the Czech Republic, which we are restricted from using other than to repay customer deposits and which may not be deposited outside of the Czech Republic.

We utilize an accounts receivable securitization facility to finance a majority of our domestic fuel card receivables, to lower our cost of funds and more efficiently use capital. We generate and record accounts receivable when a customer makes a purchase from a merchant using one of our card products and generally pay merchants within seven days of receiving the merchant billing. As a result, we utilize the asset securitization facility as a source of liquidity to provide the cash flow required to fund merchant payments while we collect customer balances. These balances are primarily composed of charge balances, which are typically billed to the customer on a weekly, semimonthly or monthly basis, and are generally required to be paid within 30 days of billing. We also consider the undrawn amounts under our securitization facility and 2005 Credit Facility as funds available for working capital purposes or for acquisitions. At September 30, 2010, we had the ability to generate approximately $80.8 million of additional liquidity under our securitization facility and $50.0 million available under the 2005 Credit Facility.

Based on our current forecasts and anticipated market conditions, we believe that our current cash balances, our available borrowing capacity and our ability to generate cash from operations, will be sufficient to fund our liquidity needs for at least the next 12 months. However, we regularly evaluate our cash requirements for current operations, commitments, capital requirements and acquisitions, and we may elect to raise additional funds for these purposes in the future, either through the issuance of debt and equity securities or otherwise. We may not be able to obtain additional financing on terms favorable to us, if at all.

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Cash flows

The following table summarizes our cash flows for the years ended December 31, 2009, 2008 and 2007 and for the nine months ended September 30, 2010 and 2009.

	Nine months ended September 30,			Year ended December 31,	
(in millions)	**2010**	**2009**	**2009**	**2008**	**2007**
Net cash provided by operating activities	$ 106.9	$ 150.2	$ 178.8	$ 59.0	$ 55.9
Net cash used in investing activities	(13.3)	(233.1)	(240.8)	(63.0)	(40.8)
Net cash (used in) provided by financing activities	(69.2)	76.2	72.2	14.0	30.9

Operating activities. Net cash provided by operating activities for the nine months ended September 30, 2010 was $106.9 million compared to $150.2 million for the nine months ended September 30, 2009. The decrease is attributable primarily to an increase in prepaid expenses and other current assets of $34.0 million related to the timing of purchases in our U.K. operations, an increase in accounts receivable of $29.0 million, and a decrease in the provision for losses on accounts receivable due to lower bad debts of $10.4 million. These decreases were offset by an increase in restricted cash of $4.3 million primarily due to favorable foreign exchange rate fluctuations and higher net income of $26.3 million.

Net cash provided by operating activities for 2009 was $178.8 million compared to $59.0 million for 2008. This improvement is attributable primarily to working capital improvements of $102.8 million, driven mainly by an increase in accounts payable due to timing of year-end merchant payables, interest and income tax and improved collection on accounts receivable, and an increase in prepaid expenses related to timing of purchases that contributed approximately $24.3 million year over year. These increases were partially offset by lower net income of $8.2 million.

Net cash provided by operating activities for 2008 was $59.0 million compared to $55.9 million for 2007. This improvement is attributable primarily to increased net income of $36.0 million, an increase in provision for losses on accounts receivable due to higher bad debts of $19.5 million and an increase in restricted cash due to favorable foreign exchange rate fluctuations of $18.4 million. These increases were partially offset by a reduction in working capital of $76.8 million. The decrease in working capital was a result of improved collections on accounts receivable, offset by a reduction in accounts payable due to timing of year end merchant payables, interest and income tax payments.

Investing activities. Net cash used in investing activities for the nine months ended September 30, 2010 was $13.3 million compared to $233.1 million for the nine months ended September 30, 2009. The decrease is attributable to acquisitions completed during the nine months ended September 30, 2010 of $6.2 million as compared to $225.6 million in the nine months ended September 30, 2009.

Net cash used in investing activities increased $177.8 million in 2009, from $63 million in 2008, due primarily to acquisitions completed in 2009 of $175.2 million. In addition, our capital expenditures increased from $7.1 million in 2008 to $9.7 million in 2009 primarily as a result of additional investments to build and enhance our proprietary processing systems. Net cash used in investing activities increased $22.2 million in 2008, from $40.8 million in 2007 due primarily to acquisitions.

Financing activities. Net cash used in financing activities increased $145.4 million, from net cash provided by financing activities of $76.2 million in the nine months ended September 30, 2009 to net cash used in financing activities of $69.2 million for the nine months ended September 30, 2010. The increase is attributable primarily to the inclusion of the securitization facility, which as of January 1, 2010 was consolidated, and the absence of

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equity proceeds to us from the issuance of preferred stock during the nine months ended September 30, 2010. During the nine months ended September 30, 2010, we made net payments on the securitization facility of approximately $51.0 million. In April 2009, we received net proceeds of $93.5 million from the issuance of our Series E preferred stock.

Net cash provided by financing activities increased $58.2 million, from $14.0 million in 2008. The increase in cash provided by financing activities resulted from the net proceeds received from the issuance of our Series E preferred stock of $93.7 million in April 2009. In addition, during 2009 we made principal payments on the 2005 Credit Facility and the CCS Credit Facility of $21.0 million compared to aggregate principal payments of $33.8 million in 2008. These increases were offset by note proceeds of $50.0 million received in 2008 under the delayed draw portion of the 2005 Credit Facility.

Net cash provided by financing activities decreased $16.9 million in 2008, from $30.9 million in 2007. The decrease is due primarily to $39.8 million in note proceeds and a $24.6 million increase in principal note payments, partially offset by the repurchase of common stock of $24.3 million in 2007 and the premium paid on the purchase of receivables of $14.3 million in 2007.

Capital spending summary

Our capital expenditures were $7.1 million and $7.5 million in the nine months ended September 30, 2010 and 2009, respectively, a decrease of $0.4 million. Our capital expenditures were $5.3 million in 2006 and $7.1 million in both 2007 and 2008. Our capital expenditures increased to $9.7 million in 2009, an increase of $2.6 million, or 36.6%, from 2008. The increase was related primarily to investments to enhance our existing processing systems and to develop a new European processing system. We anticipate our capital expenditures to increase to approximately $9.3 million during 2010 as we continue to enhance our existing processing systems.

2005 Credit Facility

We are a party to a credit agreement, dated as of June 29, 2005, which has been subsequently amended and restated as of April 30, 2007, among FleetCor Technologies Operating Company, LLC and FleetCor UK Acquisition Limited, as borrowers, FleetCor Technologies, Inc., JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, J.P. Morgan Europe Limited, as London agent, and the other lenders party thereto. We refer to this facility as the 2005 Credit Facility in this prospectus.

The 2005 Credit Facility provides for term loans in the amount of $250.0 million and two tranches of multicurrency revolving loans, each of which revolving loans may be made in U.S. dollars, British pounds or Euros; a U.S. tranche for the U.S. borrower of up to $30.0 million (with a $10.0 million sub-limit for letters of credit), and a global tranche for both the U.S. borrower and U.K. borrower of up to $20.0 million. The 2005 Credit Facility also includes a $10.0 million swing line facility which is available to the U.S. borrower. The credit agreement also provides for delayed draw term loans in the amount of up to $50.0 million, of which $50.0 million was borrowed in April 2008. The 2005 Credit Facility further provides for incremental term loans in an aggregate amount not to exceed $100.0 million. None of the incremental term loans have been made. As of September 30, 2010, we had $274.0 million in outstanding term loans and no borrowings on the revolving line under the 2005 Credit Facility.

Interest on the facilities may accrue, at our election, based on a base rate, EURIBOR or LIBOR, plus a margin. The margin with respect to term loans is fixed at 2.25% for LIBOR and EURIBOR loans and at 1.25% for base rate loans. With respect to revolving loans and letter of credit fees, the margin or fee is determined based on our leverage ratio and ranges from 2.00% to 2.50% for LIBOR and EURIBOR loans and from 1.00% to 1.50% for base rate loans. As of September 30, 2010 our term loans bore interest at LIBOR plus 2.25% and we had no U.S.

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revolving loans or multicurrency loans outstanding. Interest on overdue amounts will accrue at a rate equal to the applicable interest rate plus 2% per annum. As described below under the heading Market risk Use of derivatives , we were required under the credit agreement to enter into interest rate swaps with respect to at least 40% of our long term debt.

The stated maturity date for our term loans is April 30, 2013 and the stated maturity date for our revolving loans and letters of credit is April 30, 2012. The term loans are payable in quarterly installments of .25% of the initial aggregate principal amount of the loans and are due on the last business day of each March, June, September, and December with the final principal payment due in April 2013. Principal payments of $14.0 million, $7.9 million and $2.3 million were made on the term loan during 2009, 2008 and the nine months ended September 30, 2010, respectively.

Our credit agreement contains a number of negative covenants restricting, among other things, indebtedness, investments, liens, dispositions of assets, restricted payments (including dividends), mergers and acquisitions, burdensome agreements (as defined in the 2005 Credit Facility), accounting changes, transactions with affiliates, prepayments of indebtedness, and capital expenditures. Two financial covenants, including a leverage ratio requirement and an interest coverage ratio requirement, are measured quarterly. We are currently required to maintain a leverage ratio of not greater than 2.25 to 1, and beginning January 1, 2011, we will be required to maintain a leverage ratio of not greater than 2.00 to 1. We are required to maintain an interest coverage ratio of not less than 4.00 to 1. As of September 30, 2010, we were in compliance with each of the covenants under the 2005 Credit Facility.

We have received commitments from lenders for an additional tranche of revolving loans in the amount of up to $100 million to be made under the terms of the 2005 Credit Facility. The additional revolving loans will be available only in U.S. dollars, and the commitments for the additional revolving loans will not be held pro rata with the commitments held by the lenders holding existing commitments for the revolving loans and term loans. The additional revolving loan commitments will have a maturity date of October 31, 2012. The maturity date of the existing commitments for revolving loans is April 30, 2012, and the lenders providing such commitments will be asked to extend the maturity date to October 31, 2012. The revolving commitments held by any lender not agreeing to the extension of the maturity date will remain April 30, 2012. In all other respects, we expect that the additional revolving loan commitments will be subject to the terms and conditions applicable to revolving loans made under the existing commitments for the U.S. tranche. The conditions for the additional revolving loan commitments include, among other things, the closing of this offering and the execution of definitive documentation on or before January 15, 2011.

In addition, J.P. Morgan Securities LLC has agreed to arrange an amendment to the 2005 Credit Facility to permit the additional revolving loans described above, to remove the mandatory prepayment requirement with respect to excess cash flow and certain equity issuances, to extend the maturity date on revolving loans with respect to consenting lenders to October 31, 2012, and to increase the interest rate margins for term loans. We expect that the proposed amendment will also include certain other covenant amendments, subject to the requisite consents of the other lenders. The conditions for the proposed amendments include, among other things, the closing of this offering and the execution of definitive documentation on or before January 15, 2011. A customary consent fee will be payable by us to consenting lenders, together with certain other amendment fees and expenses.

CCS Credit Facility

Certain of our subsidiaries are parties to a credit facility agreement, dated as of December 7, 2006, which was amended as of March 28, 2008, among CCS Česká společnost pro platební karty a.s., as borrower, FENIKA s.r.o., as borrower (FENIKA s.r.o. and CCS Česká společnost pro platební karty a.s. subsequently merged into a new entity CCS Česká společnost pro platební karty s.r.o. (CCS)), FleetCor Luxembourg Holding 3 S.à r.l., as shareholder, HVB Bank Czech Republic a.s. (current commercial name UniCredit Bank Czech republic, a.s.), as

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security agent, Bank Austria Creditanstalt AG (current commercial name Unicredit Bank Austria AG), as arranger and facility agent, and the other lenders party thereto. We refer to this facility as the CCS Credit Facility in this prospectus.

The CCS Credit Facility agreement provides for term loans in the total amount of CZK 1.675 billion ($83.8 million), which consists of a Facility A amortized term loan in the amount of CZK 990 million ($49.5 million) and a Facility B bullet term loan in the amount of CZK 685.0 million ($34.3 million). The unpaid principal balance of the term loans as of September 30, 2010 is approximately CZK 452.0 million ($25.0 million) for Facility A and approximately CZK 616.2 million ($34.2 million) for Facility B. The outstanding balance of CCS term notes payable increased by an aggregate of $0.7 million for the nine months ended September 30, 2010 and increased by an aggregate of $6.0 million for the nine months ended September 30, 2009 due to changes in the value of the Czech koruna versus the U.S. dollar.

Interest on the term loans may accrue, calculated according to the term selected by CCS, based on a base rate, PRIBOR (Prague Interbank Offered Rate), plus a margin and a mandatory cost. The margin is determined based on CCS s leverage ratio and ranges from 0.95% to 1.75% for the Facility A term loan and from 2.00% to 2.90% for the Facility B term loan. As of September 30, 2010, the interest rate on Facility A equaled 2.15% and the interest rate on Facility B was 3.0%.

The stated maturity date for CCS s term loans is December 21, 2013 with respect to Facility A and December 21, 2014 with respect to Facility B. The Facility A term loan is payable in semiannual payments in June and December of each year and the Facility B term loan is payable in one lump sum. Principal payments of $7.0 million and $18.0 million were made in 2009 and 2008, respectively. Principal payments of approximately $3.1 million were made during the nine months ended September 30, 2010. CCS has the right to prepay the loans without premium or penalty on the last day of an interest period.

The CCS credit agreement contains a number of negative covenants restricting, among other things, indebtedness, investments, liens, dispositions of assets, change of business, restricted payments (including dividends), mergers and acquisitions, transactions with affiliates and prepayments of indebtedness. The agreement also contains financial covenants including a leverage ratio requirement, a debt service cover ratio requirement, an equity ratio requirement and a liquidity ratio requirement, all of which are tested quarterly. CCS is currently required to maintain a leverage ratio of not greater than 3.25 to 1. CCS is required to maintain a debt service coverage ratio of not less than 1.20 to 1, an equity ratio of not less than 0.20 to 1, and a liquidity ratio not less than 1.00 to 1. As of September 30, 2010, CCS was in compliance with each of the covenants under the CCS Credit Facility agreement.

Seller financing

One of our subsidiaries, FleetCor Luxembourg Holding2 S.à r.l. (Lux 2), entered into a Share Sale and Purchase Agreement dated April 24, 2008 (the Purchase Agreement) with ICP Internet Cash Payments B.V. for the purchase of ICP International Card Products B.V. The acquired business is now being operated in the Netherlands as FleetCor Technologieën B.V. In connection with the purchase Lux 2 agreed to make deferred payments in the aggregate amount of 1.0 million ($1.5 million), of which one remaining payment is due and payable on June 6, 2011 in the amount of 0.33 million ($0.44 million). The obligation to make such deferred payments is described in the Purchase Agreement, as modified by letter agreement dated August 11, 2008, and is not evidenced by a promissory note.

In connection with our acquisition of Petrol Plus Region and an affiliated company in 2007, the parties agreed to defer our payment of a portion of the purchase price, equal to approximately $11.9 million, which was paid on February 1, 2010.

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Securitization facility

We are a party to a receivables purchase agreement among FleetCor Funding LLC, as seller, PNC Bank, National Association as administrator, and the various purchaser agents, conduit purchasers and related committed purchasers parties thereto, which was amended and restated for the fourth time as of October 29, 2007 and which has been amended three times since then to add or remove purchasers and to extend the facility termination date, among other things. We refer to this arrangement as the securitization facility in this prospectus. The current purchase limit under the securitization facility is $500 million and the facility termination date is February 24, 2011.

The purchasers under the securitization facility are contractually committed to purchase up to $500 million of receivables on a revolving basis through February 24, 2011. To the extent that the commercial paper markets are unavailable, the primary bank is required to provide funding up to the purchase limit at a higher interest rate.

Under a related purchase and sale agreement, dated as of December 20, 2004, and most recently amended on July 7, 2008, between FleetCor Funding LLC, as purchaser, and certain of our subsidiaries, as originators, the receivables generated by the originators are deemed to be sold to FleetCor Funding LLC immediately and without further action upon creation of such receivables. At the request of FleetCor Funding LLC, as seller, undivided percentage ownership interests in the receivables are ratably purchased by the purchasers in amounts not to exceed their respective commitments under the facility. Collections on receivables are required to be made pursuant to a written credit and collection policy and may be reinvested in other receivables, may be held in trust for the purchasers, or may be distributed. Fees are paid to each purchaser agent for the benefit of the purchasers and liquidity providers in the related purchaser group in accordance with the securitization facility and certain fee letter agreements.

The securitization facility provides for certain termination events, upon the occurrence of which the administrator may declare the facility termination date to have occurred, may exercise certain enforcement rights with respect to the receivables, and may appoint a successor servicer, among other things. Termination events include nonpayment, noncompliance with covenants, default under any indebtedness in excess of $10.0 million, the failure to maintain certain ratios related to defaults, delinquencies and dilution, change in control, failure to maintain a leverage ratio of not greater than 2.25 to 1 through December 31, 2010 and 2.00 to 1 for the periods thereafter (measured quarterly), failure to maintain an interest coverage ratio of not less than 4.00 to 1 (measured quarterly) and failure to perform under a performance guaranty. As of September 30, 2010, we were in compliance with each of the covenants under our securitization facility.

Critical accounting policies and estimates

In applying the accounting policies that we use to prepare our consolidated financial statements, we necessarily make accounting estimates that affect our reported amounts of assets, liabilities, revenue and expenses. Some of these estimates require us to make assumptions about matters that are highly uncertain at the time we make the accounting estimates. We base these assumptions and the resulting estimates on historical information and other factors that we believe to be reasonable under the circumstances, and we evaluate these assumptions and estimates on an ongoing basis. In many instances, however, we reasonably could have used different accounting estimates and, in other instances, changes in our accounting estimates could occur from period to period, with the result in each case being a material change in the financial statement presentation of our financial condition or results of operations. We refer to estimates of this type as critical accounting estimates. Our significant accounting policies are summarized in consolidated financial statements contained elsewhere in this prospectus. The critical accounting estimates that we discuss below are those that we believe are most important to an understanding of our consolidated financial statements.

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Revenue recognition and presentation

Revenue is derived from our merchant and network relationships as well as from customers and partners. We recognize revenue on fees generated through services to commercial fleets, major oil companies and petroleum marketers and record revenue net of the wholesale cost of the underlying products and services based on the following: (i) we are not the primary obligor in the fuel arrangement and we are not responsible for fulfillment and the acceptability of the product; (ii) we have no inventory risk, do not bear the risk of product loss and do not make any changes to the fuel or have any involvement in the product specifications; (iii) we do not have significant latitude with respect to establishing the price for fuel and (iv) the amount we earn for our services is fixed.

Through our merchant and network relationships we provide fuel, vehicle maintenance or lodging services to our customers. We derive revenue from our merchant and network relationships based on the difference between the price charged to a customer for a transaction and the price paid to the merchant or network for the same transaction. Our net revenue consists of margin on fuel sales and fees for technical support, processing, communications and reporting. The price paid to a merchant or network may be calculated as (i) the merchant s wholesale cost of fuel plus a markup; (ii) the transaction purchase price less a percentage discount; or (iii) the transaction purchase price less a fixed fee per unit. The difference between the price we pay to a merchant and the merchant s wholesale cost for the underlying products and services is considered a merchant commission and is recognized as an expense when the transaction is executed. We recognize revenue from merchant and network relationships when persuasive evidence of an arrangement exists, the services have been provided to the customer, the sales price is fixed or determinable and collectibility is reasonably assured. We have entered into agreements with major oil companies and petroleum marketers which specify that a transaction is deemed to be captured when we have validated that the transaction has no errors and have accepted and posted the data to our records. Revenue is recognized on lodging and transportation management services when the lodging stay or transportation service is completed.

We also derive revenue from customers and partners from a variety of program fees including transaction fees, card fees, network fees, report fees and other transaction-based fees which typically are calculated based on measures such as percentage of dollar volume processed, number of transactions processed, or some combination thereof. Such services are provided through proprietary networks or through the use of third-party networks. Transaction fees and other transaction-based fees generated from our proprietary networks and third-party networks are recognized at the time the transaction is captured. Card fees, network fees and program fees are recognized as we fulfill our contractual service obligations. In addition, we recognize revenue from late fees and finance charges. Such fees are recognized net of a provision for estimated uncollectible amounts at the time the fees and finance charges are assessed.

Accounts receivable

As described above under the heading Securitization facility, we maintain a $500 million revolving trade accounts receivable securitization facility. Pursuant to the terms of the securitization facility, we transfer certain of our domestic receivables, on a revolving basis, to FleetCor Funding LLC, a wholly-owned bankruptcy remote subsidiary. In turn, FleetCor Funding LLC sells, without recourse, on a revolving basis, up to $500 million of undivided ownership interests in this pool of accounts receivable to a multi-seller, asset-backed commercial paper conduit. FleetCor Funding LLC maintains a subordinated interest, in the form of over collateralization, in a portion of the receivables sold to the conduit. Purchases by the conduit are financed with the sale of highly-rated commercial paper. On February 25, 2010, we extended the term of the securitization facility to February 24, 2011.

We utilize proceeds from the sale of our accounts receivable as an alternative to other forms of debt, effectively reducing our overall borrowing costs. We have agreed to continue servicing the sold receivables for the financial

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institutions at market rates, which approximates our cost of servicing. We retain a residual interest in the accounts receivable sold as a form of credit enhancement. The residual interest s fair value approximates carrying value due to its short-term nature.

FleetCor Funding LLC determines the level of funding achieved by the sale of trade accounts receivable, subject to a maximum amount. FleetCor Funding LLC retains a residual interest in the eligible receivables transferred to the trust, such that amounts payable in respect of such residual interest will be distributed to FleetCor Funding LLC upon payment in full of all amounts owed by FleetCor Funding LLC to the financial institutions.

In June 2009, the FASB issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. The concept of a qualifying special-purpose entity, or QSPE, which had previously facilitated sale accounting for certain asset transfers, is removed by this standard. This guidance is effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, we consolidated our QSPE. Using the carrying amounts of the assets and liabilities of the QSPE as prescribed by ASU No. 2009-17 and any corresponding elimination of activity between the QSPE and us resulting from the consolidation on January 1, 2010, we recorded a $218 million increase in total assets, a $218 million increase in total liabilities and non-cash financing activities of $218 million. Beginning January 1, 2010, our consolidated balance sheet and consolidated statement of income no longer reflect activity related to our retained economic interests, but instead reflect activity related to our securitized accounts receivable and the corresponding securitized debt, including interest income, fees generated from late payments, provision for losses on accounts receivable, and interest expense. Interest expense and provisions for losses on accounts receivable associated with the securitized accounts receivable are no longer included as a deduction from revenues, net in the consolidated statement of income, resulting in an increase of $21.4 million in the nine months ended September 30, 2010 as compared to the same period in 2009.

The cash flows from borrowings and repayments, associated with the securitized debt, are now presented as cash flows from financing activities. Our consolidated statement of income for the nine months ended September 30, 2009 and our balance sheet as of December 31, 2009 have not been retrospectively adjusted to reflect the adoption of ASU Nos. 2009-16 and 2009-17. Therefore, current period results and balances will not be comparable to prior period amounts, particularly with regard to accounts receivable, securitization facility, provision for losses on accounts receivable, interest expense and revenues, net.

Credit risk and reserve for losses on receivables

We control credit risk by performing periodic credit evaluations of our customers. Payments from customers are generally due within 30 days of billing. We routinely review our accounts receivable balances and make provisions for probable doubtful accounts based primarily on the aging of those balances. Accounts receivable are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when internal collection efforts have been exhausted and accounts have been turned over to a third-party collection agency.

Impairment of long-lived assets and intangibles

We test our other long-lived assets for impairment in accordance with relevant authoritative guidance. We evaluate whether impairment indicators related to our property, plant and equipment and other long-lived assets are present. These impairment indicators may include a significant decrease in the market price of a long-lived asset or asset group, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used or in its physical condition, or a current-period operating or cash flow loss combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group. If impairment indicators are present, we estimate the future cash flows for

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the asset or group of assets. The sum of the undiscounted future cash flows attributable to the asset or group of assets is compared to their carrying amount. The cash flows are estimated utilizing various projections of revenue and expenses, working capital and proceeds from asset disposals on a basis consistent with the strategic plan. If the carrying amount exceeds the sum of the undiscounted future cash flows, we determine the assets fair value by discounting the future cash flows using a discount rate required for a similar investment of like risk and we record an impairment charge as the difference between the fair value and the carrying value of the asset group. Generally, we perform testing of the asset group at the business-line level, as this is the lowest level for which identifiable cash flows are available.

We evaluate goodwill for impairment annually in the fourth quarter at the reporting unit level, which is one level below the operating segment level. We also test for impairment if events and circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying amount. If the carrying amount of the reporting unit is greater than the fair value, impairment may be present. We assess the fair value of each reporting unit for its goodwill impairment test based on an earnings multiple or an actual sales offer received from a prospective buyer, if available. Estimates critical to our fair value estimates using earnings multiples include the projected financial performance of the reporting unit and the applicable earnings multiple.

We measure the amount of any goodwill impairment based upon the estimated fair value of the underlying assets and liabilities of the reporting unit, including any unrecognized intangible assets, and estimate the implied fair value of goodwill. An impairment charge is recognized to the extent the recorded goodwill exceeds the implied fair value of goodwill.

We also evaluate indefinite-lived intangible assets (primarily trademarks and trade names) for impairment annually. We also test for impairment if events and circumstances indicate that it is more likely than not that the fair value of an indefinite-lived intangible asset is below its carrying amount. Estimates critical to our evaluation of indefinite-lived intangible assets for impairment include the discount rate, royalty rates used in our evaluation of trade names, projected average revenue growth and projected long-term growth rates in the determination of terminal values. An impairment charge is recorded if the carrying amount of an indefinite-lived intangible asset exceeds the estimated fair value on the measurement date.

Income taxes

We account for income taxes in accordance with relevant authoritative literature. 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. 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. The realizability of deferred tax assets must also be assessed.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the associated temporary differences became deductible. A valuation allowance must be established for deferred tax assets that are not believed to more likely than not be realized in the future. We include any estimated interest and penalties on tax-related matters in income taxes payable and income tax expense.

We do not provide deferred taxes for the undistributed earnings of our foreign subsidiaries that are considered to be indefinitely reinvested outside of the United States in accordance with relevant authoritative literature. If in the future these earnings are repatriated to the United States, or if we determine that the earnings will be remitted in the foreseeable future, additional tax provisions may be required.

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On January 1, 2007, we retrospectively adopted the provisions of relevant authoritative literature with respect to uncertainty in income taxes. This guidance clarifies the accounting for uncertainty in income taxes recognized in an entity s financial statements and prescribes threshold and measurement attributes for financial statement disclosure of tax positions taken or expected to be taken on a tax return. Under the relevant authoritative literature, the impact of an uncertain income tax position on the income tax return must be recognized at the largest amount that is more likely than not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained.

As a result of adopting the provisions of the authoritative literature regarding uncertain tax positions, we recognized a reduction in shareholders equity of $0.8 million on January 1, 2007 reflecting the cumulative effect of adoption. This adjustment resulted from changes in the amount of tax benefits related to uncertain tax positions and the accrual of potential interest and penalties on those uncertain tax positions.

Business combinations

We have accounted for business combinations under the purchase method of accounting. The cost of each acquired business is allocated to the assets acquired and liabilities assumed based on their estimated fair values. These estimates are revised during an allocation period as necessary when, and if, information becomes available to further define and quantify the value of the assets acquired and liabilities assumed. The allocation period does not exceed one year from the date of the acquisition. To the extent additional information to refine the original allocation becomes available during the allocation period, the allocation of the purchase price is adjusted. Should information become available after the allocation period, those items are included in operating results. The direct costs of the acquisition are recorded as operating expenses in 2009. Prior to 2009, the costs of an enterprise acquired in a business combination included the direct cost of the acquisition. A portion of our 2008 and earlier acquisitions include additional contingent consideration related to future earnouts based on the growth of the market. When the contingencies are resolved and additional consideration is distributable, we will record the consideration issued as additional cost of the acquired company, or goodwill. The operating results of entities acquired are included in our consolidated statements of operation from the completion date of the applicable transaction. Goodwill represents the excess of the purchase price over the fair value of the tangible and intangible assets acquired and any liabilities assumed.

Stock-based compensation

We account for employee stock options and restricted stock in accordance with relevant authoritative literature, which requires companies to recognize compensation cost for stock options and other stock-based awards based on the estimated fair value as measured on the grant date. We have selected the Black-Scholes model for estimating the grant date fair value of share-based payments. Stock-based compensation cost is measured at the grant date based on the value of the award and is recognized as expense over the requisite service period based on the number of awards for which the requisite service is expected to be rendered. For performance-based restricted stock awards, we must also make assumptions regarding the likelihood of achieving performance goals. If actual results differ significantly from these estimates, stock-based compensation expense and our results of operations could be materially affected.

In connection with making our fair value estimates related to our stock option and restricted stock grants, we considered various factors including third-party equity transactions and certain commonly used valuation techniques. We sold convertible preferred stock to third parties in 2005, 2006 and 2009. In addition, in 2007 we repurchased common stock and preferred stock from the holders at a negotiated price, which we believe represented fair value. These third-party transactions served as a basis for determining the fair value of our common stock at various dates. In situations where we sold preferred stock that included conversion and dividend features, we considered such features in those instruments and the fact that such instruments could not

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be freely traded in determining a fair value for our common stock. Generally, we concluded that the fair value of our common stock was 10% to 25% less than the preferred stock at the date of such third-party transactions due to the features attributable to the preferred stock. In periods prior to third-party transactions, and in intervening periods subsequent to the third-party transactions, we utilized various earnings and revenue multiples to estimate the fair value of our common stock or to serve as an additional factor in determining fair value. Finally, we used information we obtained related to our acquisitions and the related determination of purchase prices for these acquisitions (which were generally based on earnings multiples) as additional data to help determine the fair value of our equity instruments.

We have continued to enhance our value through acquisitions and organic growth. Our third-party investors made their investments with the expectation that some form of liquidity event would occur in the future at values higher than their initial investments. We have continued to evaluate and adjust the estimated fair value of our common stock based on our acquisition strategy, organic growth, changes in management and other environmental factors. From June 2006 to December 2009, the estimated fair value of our common stock, as determined based on the factors noted above, increased from $16 per share to $45 per share and from April 2009 to December 2009, the fair value of our common stock increased from $25 per share to $45 per share. The factors we considered in connection with estimating the fair value of our common stock for the period from April 2009 through December 2009 were the consummation of our acquisitions of CLC Group, Inc. and ReD Fuel Cards (Europe) Limited in April 2009 and August 2009, respectively. These acquisitions coupled with modest organic growth contributed to increasing revenues and profitability measures during this period. Additionally, in December 2009, we began to consider certain strategic alternatives, including a liquidity event, which resulted in us having further discussions with third parties regarding our enterprise value. Based on these factors we estimated the fair value of our common stock had increased significantly during the period from April 2009 through December 2009. The mid-point of the price range of this offering set forth on the cover page of this prospectus is expected to be higher (as adjusted for stock splits) than our most recent stock option grant which was granted in September 2010 at $50 per share. Given the timing of this offering, we conclude that our estimate of the fair value of our common stock was reasonable in light of various market conditions present at the date of grant.

Recent accounting pronouncements

Off balance sheet arrangements

We utilize an off-balance sheet arrangement in the ordinary course of business to finance a portion of our accounts receivable. Our off-balance sheet activity utilizes a qualified special-purpose entity, or QSPE, in the form of a limited liability company. The QSPE raises funds by issuing debt to third-party investors. The QSPE holds trade accounts receivable whose cash flows are the primary source of repayment for the liabilities of the QSPE. Investors only have recourse to the assets held by the QSPE. Our involvement in these arrangements takes the form of originating accounts receivable and providing servicing activities.

In June 2009, the FASB issued authoritative guidance limiting the circumstances in which a financial asset may be derecognized when the transferor has not transferred the entire financial asset or has continuing involvement with the transferred asset. The concept of a qualified special-purpose entity, which had previously facilitated sale accounting for certain asset transfers, is removed by this standard. This guidance was effective for us as of January 1, 2010. As a result of the adoption of such guidance, effective January 1, 2010, we will consolidate the QSPE and the securitization of accounts receivable related to the QSPE will be accounted for as a secured borrowing rather than as a sale. Accordingly, we will record accounts receivable and short-term debt related to the securitization facility as assets and liabilities on our balance sheet. In addition, subsequent to the adoption, our statements of income will no longer include securitization activities in revenue. Rather, we will report provision for bad debts and interest expense associated with the debt securities issued by the QSPE.

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As a result of the implementation of this guidance, at September 30, 2010, we had $167 million of accounts receivable and short-term debt on our balance sheet. See Note 2 Summary of significant accounting policies for further details.

Market risk

Foreign currency risk

Our International segment exposes us to foreign currency exchange rate changes that can impact translations of foreign-denominated assets and liabilities into U.S. dollars and future earnings and cash flows from transactions denominated in different currencies. Revenue from our International segment was 35.8%, 39.8%, 38.9% and 33.0% of consolidated revenue for the years ended December 31, 2009, 2008, and 2007 and the nine months ended September 30, 2010, respectively. We measure foreign currency exchange risk based on changes in foreign currency exchange rates using a sensitivity analysis. The sensitivity analysis measures the potential change in earnings based on a hypothetical 10% change in currency exchange rates. Exchange rates and currency positions as of December 31, 2009 were used to perform the sensitivity analysis. Such analysis indicated that a hypothetical 10% change in foreign currency exchange rates would have increased or decreased consolidated pretax income during the year ended December 31, 2009 by approximately $5.4 million had the U.S. dollar exchange rate increased or decreased relative to the currencies to which we had exposure. When exchange rates and currency positions as of December 31, 2008 and 2007 were used to perform this sensitivity analysis, the analysis indicated that a hypothetical 10% change in currency exchange rates would have increased or decreased consolidated pretax income for the years ended December 31, 2008 and 2007 by approximately $7.7 million and $2.6 million, respectively.

Interest rate risk

We are exposed to changes in interest rates on our cash investments and debt. We invest our excess cash either to pay down our securitization facility debt or in securities that we believe are highly liquid and marketable in the short term. These investments are not held for trading or other speculative purposes. Under the 2005 Credit Facility, we have a syndicated $300.0 million term loan agreement with a syndicate of term loan B investors in the United States. The term loan bears interest, at our election, at the prime rate or LIBOR plus a margin based on our leverage position. As of September 30, 2010, the interest rate on the term loan was LIBOR plus 2.25%. The term loan expires in April 2013.

Under the 2005 Credit Facility, we also have a $50 million unsecured revolving credit facility with a syndicate of banks based in the United States and Europe. The facility expires in April 2012, and borrowings bear a variable interest rate based at the prime rate or LIBOR plus a margin that varies according to our leverage position. As of September 30, 2010, there were no borrowings on this facility.

In addition, we have an $83.8 million term loan under our CCS Credit Facility. This term loan bears interest on a base rate, PRIBOR, plus a margin and mandatory cost.

Based on the amounts and mix of our fixed and floating rate debt (exclusive of our asset securitization facility) at December 31, 2009 and December 31, 2008, if market interest rates had increased or decreased an average of 100 basis points, after considering the effect of our interest rate swap, our interest expense would have changed by $1.8 million and $1.7 million, respectively. We determined these amounts by considering the impact of the hypothetical interest rates on our borrowing costs and interest rate swap agreement. These analyses do not consider the effects of changes in the level of overall economic activity that could exist in such an environment.

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Fuel price risk

Our fleet customers use our products and services primarily in connection with the purchase of fuel. Accordingly, our revenue is affected by fuel prices, which are subject to significant volatility. A decline in retail fuel prices could cause a change in our revenue from several sources, including fees paid to us based on a percentage of each customer s total purchase. Changes in the absolute price of fuel may also impact unpaid account balances and the late fees and charges based on these amounts. The impact of changes in fuel price is somewhat mitigated by our agreements with certain merchants, where the price paid to the merchant is equal to the lesser of the merchant s cost plus a markup or a percentage of the transaction purchase price. We do not enter into any fuel price derivative instruments.

Fuel-price spread risk

From our merchant and network relationships, we derive revenue from the difference between the price charged to a fleet customer for a transaction and the price paid to the merchant or network for the same transaction. The price paid to a merchant or network is calculated as the merchant s wholesale cost of fuel plus a markup. The merchant s wholesale cost of fuel is dependent on several factors including, among others, the factors described above affecting fuel prices. The fuel price that we charge to our customer is dependent on several factors including, among others, the fuel price paid to the fuel merchant, posted retail fuel prices and competitive fuel prices. We experience fuel-price spread contraction when the merchant s wholesale cost of fuel increases at a faster rate than the fuel price we charge to our customers, or the fuel price we charge to our customers decreases at a faster rate than the merchant s wholesale cost of fuel. Accordingly, if fuel-price spreads contract, we may generate less revenue, which could adversely affect our operating results. The impact of volatility in fuel spreads is somewhat mitigated by our agreements with certain merchants, where the price paid to the merchant is equal to the lesser of the merchant s cost plus a markup or a percentage of the transaction purchase price.

Contractual obligations

The table below summarizes the estimated dollar amounts of payments under contractual obligations identified below as of December 31, 2009 for the periods specified:

		Payments due by period (a)			
(in millions)	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Operating leases	$ 16.5	$ 5.3	$ 8.0	$ 2.8	$ 0.4
2005 Credit Facility	276.3	3.0	6.0	6.0	261.3
CCS Credit Facility	61.5	7.0	14.0	40.5	
Interest rate swap	6.4	6.4			
Seller financing notes	12.8	12.3	0.5		
Securitization facility (b)	223.0		223.0		
Total	$ 596.5	$ 34.0	$ 251.5	$ 49.3	$ 261.7

(a) Deferred income tax liabilities as of September 30, 2010 were approximately $84.8 million. Refer to Note 11 to our audited consolidated financial statements. This amount is not included in the total contractual obligations table because we believe this presentation would not be meaningful. Deferred income tax liabilities are calculated based on temporary differences between the tax bases of assets and liabilities and their respective book bases, which will result in taxable amounts in future years when the liabilities are settled at their reported financial statement amounts. The results of these calculations do not have a direct connection with the amount of cash taxes to be paid in any future periods. As a result, scheduling deferred income tax liabilities as payments due by period could be misleading, because this scheduling would not relate to liquidity needs.

(b) As further described in Footnote 2, Recent Accounting Pronouncements, in the notes to condensed consolidated financial statements effective January 1, 2010 consolidated the special-purpose entity utilized in its securitization facility. As a result, the Company now includes securitized debt. We have reflected this securitized debt as if we had consolidated the special-purpose entity as of December 31, 2009 above.

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Business

Overview

FleetCor is a leading independent global provider of specialized payment products and services to commercial fleets, major oil companies and petroleum marketers. We serve more than 530,000 commercial accounts in 18 countries in North America, Europe, Africa and Asia, and we had approximately 2.5 million commercial cards in use during the month of December 2009. Through our proprietary payment networks, our cards are accepted at approximately 83,000 locations in North America and internationally. In 2009, we processed approximately $14 billion in purchases on our proprietary networks and third-party networks. We believe that our size and scale, geographic reach, advanced technology and our expansive suite of products, services, brands and proprietary networks contribute to our leading industry position.

We provide our payment products and services in a variety of combinations to create customized payment solutions for our customers and partners. Our payment programs enable businesses to better manage and control employee spending and provide card-accepting merchants with a high volume customer base that can increase their sales and customer loyalty. In order to deliver our payment programs and services and process transactions, we own and operate six proprietary closed-loop networks through which we electronically connect to merchants and capture, analyze and report customized information. We also use third-party networks to deliver our payment programs and services in order to broaden our card acceptance and use. To support our payment products, we also provide a range of services, such as issuing and processing, as well as specialized information services that provide our customers with value-added functionality and data. Our customers can use this data to track important business productivity metrics, combat fraud and employee misuse, streamline expense administration and lower overall fleet operating costs.

We market our payment products directly to a broad range of commercial fleet customers, including vehicle fleets of all sizes and government fleets. Among these customers, we provide our products and services predominantly to small and medium commercial fleets. We believe these fleets represent an attractive segment of the global commercial fleet market given their relatively high use of less efficient payment products, such as cash and general purpose credit cards. We also manage commercial fleet card programs for major oil companies, such as British Petroleum (BP) (including its subsidiary Arco), Chevron and Citgo, and over 800 petroleum marketers. These companies collectively maintain hundreds of thousands of end-customer relationships with commercial fleets. We refer to these major oil companies and petroleum marketers with whom we have strategic relationships as our partners.

FleetCor benefits from an attractive business model, which is characterized by our recurring revenue, significant operating margins and low capital expenditure requirements. Our revenue is recurring in nature because we generate fees every time a card is used, customers rely on our payment programs to control their own recurring operating expenses and our partners and customers representing a substantial portion of revenue enter into multi-year service contracts. Our highly-scalable business model creates significant operating efficiencies, which enable us to generate strong cash flow that may be used to repay indebtedness, make acquisitions and fund the future growth of our business. In addition, this business model enables us to continue to grow our business organically without significant additional capital expenditures.

We believe the fleet card industry is positioned for further consolidation because it is served by a fragmented group of suppliers, few with the size and scale to adequately invest to keep pace with industry advancements. For example, there is significant time and investment required to establish the closed-loop networks and technology solutions that address the diverse requirements of customers and partners across various geographic markets. We believe this dynamic will continue to shift market share to larger scale vendors with advanced technology platforms and drive further consolidation globally.

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FleetCor s predecessor company was organized in the United States in 1986. In 2000, our current chief executive officer joined us and we changed our name to FleetCor Technologies, Inc. Since 2000, we have grown significantly through a combination of organic initiatives, product and service innovation and over 40 acquisitions of businesses and commercial account portfolios. We have grown our revenue from $30.7 million in 2001 to $381.3 million on a managed basis in 2009, representing a compound annual growth rate of 37.0%. In 2009, we generated 35.8% of our revenue from our international operations, compared to none in 2005. For the years ended December 31, 2005, 2006, 2007, 2008 and 2009, our consolidated revenue was $143.3 million, $186.2 million, $264.1 million, $341.1 million and $354.1 million, respectively. In the same periods, we generated operating income of $59.0 million, $71.8 million, $105.8 million, $152.5 million and $146.0 million, respectively. In addition, we have grown our net income from a net loss of $12.6 million in 2000 to net income of $89.1 million in 2009.

Industry background

The electronic payments industry is a large and fast growing sector that is benefiting from favorable trends around the world

The electronic payments industry has grown significantly over the past 50 years as card-based payment products, such as credit and debit cards, have benefited from favorable trends. These products have increasingly gained acceptance by merchants, usage by consumers and adoption by businesses and governments around the world because they offer faster, safer and often lower cost alternatives to traditional, paper-based payment methods. Packaged Facts, a research firm, estimates that total global card purchase volumes reached $6.8 trillion in 2009, growing at a compound annual growth rate of 10.8% from 2005 to 2009.

Commercial cards provide specialized capabilities and are among the fastest growing segments of the electronic payments industry

Given the high degree of payment card usage globally, various types of business-specific payment products are being used increasingly in the marketplace. Commercial card products are typically charge cards, which are paid in full every month and provide businesses with control over the types of authorized purchases, integration with accounting systems, detailed reporting, and the ability to incorporate and transmit additional data with a payment transaction. Packaged Facts estimates that total global commercial card purchase volumes reached $916.5 billion in 2009, growing at a compound annual growth rate of 8.2% from 2005 to 2009, and will reach $1.5 trillion in 2014, growing at a compound annual growth rate of 10.6% from 2009 to 2014. Some of the more common commercial card applications and services include:

- ***Purchasing cards*** used for corporate procurement spending
- ***Corporate cards*** used for travel and entertainment expenses
- ***Small-business credit and debit cards*** used for general purpose spending
- ***Prepaid commercial cards*** used for rewards, incentives, payroll, healthcare and other pre-funded expenses
- ***Fleet cards*** used to purchase fuel and for other commercial fleet related expenses and provide specialized, value-added information services and controls
- ***Lodging cards*** used to purchase lodging and related services

Fleet cards typically provide differentiated services that help commercial fleet operators operate their businesses more effectively

Fleet cards are specialized commercial cards that fleet operators provide to their drivers to pay for fuel, maintenance, repairs and other approved purchases. Fleet cards typically provide differentiated services, which

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include significant cost controls (managed through business rules implemented at the point of sale) and access to level 3 data regarding transactions, such as the amount of the expenditure, the identification of the driver and vehicle, the odometer reading, the identity of the fuel or vehicle maintenance provider and the items purchased. These services enable commercial fleet operators to choose which products and services may be purchased using these cards and help prevent unauthorized spending. In addition, fleet cards typically provide commercial fleet operators with other valuable information services and reporting tools such as fleet tracking and mileage and maintenance trends which provide commercial fleet operators even greater control over their fleets, employees and expenses.

In order to provide fleet cards and related services, fleet card vendors contract with fuel retailers and other merchants to accept their cards, either directly or indirectly through a third party. Fleet card vendors typically process transactions for these merchants using specialized card-processing platforms and proprietary closed-loop networks. Closed-loop networks connect the fleet card vendor directly with each merchant and provide significant functionality and control. Fleet card vendors also offer products through open-loop payment networks, such as the MasterCard network, that connect to merchants through acquiring banks. These cards can provide broader acceptance, but may provide less control over functionality and pricing than some proprietary, closed-loop network card products.

Fleets represent a large customer base around the world

Fleets are composed of one or more vehicles, including automobiles, vans, SUVs, trucks and buses, used by businesses and governments. Fleets typically are categorized by the number of vehicles in the fleet and by the type of fleet. We divide the fleet market into the following five categories: small commercial fleets (1-10 vehicles), medium commercial fleets (11-150 vehicles), large commercial fleets (over 150 vehicles), over the road fleets (which include long-haul trucks that travel across long distances) and government fleets (which are owned and operated by governments). Based on our analysis of data from a variety of sources, we believe small and medium commercial fleets represent our greatest opportunity for growth since large commercial fleets are more likely to currently utilize fleet cards while small and medium fleets often utilize less efficient payment products (such as cash and general purpose credit cards).

The United States market Packaged Facts estimates that there were approximately 41.9 million fleet vehicles in the United States in 2008. We believe small, medium, large and government fleets in the United States represent a significant market opportunity for growth. Packaged Facts estimates that total U.S. closed-loop fleet card purchase volumes reached $50.8 billion in 2009, growing at a compound annual growth rate of 6.0% from 2005 to 2009. Based on research by Packaged Facts, 35% of U.S. fleet vehicle fuel volume in 2009 was purchased utilizing closed-loop fleet cards.

The European market We believe the European market is the largest market outside the United States. Based on our analysis of fleet vehicle data from several third-party sources, we believe there were approximately 68 million fleet vehicles in 30 European and Eurasian countries in 2007 (2007 representing the most recent year common to each of these sources). Datamonitor, a research firm, estimates that the total value of fuel sold on commercial fuel cards in 16 major European countries reached approximately 68 billion in 2006. Based on our analysis of data available for several of the largest European countries, including France, Germany, Italy, the Netherlands, Spain and the United Kingdom, we estimate that during 2005, approximately 59% of fleet vehicle fuel volume in Europe was purchased with some form of fleet card product.

The Latin American and Asian markets There is less data available on the Latin American and Asian fleet card markets; however, we believe, based on information available to us from a variety of sources, that commercial fleets in these markets will likely represent a significant, long-term growth opportunity given the levels of commercial card penetration in these markets and our belief in the potential for economic growth in

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these markets. According to the June 2010 BP Statistical Review of World Energy, total world consumption of oil was approximately 3.9 billion metric tons in 2009, with consumption outside of the United States and developed European Markets comprising approximately 62%, with emerging markets comprising approximately 43%, and consumption in Asia and Latin America comprising approximately 45% of world consumption.

Industry characteristics provide an attractive growth opportunity

The fleet card industry began to develop in the 1980s as a variety of fleet card acceptance networks were developed to address the needs of different commercial fleet customers. For example, truck stop networks were built to meet the needs of over the road fleets, as these fueling locations generally have the amenities, such as high canopies, high-speed diesel pumps, dining services and shower facilities, to accommodate heavy goods vehicles and their operators. Universal networks, formed largely through brand-wide card acceptance agreements with major oil companies, were established to meet the broader acceptance needs of large national account fleets. Cardlock networks, which utilize unattended commercial fueling locations, were developed to provide a broader network solution to fleets, typically local construction or industrial service companies. Network operators also developed varying technologies that provided specific features and functionality to address the needs of customers in distinct segments.

In the 2000s, the fleet card industry began to consolidate and a few, larger vendors emerged with the network breadth and technical capabilities to address larger and more diverse customer bases and geographic markets. Despite this trend, the fleet card industry is still served by a fragmented group of participants with varying distribution models, including oil companies, petroleum marketers, third-party independent fleet card issuers and network operators, transaction processors and software service providers. For many of these industry participants, fleet cards are not a core component to their businesses and we believe few have made the investments required to keep pace with industry advancements. As a result, we believe there is a significant amount of aging technology, legacy systems and dated business practices within the fleet card industry, which we believe will continue to shift market share to larger scale vendors with advanced technology platforms and drive further consolidation globally.

Given the generally rising levels of fuel prices and the continued increase in the number and size of commercial fleets, we believe the use of fleet cards will continue to increase around the world. In addition, we believe that penetration rates will continue to increase given the moderate penetration of fleet card products, particularly in the small and medium fleet sector and some international markets, as well as the cost-effective nature and advanced functionality of these products. We believe increasing penetration could accelerate the growth of the fleet card sector relative to alternative payment methods, and we believe larger scale participants may be able to grow at a faster rate than the sector due to the fragmented nature of the industry.

We believe the market s development and consolidation have created significant barriers to entry because, to achieve meaningful scale, new participants will need to provide technology platforms and product solutions that address the diverse requirements of commercial fleet customers, major oil companies and petroleum marketers, in certain cases across broad geographic markets. As a result of this past and expected future consolidation, we believe there will be an increasingly limited number of vendors that can serve the fleet card market effectively and (given the apparent lack of investment in global operations by other independent fleet card providers) even fewer with the ability to provide products and network services on a global scale.

Our competitive strengths

We believe our competitive strengths include the following:

Global leadership. We are a leading independent global provider of specialized commercial payment products and services to fleets, major oil companies and petroleum marketers. We provide our products and services to more than 530,000 commercial accounts with approximately 2.5 million commercial cards in use in

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18 countries in North America, Europe, Africa and Asia. We believe that our deep and diverse relationships, geographic reach, strong brands and scale contribute to our leading industry position. Through our customer and strategic relationships, we gain valuable insight into trends in the marketplace, which allows us to identify market opportunities, develop targeted offerings and adapt our business practices to meet specific customer and partner needs. Our international presence diversifies our revenue base and gives us access to new, less- penetrated markets. We believe that our strong brand recognition increases card acceptance, drives usage of our proprietary networks and presents opportunities for future strategic relationships. Our size and scale enable us to make significant investments in technology and systems infrastructure. We seek to leverage the scale, geographic reach and diversity of our business to systematically analyze performance, develop better business models and transplant best practices throughout our company. We believe that we maintain a leading industry position and compare favorably to other independent fleet card providers based on the number of accounts served, employees, cards in use and revenue.

Broad distribution capabilities. We target new customers across different markets by using multiple distribution channels and tailored sales and marketing efforts designed to address the unique characteristics of individual market segments. In 2009, we added approximately 47,000 new commercial accounts directly through our own sales efforts and approximately 25,000 additional commercial accounts via the sales efforts of our strategic relationships. Our strategic relationships with oil companies and petroleum marketers allow us to add new commercial accounts with little incremental sales costs. To target small fleets, we leverage scalable, low-cost channels, including our partners sales efforts, numerous search-engine-optimized marketing websites and marketing at the point of sale. We target medium-sized fleets with our direct marketing, telesales and field sales channels. We serve our largest customers with a national accounts group that specializes in serving the complex needs of these customers. By targeting and effectively marketing our products to several different customer segments, we are able address a variety of growth opportunities and diversify our revenue base.

Proprietary closed-loop networks. We operate six proprietary closed-loop networks which, as of December 31, 2009, served approximately 83,000 acceptance locations in North America and internationally. In 2009, we processed purchases of over $14 billion of fuel through our proprietary and third-party networks. Our proprietary networks require fleet operators to direct cardholder traffic to our merchant locations and concentrate cardholder activity. We believe this allows us to negotiate better economic terms for card acceptance than are typical of our industry. Many of our networks have been built over long periods of time, with acceptance negotiated directly with individual merchants operating local sites. We believe that the significant time and investment required to establish a large-scale network with mass merchant acceptance makes our model extremely difficult to replicate and creates a significant barrier to entry in our industry. Because of our long operating history in many local markets, our networks have significant brand recognition and a longstanding customer base, which drives cardholder usage and merchant acceptance.

Advanced, reliable technology systems. We operate proprietary and industry-leading technology systems that use modern, scalable and standardized architecture. Our business models and best practices are codified in our technology systems, allowing us to take advantage of revenue-enhancing and cost-saving opportunities across our different businesses and geographies. The highly adaptable and configurable design of our systems allows us to add and enhance system functionality quickly and cost-effectively. We can offer customized product features, introduce new products and enter new markets without large scale redevelopment or disruption in our operations. Our infrastructure can flexibly support growth in transaction volume, conversions of large proprietary fleet card programs and the addition of new strategic relationships with low incremental operating cost and capital investment. We have a demonstrated record of transforming legacy systems of acquired businesses to achieve our scalability, security and reliability standards. Our fault-tolerant and highly secure data centers ensure continuous transaction processing, settlement and customer service, enabling us to establish greater trust among major oil companies and petroleum marketers.

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Superior products and services. We provide products and services tailored to the specific needs of our fleet customers, which we believe makes them more attractive than alternative payment methods such as cash, house accounts and general purpose credit cards, as well as many other fleet card products. Our products and services provide advantages over traditional forms of payment by capturing vehicle-specific and point-of-sale transaction information such as odometer readings and amount and type of fuel purchased which enable fleet operators to monitor and control fuel spending. We believe we are also able to achieve a competitive advantage over many other fleet card vendors by designing products targeting the unique needs of our customers and partners in different markets. For example, the GlobalFleetNet platform has emerged as a leading offering for pan-European oil companies and petroleum marketers because it provides an end-to-end (encompassing issuing, processing and network services) payment services platform incorporating the multiple languages, currencies and tax regimes in the region. We believe that the greater adoption and higher customer loyalty resulting from the functional advantages of our products contribute to the growth and stability of our business.

Strong execution capabilities. Our leadership team has a long and demonstrated track record of growing our business and has generated revenue growth (on a managed basis) at a compound annual growth rate of more than 37.0% from 2001 to 2009. We have achieved our growth through a strategy combining operational initiatives, strategic relationships and acquisitions. We have grown our revenue organically by enhancing our sales and marketing channels and evolving our pricing strategies as well as by introducing new products and services. In the past five years, we have forged several important strategic relationships with major oil companies, including British Petroleum (BP) (including its subsidiary, Arco), Chevron, and Citgo. We have a successful track record of integrating business practices, operations, technology and corporate functions of acquired businesses, and have created value from the resulting synergies, operational improvements and cross-selling opportunities.

Our growth strategy

Our strategy is to grow our revenue and profits by further penetrating our target markets, expanding our product and service offerings, entering new geographic markets and acquiring companies that meet our strategic criteria. The key elements of our growth strategy are to:

Penetrate our target markets further. We intend to expand our presence in target markets by adding more customers, cross-selling additional products and services to existing customers, entering into additional strategic relationships and making acquisitions. To target small-to-medium fleets, we will continue to invest in cost-effective distribution channels such as direct marketing, third-party agents, internet and telemarketing, including both in-house and outsourced telemarketing. We will also seek to leverage our strategic relationships with major oil companies and petroleum marketers to attract small and medium fleet customers. To further penetrate the medium-to-large fleet market, we will continue to invest in our field sales force. In addition, we also intend to attract new customers by providing enhanced customization of our card programs. We recognize the value of large institutional relationships and seek to expand our strategic relationships with fleet leasing companies, corporate and small-business card issuers and automotive manufacturers.

Expand our products and services. We will seek to grow revenue by introducing new product features and functionality to our fleet card products, including additional maintenance, lodging and travel and entertainment capabilities. We aim to extend our network offerings in order to help major oil companies and petroleum marketers compete more effectively with other fleet cards and alternative payment methods. For example, we plan to offer extended network products, such as a co-branded MasterCard product, to major oil companies and petroleum marketers. We will continue to expand the servicing model for relationships with local and regional petroleum marketers to include additional services such as issuing and network services. We will also continue to market our telematics solutions and other fleet monitoring services to fleet customers.

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Enter new geographic markets. We intend to continue expanding in areas of Europe and the United States where we currently do not have a significant presence. We are also evaluating other opportunities in markets we believe to be under-penetrated, such as Latin America and parts of Asia. We intend to enter these markets through a combination of strategic relationships with global oil companies and petroleum marketers and acquisitions.

Pursue growth through strategic acquisitions. We have a proven track record of growth through acquisitions of companies that meet our strategic criteria. Since 2002, we have completed over 40 acquisitions of companies and commercial account portfolios. A large portion of our historic growth internationally has been achieved through strategic acquisitions, including the acquisitions of our CCS and Petrol Plus Region networks. In certain international markets, where fleet card penetration is below levels observed in the United States, we will seek opportunities to increase our customer base through further strategic acquisitions. We also will consider acquisition targets that will provide related services to our fleet customers.

Our products and services

We sell a range of customized fleet and lodging payment programs directly and indirectly through partners, such as major oil companies and petroleum marketers. We provide our customers with various card products that typically function like a charge card to purchase fuel, lodging and related products and services at participating locations. We support these cards with specialized issuing, processing and information services that enable us to manage card accounts, facilitate the routing, authorization, clearing and settlement of transactions, and provide value-added functionality and data including customizable card-level controls and productivity analysis tools. Depending on our customer s and partner s needs, we provide these services in a variety of outsourced solutions ranging from a comprehensive end-to-end solution (encompassing issuing, processing and network services) to limited back office processing services. In addition, we offer a telematics solution in Europe that combines global positioning, satellite tracking and other wireless technology to allow fleet operators to monitor the capacity utilization and movement of their vehicles and drivers. Approximately 10% of our revenue during the nine months ended September 30, 2010 came from our lodging and telematics products.

Networks

In order to deliver our payment programs and services, we own and operate six proprietary closed-loop networks in North America and internationally. In other geographies we utilize the networks of our major oil and petroleum marketer partners. Our networks have well-established brands in local markets and proprietary technology that enable us to capture, transact, analyze and report value-added information pertinent to managing and controlling employee spending. Our networks include:

North American proprietary closed-loop networks

Fuelman network our primary proprietary fleet card network in the United States. We have negotiated card acceptance and settlement terms with over 11,000 individual merchants, providing the Fuelman network with nearly 31,000 fueling sites and nearly 24,000 maintenance sites across the country.

Corporate Lodging Consultants network (CLC) our proprietary lodging network in the United States and Canada. We have negotiated card acceptance and settlement terms with over 10,000 individual merchants, providing the CLC network with over 16,000 hotels across the United States and Canada.

Commercial Fueling Net