



Second Quarter 2012 Results

July 26, 2012



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, 2011. 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 & YTD Financial Highlights



	Q2 2012	YOY%	YTD 2012	YOY%
Total Revenue	\$330.1	7%	\$648.2	7%
Fee & Other Revenue	\$326.7	7%	\$641.6	8%
EBITDA	\$ 21.9	(70%)	\$ 76.8	(38%)
Adjusted EBITDA ⁽¹⁾	\$ 68.5	7%	\$136.8	10%
Diluted Income Per Common Share	(\$0.35)	NM	(\$0.21)	NM
Free Cash Flow ⁽²⁾	\$ 38.7	69%	\$ 67.0	39%

* \$ in Millions, except Diluted Income Per Common Share

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

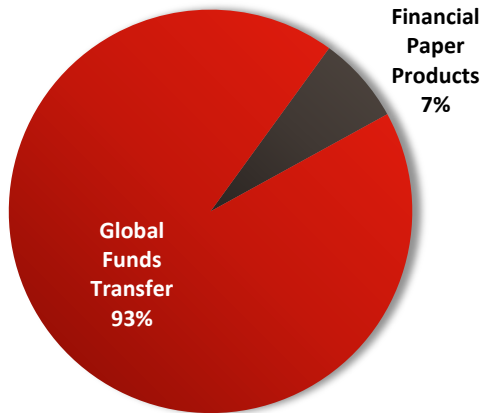
(2) Free Cash Flow is defined as Adjusted EBITDA less cash interest expense, cash tax expense, cash payments for capital expenditures and agent signing bonuses.

Money Transfer Highlights

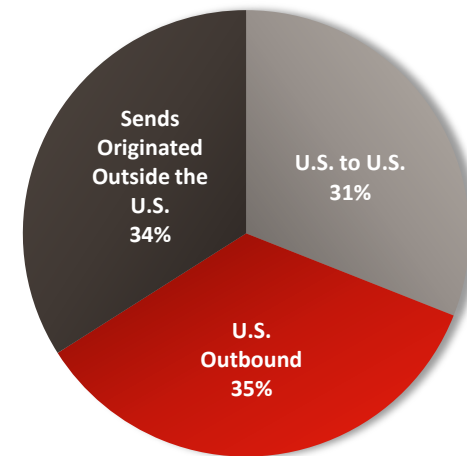


	Q2 2012	YOY (%)
Global Agent Locations	284,000	16%
Transaction Volume Growth		
Total Transactions		13%
U.S. to U.S.		10%
U.S. Outbound		11%
Sends to Mexico		19%
Sends Originated Outside U.S.		18%
Revenue Growth		
Money Transfer Fee & Other Revenue		10%
Money Transfer Fee & Other Revenue Constant Currency		13%

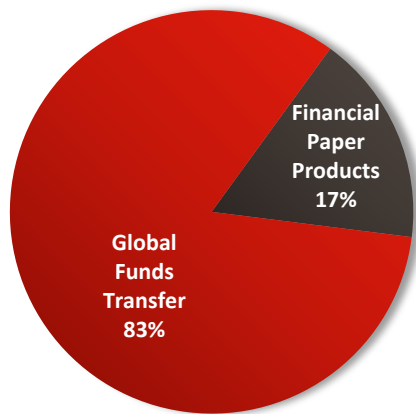
Revenue by Segment (a)



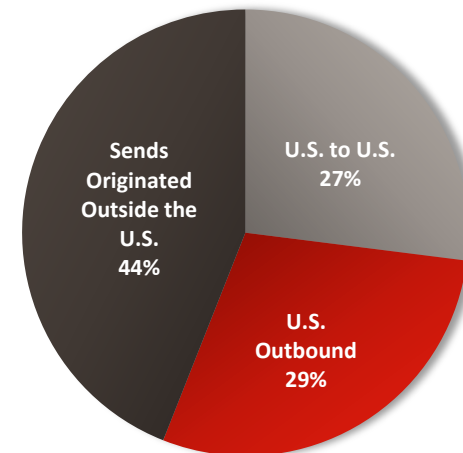
Money Transfer Transactions by Category



Operating Income by Segment (a)



Money Transfer Revenue by Category



(a) Excludes other and unallocated expenses, approximated

Q2 & YTD EBITDA & Adjusted EBITDA



	Q2 2012	YTD 2012
Income before Income Taxes	(\$14,851)	\$3,197
Interest Expense	17,637	35,520
Depreciation and amortization	11,053	21,736
Amortization of agent signing bonuses	8,041	16,384
EBITDA	\$21,880	\$76,837
Significant items impacting EBITDA:		
Severance and related costs ⁽¹⁾	577	1,029
Restructuring and reorganization costs	4,370	10,214
Contribution from investors ⁽²⁾	347	347
Stock-based compensation expense	1,628	5,160
Legal expenses ⁽⁴⁾	39,660	43,248
Adjusted EBITDA	\$68,462	\$136,835
Adjusted EBITDA Margin ⁽⁴⁾	20.7%	21.1%

* \$ in Thousands

(1) Severance and related costs from an executive termination.

(2) Expense resulting from payment by an investor to Wal-Mart upon liquidation of their investment and as required by the Participation Agreement

(3) Legal expenses for 2012 primarily include accruals related to the investigation before the U.S. District Court in the Middle District of Pennsylvania and the shareholder derivative litigation, and legal fees and expenses related to these matters.

(4) Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by Total Revenue.

Summary of Adjusting Items



	Q2 2012 Total	Compensation & Benefits	Transaction & Operations Support	Occupancy Equipment & Supplies	Other
Severance & related costs ⁽¹⁾	\$ 577	\$ 577	-	-	-
Restructuring and reorganization costs	4,370	1,262	2,302	806	-
Contribution from investors ⁽²⁾	347	-	-	-	347
Stock-based compensation expense	1,628	1,399	229	-	-
Legal expenses ⁽³⁾	39,660	-	39,660	-	-
Total	\$ 46,582	\$ 3,238	\$ 42,191	\$ 806	\$ 347

* \$ in Thousands

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(3) Legal expenses for 2012 primarily include accruals related to the investigation before the U.S. District Court in the Middle District of Pennsylvania and the shareholder derivative litigation, and legal fees and expenses related to these matters.

Q2 & YTD Free Cash Flow



	Q2 2012	YTD 2012
Adjusted EBITDA	\$ 68,462	\$ 136,835
Cash payments for interest	(15,964)	(32,449)
Cash payments for tax	(694)	(798)
Cash payments for capital expenditures	(11,663)	(30,295)
Cash payments for agent signing bonuses	(1,406)	(6,340)
Free Cash Flow	\$ 38,735	\$ 66,953

* \$ in Thousands

In addition to results presented in accordance with GAAP, this presentation 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). 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. In addition, the Company's debt agreements require compliance with financial measures based on EBITDA and Adjusted EBITDA. Finally, EBITDA, Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow are financial measures used by management in reviewing results of operations, forecasting, assessing cash flow and capital, allocating resources and 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.