



Second Quarter 2013 Results

July 25, 2013



This presentation may contain forward-looking statements with respect to the financial condition, results of operation, plans, objectives, future performance and business of MoneyGram and its subsidiaries. Statements preceded by, followed by or that include words such as “may,” “will,” “expect,” “anticipate,” “continue,” “intend,” “estimate,” “project,” “believe” or similar expressions are intended to identify some of the forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are included, along with this statement, for purposes of complying with the safe harbor provisions of that Act. These forward-looking statements involve risks and uncertainties. Actual results may differ materially from those contemplated by the forward-looking statements due to, among others, the risks and uncertainties described in Part I, Item 1A under the caption “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2012, together with its quarterly reports on Form 10-Q made with the SEC through the date of this earnings release. These forward-looking statements speak only as of the date on which such statements are made. We undertake no obligation to update publicly or revise any forward-looking statements for any reason, whether as a result of new information, future events or otherwise, except as required by federal securities law.

Q2 2013 Financial Highlights



\$ in Millions, except Diluted Income Per Common Share

	Q2 2013	YOY%
Total Revenue	\$365.1	11%
Fee & Other Revenue	\$361.6	11%
EBITDA	\$64.7	197%
Adjusted EBITDA ⁽¹⁾	\$70.3	3%
Diluted Income Per Common Share	\$0.27	NM
Free Cash Flow ⁽²⁾	\$48.0	24%

NM = Not meaningful

(1) See EBITDA & Adjusted EBITDA slide for reconciliation to GAAP measures.

(2) Free Cash Flow is defined as Adjusted EBITDA less cash interest expense, cash tax expense, cash payments for capital expenditures and agent signing bonuses.

Segment Highlights



\$ in Millions

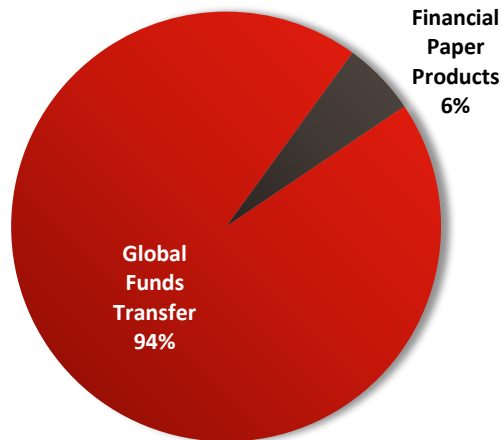
	Q2 2013	YOY%
Global Funds Transfer		
Money Transfer Revenue	\$319.7	13%
Bill Payment Revenue	\$24.8	(5%)
Total Revenue	\$344.5	12%
Operating Income	\$40.5	5%
Operating Margin	11.8%	-76 bps
Adjusted Operating Margin	12.5%	-185 bps
Financial Paper Products		
Total Revenue	\$20.3	(6%)
Operating Income	\$7.6	(6%)
Operating Margin	37.4%	-24 bps
Adjusted Operating Margin	38.9%	-88 bps

Money Transfer Highlights

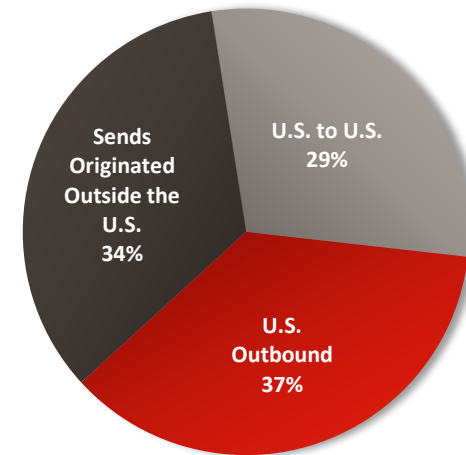


	Q2 2013	YOY (%)
Global Agent Locations	327,000	
Transaction Volume Growth		
Total Transactions		14%
U.S. to U.S.		8%
U.S. Outbound		19%
U.S. to Mexico		31%
Sends Originated Outside U.S.		16%
Revenue Growth		
Money Transfer Revenue		13%
Money Transfer Constant Currency		13%

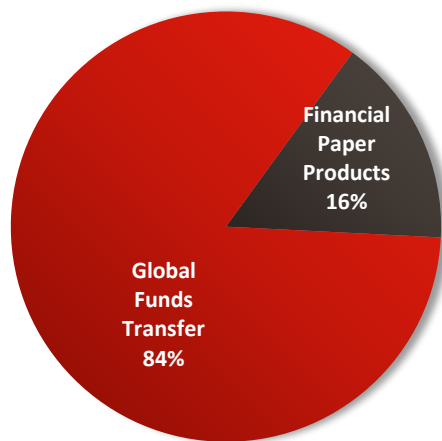
Revenue by Segment (a)



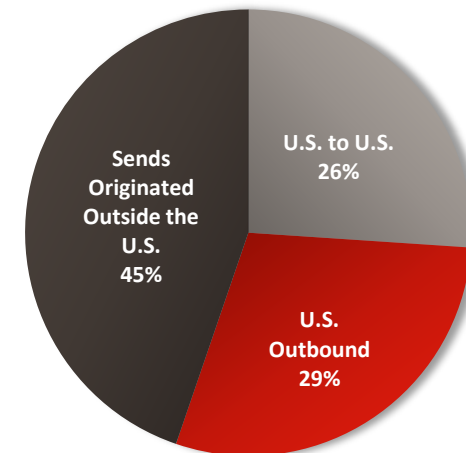
Money Transfer Transactions by Category



Operating Income by Segment (a)



Money Transfer Revenue by Category



(a) Excludes other and unallocated expenses, approximated

Q2 2013 EBITDA & Adjusted EBITDA



\$ in Millions

	Q2 2013	Q2 2012
Income (Loss) before income Taxes	\$32.6	(\$14.9)
Interest expense	9.9	17.7
Depreciation and amortization	12.2	11.0
Amortization of agent signing bonuses	10.0	8.0
EBITDA	\$64.7	\$21.8
Significant items impacting EBITDA:		
Severance and related costs ¹⁾	1.5	0.5
Reorganization and restructuring costs	-	4.4
Stock-based and contingent performance compensation ⁽²⁾	3.3	1.6
Contribution from investors ⁽³⁾	-	0.3
Legal expenses ⁽⁴⁾	0.8	39.8
Adjusted EBITDA	\$70.3	\$68.4
Adjusted EBITDA Margin ⁽⁵⁾	19.3%	20.7%

(1) Severance and related costs primarily from executive terminations.

(2) Stock-based compensation and one-time contingent performance awards payable after three years based on achievement of revenue growth targets.

(3) Expense resulting from payment by an investor to Walmart upon liquidation of such investor's investment as required by the Participation Agreement.

(4) Legal expenses are primarily in connection with the settlement related to the U.S. Attorney's Office for the Middle District of Pennsylvania investigation, the IRS tax litigation and the shareholder derivative litigation, and legal fees and expenses related to these matters; expenses for the compliance monitor are not an adjusted item.

(5) Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by total revenue.

Q2 2013 Summary of Adjusting Items



\$ in Millions

	Q2 2013 Total	Compensation & Benefits	Transaction & Operations Support
Severance and related costs ⁽¹⁾	\$ 1.5	\$ 1.5	\$ -
Reorganization and restructuring	-	(0.3)	0.3
Stock-based and contingent performance compensation ⁽²⁾	3.3	3.2	0.1
Legal expenses ⁽³⁾	0.8	-	0.8
Total	\$ 5.6	\$ 4.4	\$ 1.2

(1) Severance and related costs primarily from executive terminations.

(2) Stock-based compensation and one-time contingent performance awards payable after three years based on achievement of revenue growth targets.

(3) Legal expenses are primarily in connection with the settlement related to the U.S. Attorney's Office for the Middle District of Pennsylvania investigation, the IRS tax litigation and the shareholder derivative litigation, and legal fees and expenses related to these matters; expenses for the compliance monitor are not an adjusted item.

Q2 2013 Free Cash Flow



\$ in Millions

	Q2 2013
Adjusted EBITDA	\$ 70.3
Cash interest expense	(9.4)
Cash tax expense	(0.1)
Cash payments for capital expenditures	(11.2)
Cash payments for agent signing bonuses	(1.6)
Free Cash Flow	\$ 48.0

In addition to results presented in accordance with GAAP, this press release and related tables include certain non-GAAP financial measures, including a presentation of EBITDA (earnings before interest, taxes, depreciation and amortization, including agent signing bonus amortization), Adjusted EBITDA (EBITDA adjusted for significant items), Adjusted EBITDA Margin and Free Cash Flow (Adjusted EBITDA less cash interest expense, cash tax expense, cash payments for capital expenditures and agent signing bonuses), and constant currency measures. In addition, we also present Adjusted Operating Income and Adjusted Operating Margin for our two reporting segments. The following tables include a full reconciliation of these non-GAAP financial measures to the related GAAP financial measures.

We believe that these non-GAAP financial measures provide useful information to investors because they are an indicator of the strength and performance of ongoing business operations, including our ability to service debt and fund capital expenditures, acquisitions and operations. These calculations are commonly used as a basis for investors, analysts and credit rating agencies to evaluate and compare the operating performance and value of companies within our industry. Finally, EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, and constant currency figures are financial measures used by management in reviewing results of operations, forecasting, assessing cash flow and capital, allocating resources or establishing employee incentive programs. Although MoneyGram believes the above non-GAAP financial measures enhance investors' understanding of its business and performance, these non-GAAP financial measures should not be considered an exclusive alternative to accompanying GAAP financial measures.