



FOR IMMEDIATE RELEASE

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**iPAYMENT ANNOUNCES CONFERENCE CALL TO DISCUSS
SECOND QUARTER 2013 FINANCIAL RESULTS; ALSO ANNOUNCES POTENTIAL
AMENDMENT TO CREDIT AGREEMENT AND INTERIM YEAR-TO-DATE RESULTS**

NEW YORK - (July 16, 2013) - iPayment Holdings, Inc. and iPayment, Inc. (collectively, “iPayment”) today announced that their management will hold a conference call on Thursday, August 15, 2013 at 10:00 a.m. (Eastern Time) to discuss their second quarter 2013 financial results. To listen to the call, participants should dial 719-325-2393 approximately 10 minutes prior to the start of the call. A telephonic replay will become available after 12:00 noon (Eastern Time) on Thursday, August 15, 2013 and will continue to be available through August 24, 2013 by dialing 719-457-0820 and entering confirmation code 2612275. The live broadcast of iPayment’s quarterly conference call will be available online at www.ipaymentinc.com or <http://www.videonewswire.com/event.asp?id=95061> on August 15, 2013 beginning at 10:00 a.m. (Eastern Time). The online replay will be available at approximately 12:00 noon (Eastern Time) and will continue to be available for one week thereafter.

Additionally, iPayment, Inc. intends to enter into an amendment to its Credit Agreement, dated as of May 6, 2011 to, among other things, relax the financial maintenance covenants, to make certain changes to the restricted payments and investments negative covenants and to increase the applicable rate for the loans borrowed under the Credit Agreement. There can be no assurance that the Company will be able to obtain such amendments from its lenders.

For the first five months of 2013, iPayment’s total charge volume processed was \$9.0 billion versus \$9.3 billion in the first five months of 2012. Total transactions processed year to date through May was 137.5 million, 1.0% fewer than the first five months of the prior year. iPayment’s total revenue

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through May 31, 2013 was \$273.1 million versus \$285.6 million in the comparable period of 2012. Total active merchants and billed merchants at May 31, 2013 were approximately 114,000 and 160,000, respectively.

Safe Harbor Provisions

This press release includes certain financial information for iPayment Holdings, Inc. and its consolidated subsidiaries for the first five months of 2013 and may contain “forward-looking statements” about iPayment. These forward-looking statements involve risks and uncertainties and are not guarantees of future results, performance or achievements, and actual results, performance or achievements, including those for the first five months of 2013, could differ materially from our current expectations as a result of numerous factors and be subject to further adjustments when the financial statements for the quarterly period ended June 30, 2013 have been prepared. The risks and uncertainties to which we are exposed are more fully disclosed in our filings with the SEC, including, without limitation, our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. We undertake no obligation to revise or update any financial information for the first five months of 2013 or any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.

About iPayment

iPayment provides credit and debit card payment processing services to small merchants across the United States. iPayment’s payment processing services enable merchants to accept credit cards from VISA, MasterCard, American Express, Discover and Diners Club, as well as other forms of payment, including debit cards, checks, gift cards and loyalty programs. iPayment provides payment processing services to approximately 160,000 merchants throughout the United States.

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