

Currency
Exchange

Travel
Currency
Exchange

Travelex

*Helping customers to send and spend
money around the world*

*March
2014*

Travelex

worldwide
money

Notice to Recipient

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Travelex is a global branded category leader for retail foreign currency services

Focused on helping customers send and spend money around the world

By providing the right products

Cash



Cards



Remittances



Payments



Through convenient channels

Stores



- Present in 9 of top 20 airports¹
- More than 1,500 stores globally

ATMs



- Global network of more than 1,250 ATMs

Online & Mobile



- Over 700,000 transactions online (16% growth year-on-year)

Partner Outsourcing



- Retail access through over 20,000 Partner branches

In an increasing number of markets with significant outbound and inbound spend...

...with standard processes leveraging Travelex's end-to-end supply chain advantage

Trusted, independent, globally recognised brand

¹ As at December 2013 (i.e. excluding Kuala Lumpur and Istanbul), excludes London Gatwick where Travelex maintains a non-retail presence

Travelex participates in all parts of the FX Value Chain

FX value chain →

Model	FX sourcing	Distribution & processing	Consumer order preparation	Store management	Customer types
Wholesale supply	BAML, Credit Suisse, Travelex , UOB, CPOB				<ul style="list-style-type: none"> Central banks (esp. developing markets) Money Services Businesses (MSBs), hotels, casinos Commercial and retail banks
Outsourcing (back office or full white label)	Travelex , Wells Fargo, First Rate (Bank of Ireland), Amex				<ul style="list-style-type: none"> Retail banks (esp. in UK, US and Australia) Post offices Supermarkets
Retail specialists	Travelex , ICE, Global Exchange, UAE Exchange, TTT Moneycorp, Oz Money Travel, Amex, developing market banks				<ul style="list-style-type: none"> Direct to retail clients Main locations at airports or downtown tourist locations
Mono-line providers	ATM providers (e.g. Money box)		FX prepaid card providers		<ul style="list-style-type: none"> Existing retail operators Direct to retail clients

Activities Travelex does not do:

Currency trading

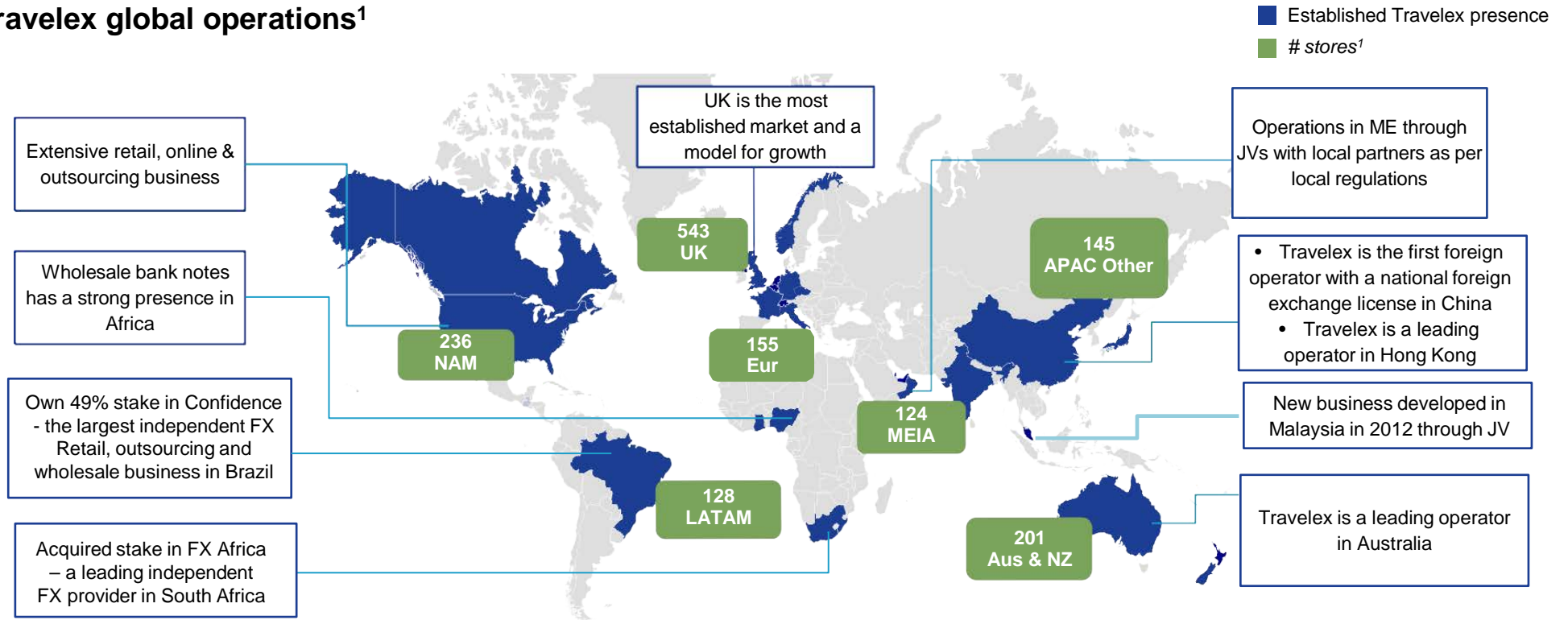
3rd party hedging

Spread betting

Other non-deliverable activities

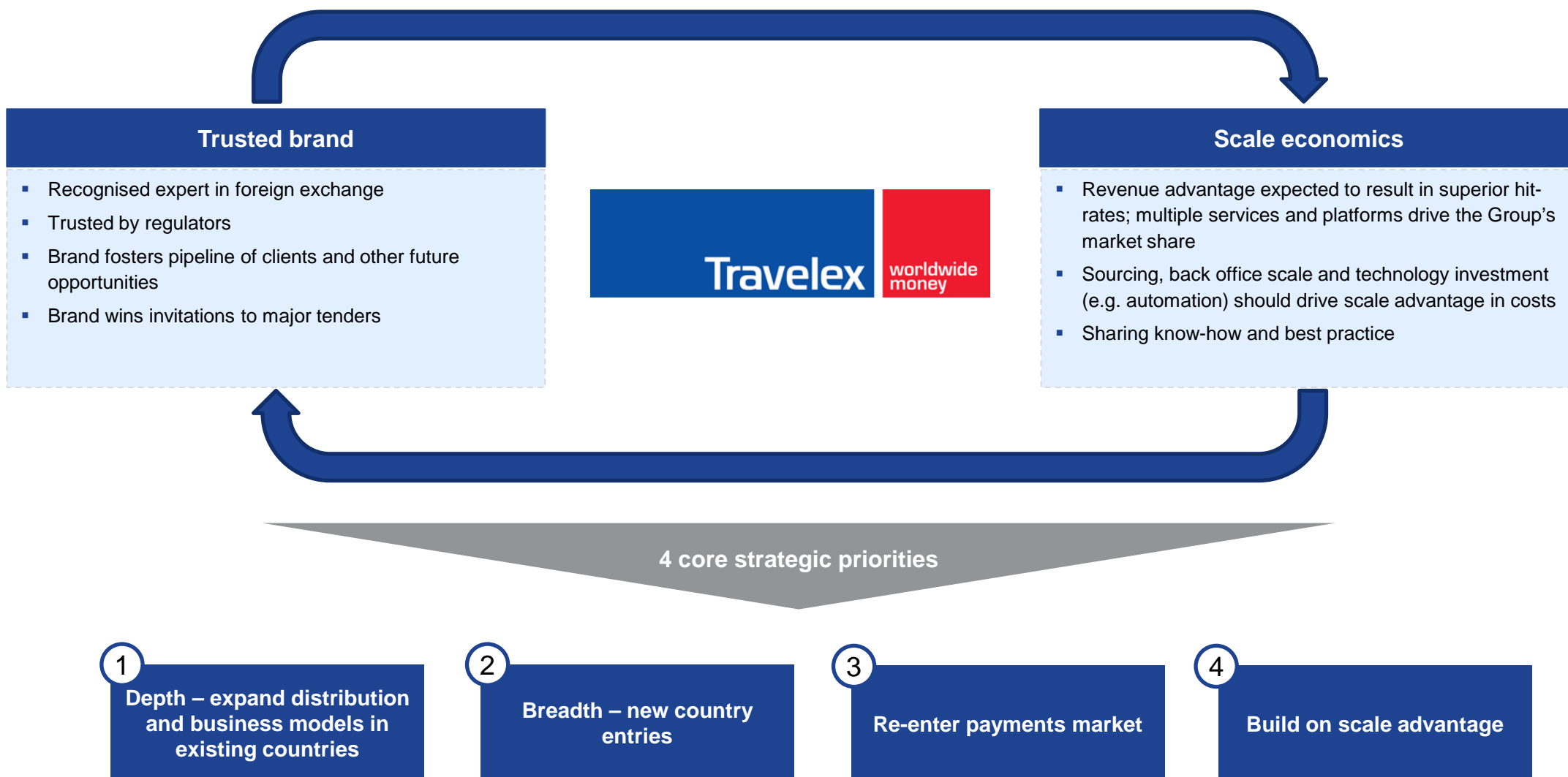
Travelex has a global footprint with strong emerging market exposure

Travelex global operations¹



¹ As at December 2013

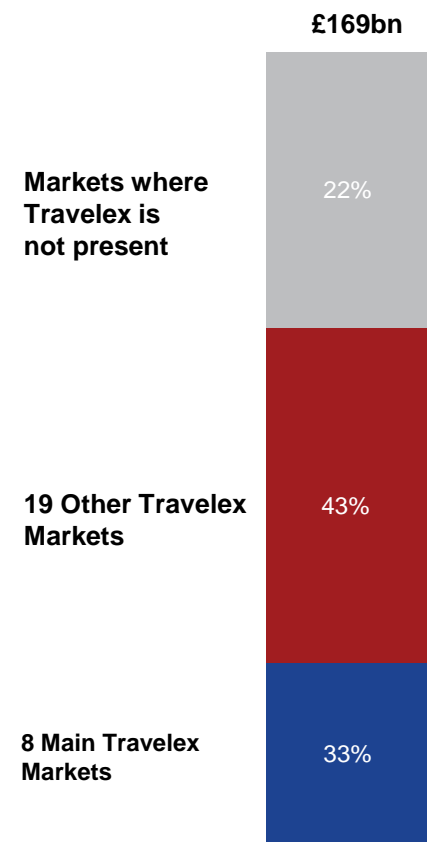
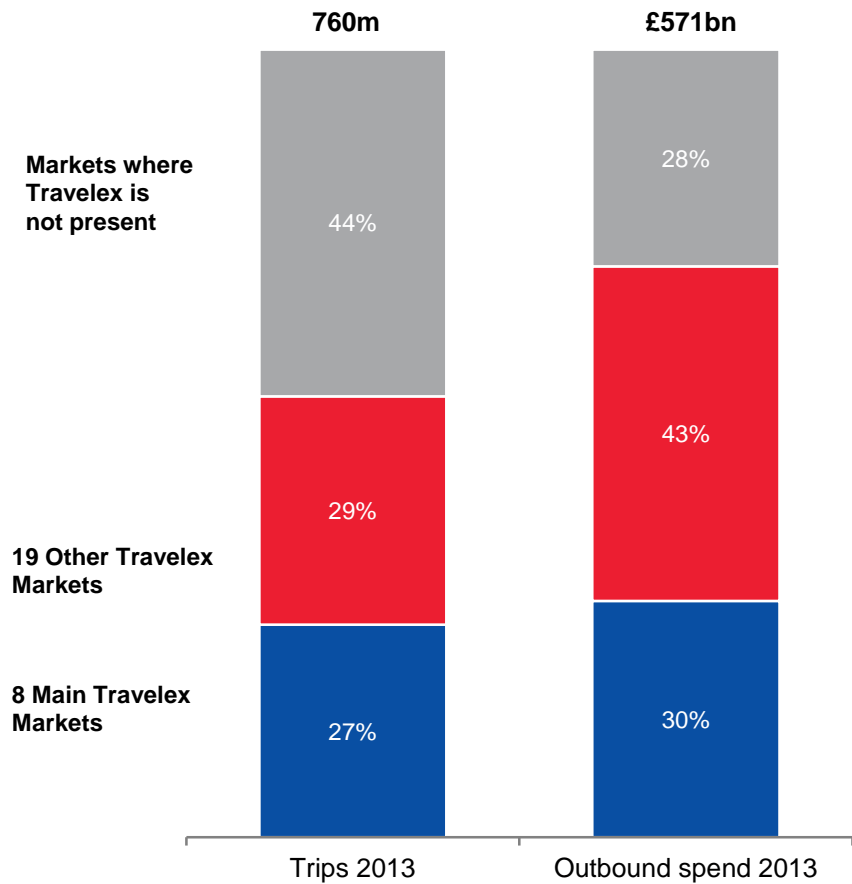
The trusted brand and scale economics drive Travelex's strategic priorities



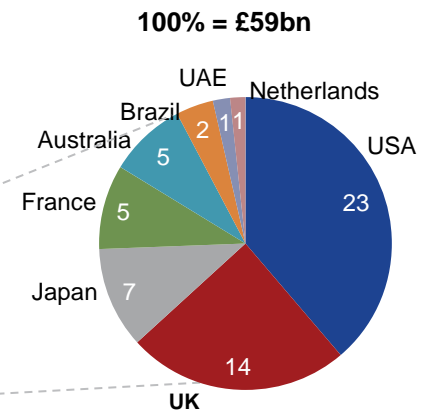
Travelex operates in the £571bn travel FX market which covers cash FX and card spend. Travelex's 8 main markets account for 30% of total travel FX and 33% of the cash FX market

Total FX market

Total Cash FX market



Geographic breakdown

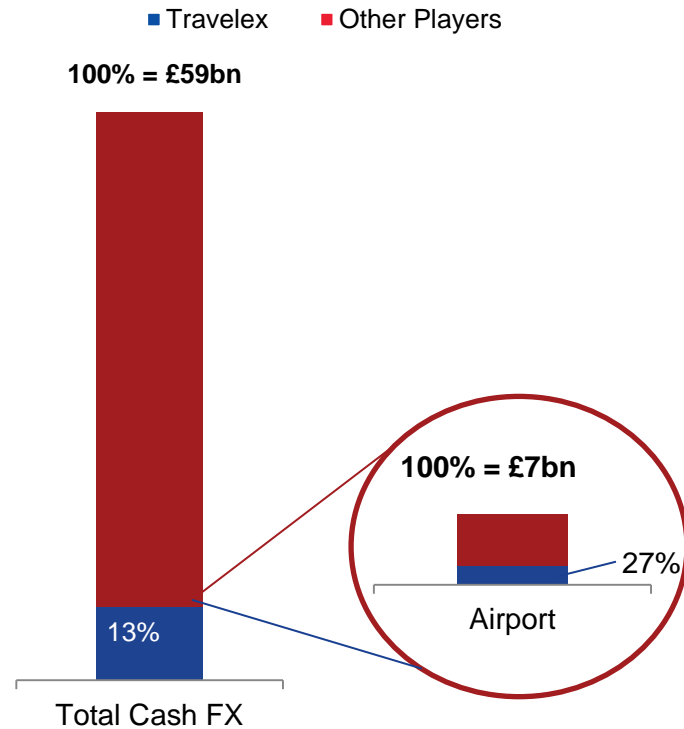


- The cash market is forecast to grow at 6% CAGR 2013-18
- Driven by expected growth of trips, especially from high-spending markets with high propensity to use cash

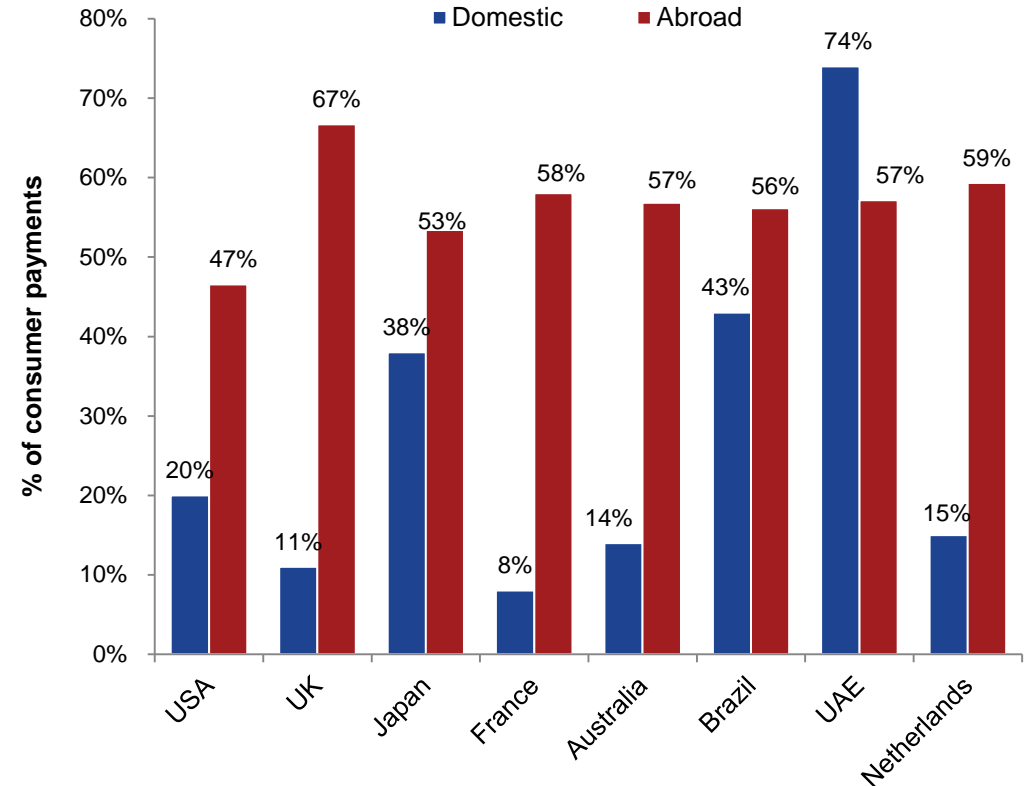
Source: Travelex estimates

The cash FX market is expected to remain strong and Travelex has the potential for further share growth in a fragmented market

Travelex share of total cash FX market (8 main markets)



Cash payments domestic vs. abroad, by country (2013)

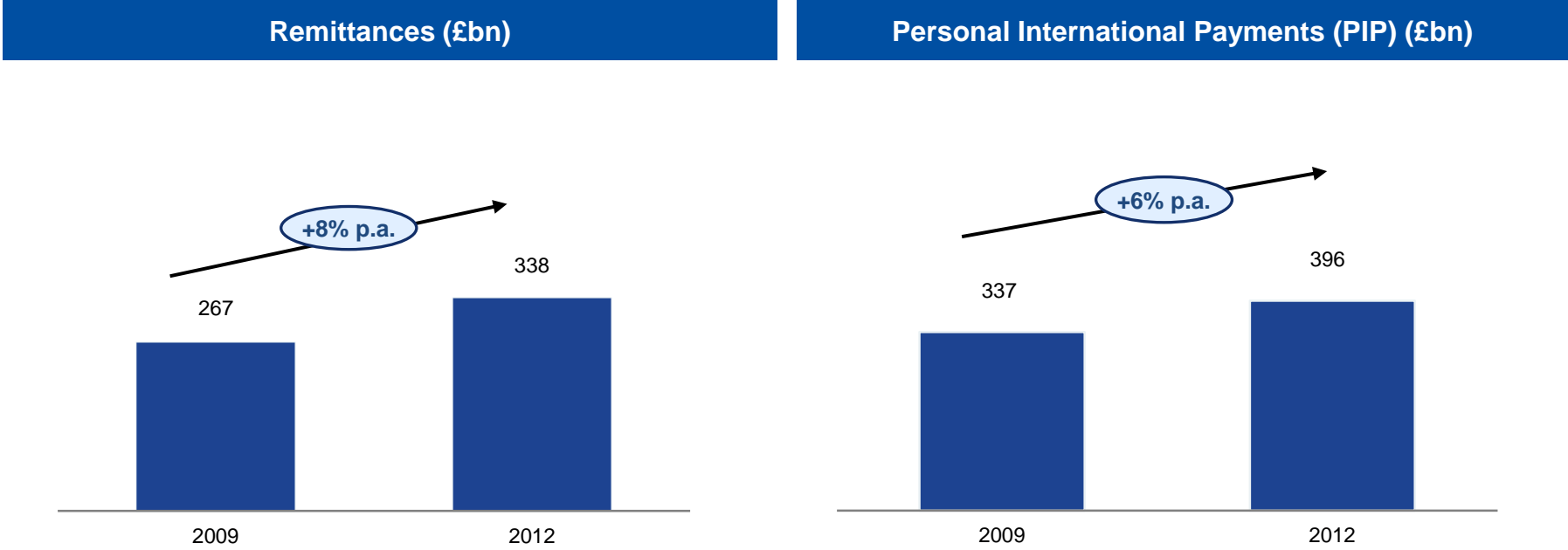


- Travelex has the greatest airport presence of all major providers and is exposed to 54% of the passengers passing through the world's top 20 international airports
- Off-airport share includes Travelex-branded, wholesale and outsourcing

- Consumer preference to use cash is significantly higher when abroad
- Substitution towards non-cash payment is gradually occurring but lags domestic trend due to regulatory, behavioural and technological differences of this market

Source: Travelex estimates

Travelex participates in two consumer payments markets, each of which is large and has grown robustly in recent years



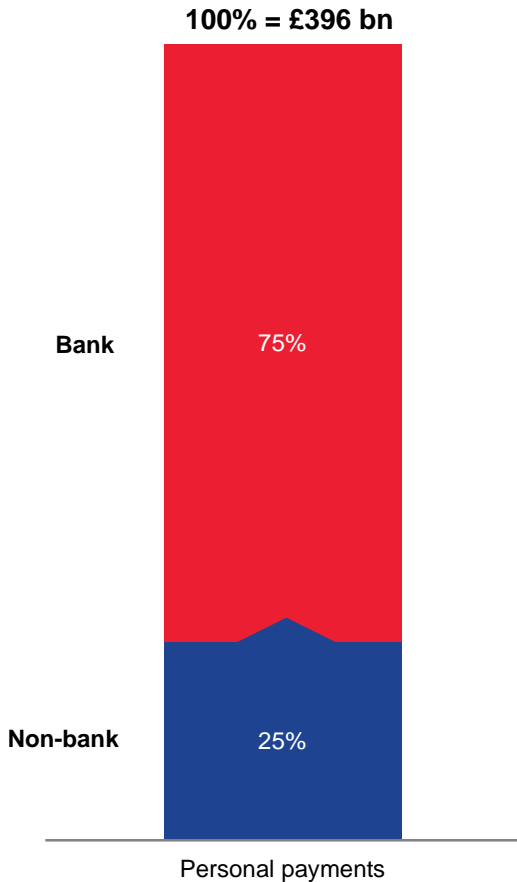
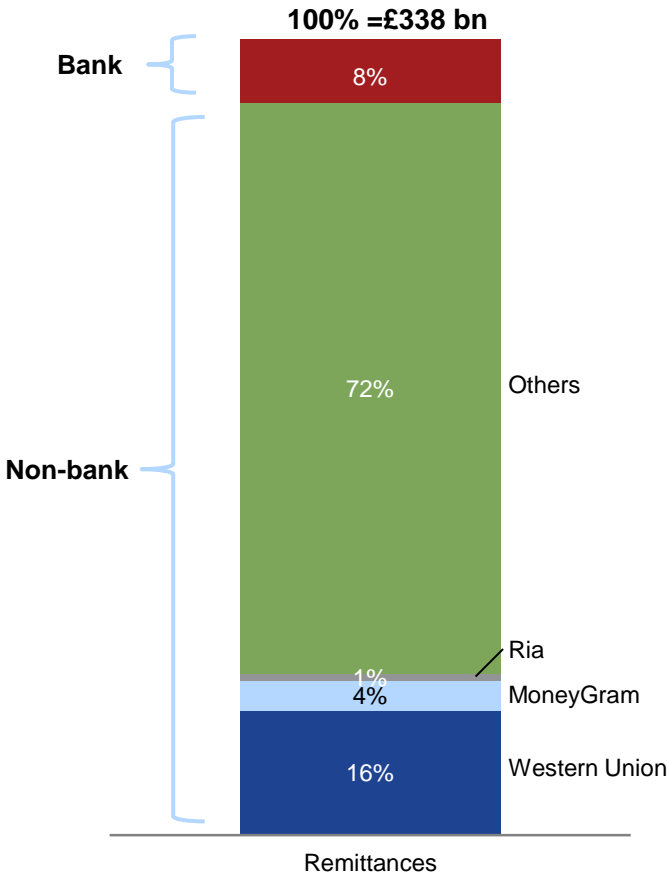
2012	Remittances (£bn)	PIP (£bn)
Est. revenue pool (£bn)	27	6
Typical ATV (£)	105	4,766
Travelex send market coverage	67%	66%

Source: World Bank, WTO, management estimates

While non-bank providers dominate remittances with cash to cash services, the market is fragmented; non-banks are less well established in payments, but are growing share

Remittances market provider shares, 2012

Personal International Payments, 2012



2012 revenues of key non-bank players	Revenue
Western Union	£3bn
MoneyGram	£0.6bn
Xoom	£51m
OzForex	£22m
HiFX	£34m
WorldFirst	£15m

Source: World Bank, Western Union, MoneyGram, HiFX, management estimates