Travelex

Results Presentation

for the period ended 31 March 2015

27
May
2015

Travelex worldwide money

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Three months ended 31 March 2015 – key highlights

Financial highlights

- Core Group Revenue increased by 4% to £161.9m (5% to £164.3m at constant exchange rates)[1,2]
- Core Group EBITDA decreased by £3.6m (31%) to £8.1m (27% to £8.5m at constant exchange rates)[1,2,3]
- Core Group EBITDA has declined reflecting a combination of challenging trading conditions in Brazil, the impact of new rental terms at Heathrow, and the significant increase in Digital and business development investment to enable the Group to capitalise on long-term growth opportunities
- Top line growth continues to be led by Retail, in all channels, with like-for-like revenue growth of 4%
- Usable cash at 31 March 2015 of £66.5m (31 December 2014: £66.3m) includes £18.3m of cash proceeds from the sale of our French business as part of the sale of the Group to Dr Shetty, and reflects the continued investment to deliver the Group's strategic priorities together with costs associated with the sale of the Group
- The Group is trading in line with management expectations for the year to date

Operating highlights

- Acquisition of Travelex Holdings Limited by Dr B. R. Shetty together with Mr Saeed Bin Butti, Chairman of Centurion Investments, completed on 29 January 2015
- Continued progress against our four strategic priorities:
  - Depth – expanding distribution and business models in existing countries
    - Further network expansion – 20 stores added including Detroit Metropolitain Wayne County Airport and Boston Logan International Airport
    - Online and mobile sales up 19%
    - In July 2015 Travelex is to become the exclusive provider of Foreign Currency ATM's and DCC services across all five terminals in Heathrow Airport
  - Breadth – new countries
    - Acquisition of the remaining 51% of Grupo Confidence in Brazil
  - Develop payments proposition
    - Digital team recruitment ramp up with most key members now in place and rapidly building capabilities in mobile, innovation and R&D, digital marketing and international payments
  - Leveraging our scale
    - Continued optimisation of our Shared Service Global Delivery Centre in Mumbai

1 Core Group metrics include 100% of Revenue and EBITDA from Joint Ventures and Travelex's French business which was sold to UAE Exchange UK Limited, a company of which Dr Shetty is also a shareholder. The French business remains in the Core Group results for management discussion and analysis purposes but is excluded from the Group's statutory results
2 Results at constant exchange rates are Core Group metrics retranslated at the average rates for 2014
3 EBITDA is presented before exceptional items and non-underlying adjustments

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Three months ended 31 March 2015 – Group financial performance

Financial Summary

£m, three months ended 31 March	2014	2015	*Change*	2015 CER[2]	*Change*
Core Group Revenue[1]	155.8	161.9	*4%*	164.3	*5%*
Core Group EBITDA[1]	11.7	8.1	*(31%)*	8.5	*(27%)*
Core Group EBITDA % Margin	7.5%	5.0%		5.2%	
Exceptional items and non-underlying adjustments[3]	4.4	19.0	*432%*		

Capex: *£m, three months ended 31 March*	2014	2015	*Change*
System Development & Shared Service Migration	4.2	0.6	*(86)%*
Expansionary & Maintenance	4.6	3.9	*(15)%*
Digital	-	0.6	*n/a*
Total capex	**8.8**	**5.1**	***(42)%***

Balance sheet	Dec 2014	Mar 2015
Usable cash	66.3	66.5
Net debt	(254.0)	(286.3)

1 Core Group metrics include 100% of Revenue and EBITDA from Joint Ventures and Travelex's French business which was sold to UAE Exchange UK Limited, a company of which Dr Shetty is also a shareholder. The French business remains in the Core Group results for management discussion and analysis purposes but is excluded from the Group's statutory results

2 Results at constant exchange rates are Core Group metrics retranslated at the average rates for Q1 2014

3 Operating exceptional costs principally relate to redundancy costs associated with the Group's cost savings initiatives, including costs relating to the Systems Development and Shared Service Migration that do not meet the Group's criteria for capitalisation, and to other corporate projects

Three months ended 31 March 2015 – financial performance by segment

Segmental results

Core Group Revenue[1] *£m, three months ended 31 March*	**2014**	**2015**	***Change***	***2015 CER***[2]	***Change***
Retail	103.9	107.9	*4%*	109.0	*5%*
Wholesale & Outsourcing	23.5	26.8	*14%*	27.0	*15%*
Payments & Technology	6.1	6.0	*(2)%*	6.3	*3%*
Brazil	13.3	12.2	*(8)%*	13.8	*4%*
Other Trade	9.0	9.0	-	8.2	*(9)%*
Core Group	**155.8**	**161.9**	***4%***	**164.3**	***5%***

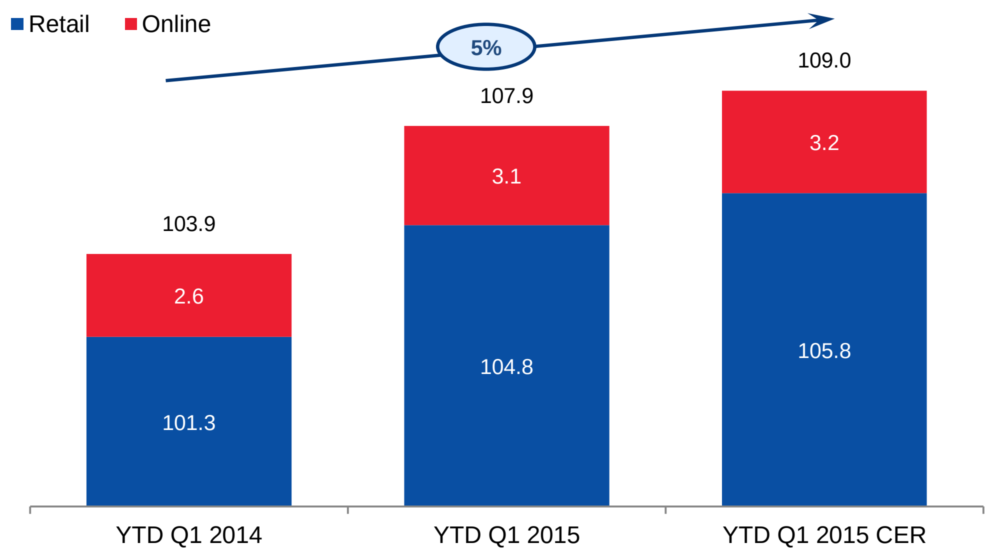
Core Group EBITDA[1] *£m, three months ended 31 March*	**2014**	**2015**	***Change***	***2015 CER***[2]	***Change***
Retail	7.8	6.2	*(21)%*	6.4	*(18)%*
Wholesale & Outsourcing	9.8	9.8	-	9.9	*1%*
Payments & Technology	1.0	(0.2)	*(120)%*	(0.2)	*(120%)*
Brazil	2.3	1.5	*(35)%*	1.7	*(26)%*
Other Trade	2.1	2.0	*(5)%*	1.8	*(14)%*
EBITDA Contribution	23.0	19.3	*(16)%*	19.6	*(15)%*
Central & Shared Costs	(11.3)	(11.2)	*(1)%*	(11.1)	*(2)%*
EBITDA	**11.7**	**8.1**	***(31)%***	**8.5**	***(27)%***

[1] Core Group metrics include 100% of Revenue and EBITDA from Joint Ventures and Travelex's French business which was sold to UAE Exchange UK Limited, a company of which Dr Shetty is also a shareholder. The French business remains in the Core Group results for management discussion and analysis purposes but is excluded from the Group's statutory results

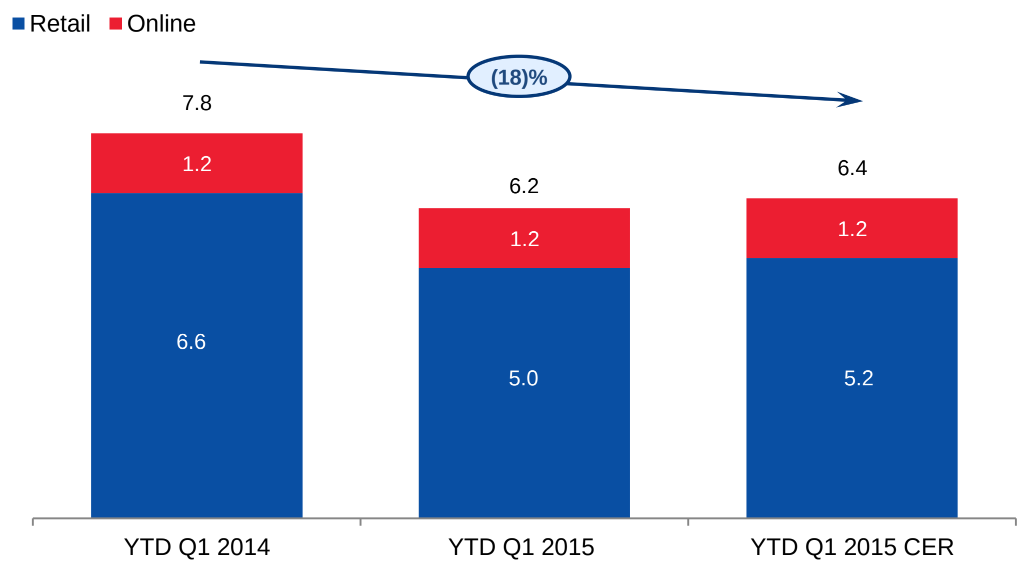
[2] Results at constant exchange rates are Core Group metrics retranslated at the average rates for Q1 2014.

Retail – Resilient LFL performance

Retail revenue[1,3] (£m)



Retail EBITDA[1,2,3] (£m)



Retail KPIs

Key drivers	YTD Q1 2014	YTD Q1 2015
LFL revenue growth (%)	7%	4%
Rent as percentage of revenue	46.2%	48.3%
Other costs as a percentage of revenue	46.3%	45.9%
EBITDA margin (%)	7.5%	5.7%

[1] All figures are shown on a "Core Group" basis i.e. including 100% of JVs
[2] EBITDA before Central & Shared Costs
[3] Q1 2015 CER shows results retranslated at Q1 2014 average exchange rates

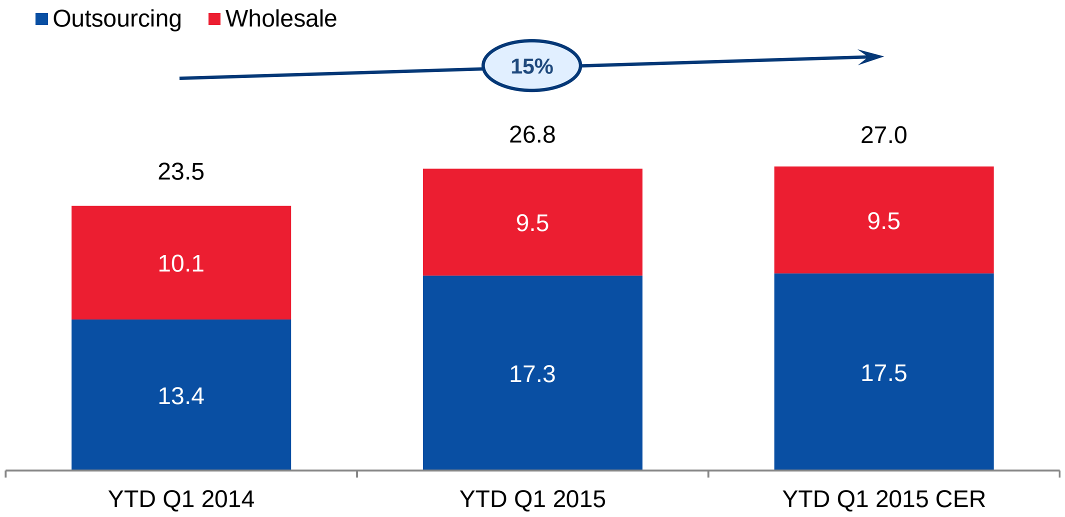
Commentary

- LFL revenue growth of 4% is underpinned by strong performances across UK Supermarkets, Europe and Australia. North America and the UK experienced softer transaction volumes. Turkey, which was acquired in May 2014 further contributed to overall revenue growth
- The Sainsbury's partnership now being reported within Wholesale and Outsourcing as a result of new contract terms. This contract was previously reported within the Retail segment
- Continued expansion in the ATMs network and focus on online platforms helped deliver revenue growth of 8% and 19% respectively across these channels
- Increase in rent as a percentage of revenue is attributable to the new contract terms at LHR from April 2014, which has also reduced the overall EBITDA margin in the quarter despite continued discipline over the cost base

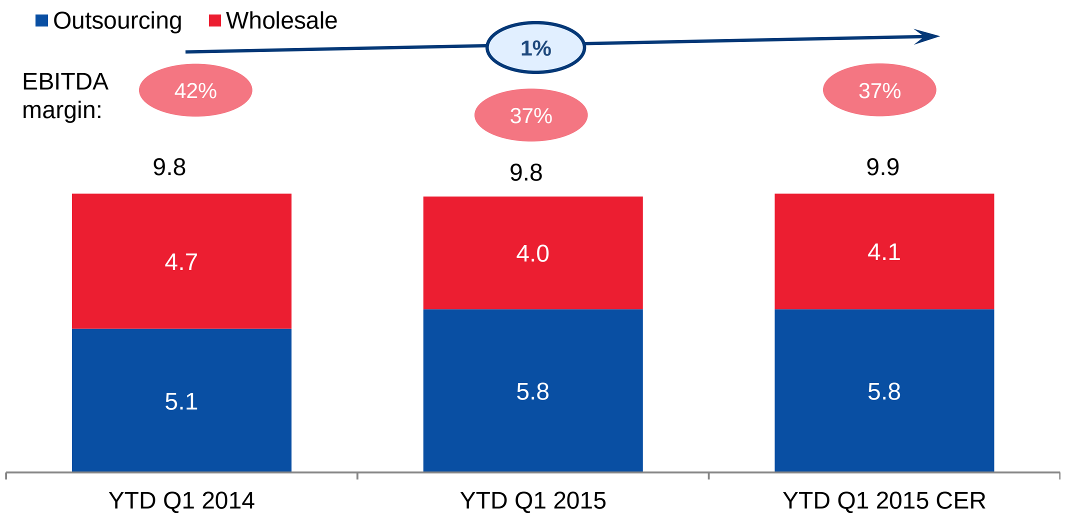
Travelex worldwide money

Wholesale & Outsourcing – Strong demand for Euro banknotes in the UK but lower volumes from Nigeria

Wholesale & Outsourcing revenue[1,3] (£m)



Wholesale & Outsourcing EBITDA[1,2,3] (£m)



Wholesale & Outsourcing KPIs

Sub-segments	Key drivers	YTD Q1 2014	YTD Q1 2015
Wholesale	Revenue growth (%)	23.2%	(5.9%)
	EBITDA margin (%)	46.5%	42.1%
Outsourcing	Revenue growth (%)	(7.6)%	29.1%
	EBITDA margin (%)	38.1%	33.5%

1 All figures are shown on a "Core Group" basis i.e. including 100% of JVs
2 EBITDA before Central & Shared Costs
3 Q1 2015 CER shows results retranslated at Q1 2014 average exchange rates

Commentary

Wholesale

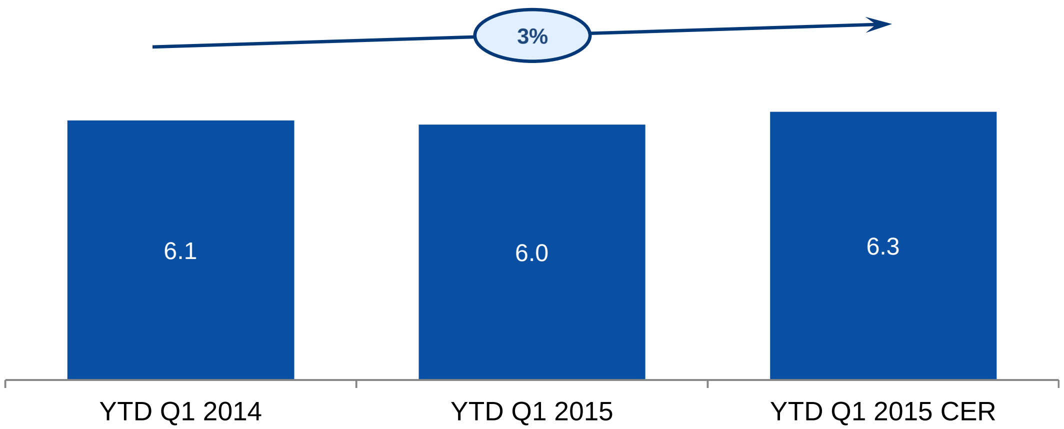
- Higher demand for Euro banknotes in the UK and strong performance of the cash processing business in Nigeria partially offset the impact of lower banknote volumes from Nigeria
- EBITDA margin remains strong but down on last year due to greater mix of business from outside of Nigeria and upfront investment associated with setting up of the Wholesale operations in China

Outsourcing

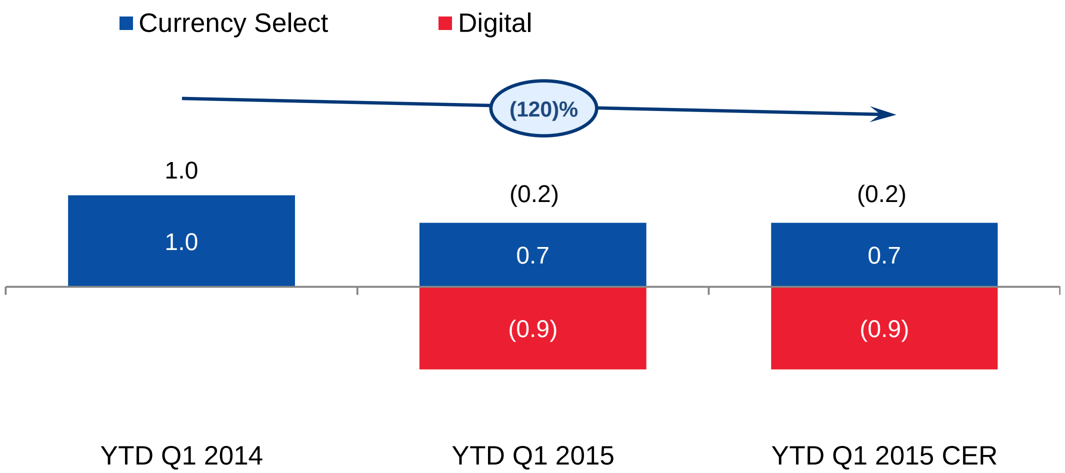
- A significant element of revenue growth in Q1 2015 is attributable to the treatment of the Sainsbury's partnership as an outsourcing contract as a result of new contract terms. This contract was reported within the Retail segment in the prior year
- Underlying revenue growth of 4% (excluding Sainsbury's impact) is driven by the performance of the Malaysian operations and strong supply volumes in the UK to supermarket partners and the online channel

Payments & Technology – Significant ramp up in Digital investment in 2015

Payments & Technology revenue[1,3] (£m)



Payments & Technology EBITDA[1,2,3] (£m)



Payments & Technology KPIs

Sub-segments	Key drivers	YTD Q1 2014	YTD Q1 2015
Currency Select	Revenue growth (%)	23.2%	(1.6%)
	EBITDA margin (%)	16.4%	11.7%

Commentary

Currency Select

- Revenue growth has been driven by strong POS, ATM and Acquiring volumes
- EBITDA margin reduction due to greater mix of revenues from Acquiring, which is a lower margin business stream

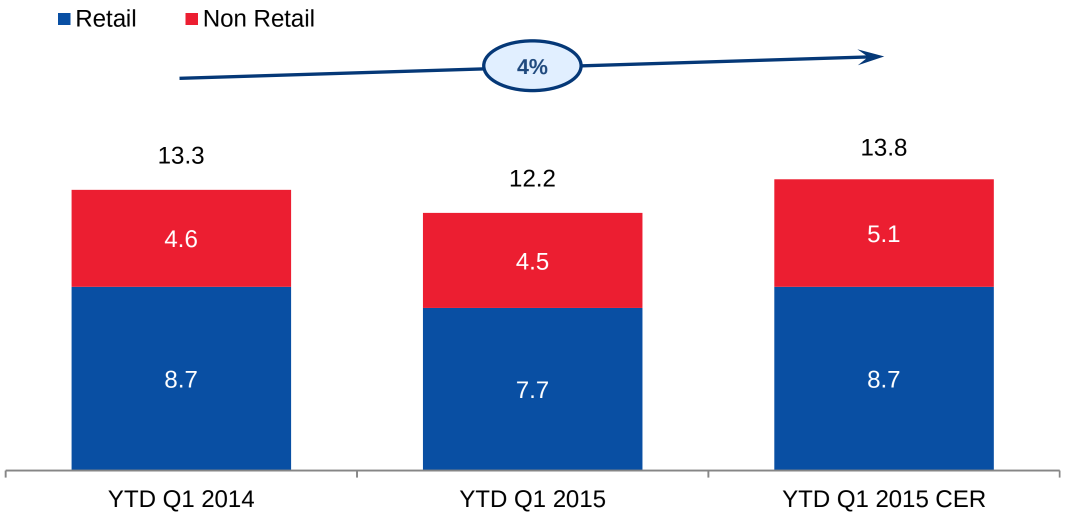
Digital

- Significant ramp up in the investment to build in-house capabilities as part of the Group's digital strategy
- 28 full time employees recruited as at 31 March 2015. A proportion of this cost is being capitalised

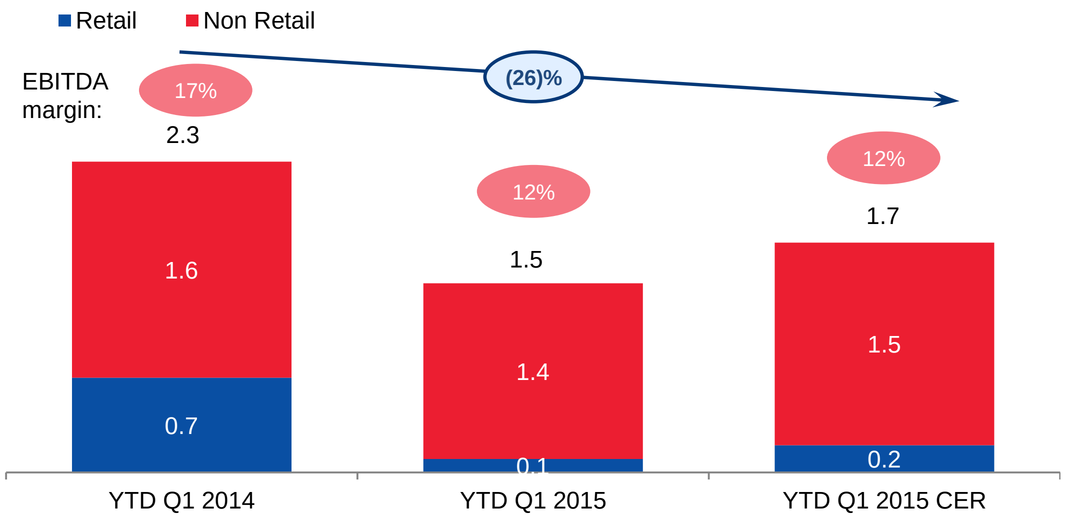
1 All figures are based on a "Core Group" basis i.e. including 100% of JVs
2 EBITDA before Central & Shared Costs
3 Q1 2015 CER shows results retranslated at 2014 Q1 average exchange rates

Brazil – Strong business payments and banknote volumes offset shortfall in Retail revenue. Inflationary pressures on the cost base impact EBITDA margins

Brazil revenue[1,3] (£m)



Brazil EBITDA[1,2,3] (£m)



Brazil KPIs

Sub-segments	Key drivers	YTD Q1 2014	YTD Q1 2015
Retail	Revenue growth (%)	(7.1%)	(11.5%)
	EBITDA margin (%)	8.0%	1.3%
Non Retail	Revenue growth (%)	65.7%	(2.2%)
	EBITDA margin (%)	34.7%	31.1%

1 All figures are shown on a "Core Group" basis i.e. including 100% of JVs
2 EBITDA before Central & Shared Costs
3 Q1 2015 CER shows results retranslated at Q1 2014 average exchange rates

Commentary

Retail

- Weakness in the Real against all major currencies continues to impact outbound sales volumes in 2015. The average exchange rate to the USD for the quarter ended 31 March 2015 is 2.85 compared to 2.35 for the same period in 2014
- Lower cash and prepaid card volumes are offset by increased remittance volumes, which helped to maintain total Retail revenues in line with Q1 2014 on a constant exchange rate basis
- EBITDA margin deteriorated due to inflationary pressures on the cost base and higher commissions payable to travel agents

Non retail

- Underlying revenue on a constant currency basis increased by 10.9% due to growth in the customer portfolio driving higher banknote volumes and international payment transactions.
- EBITDA margin reduction is due to inflationary pressures on the cost base and higher logistics costs

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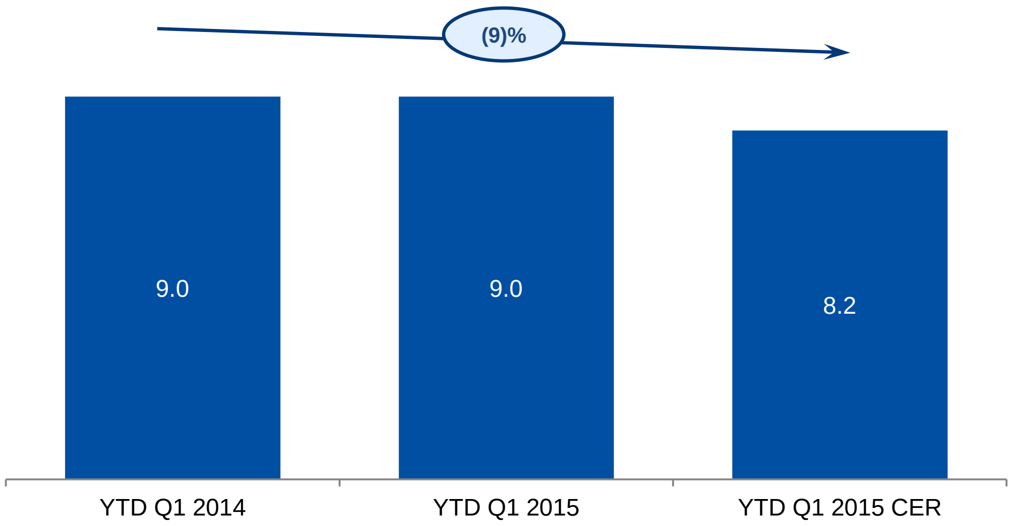
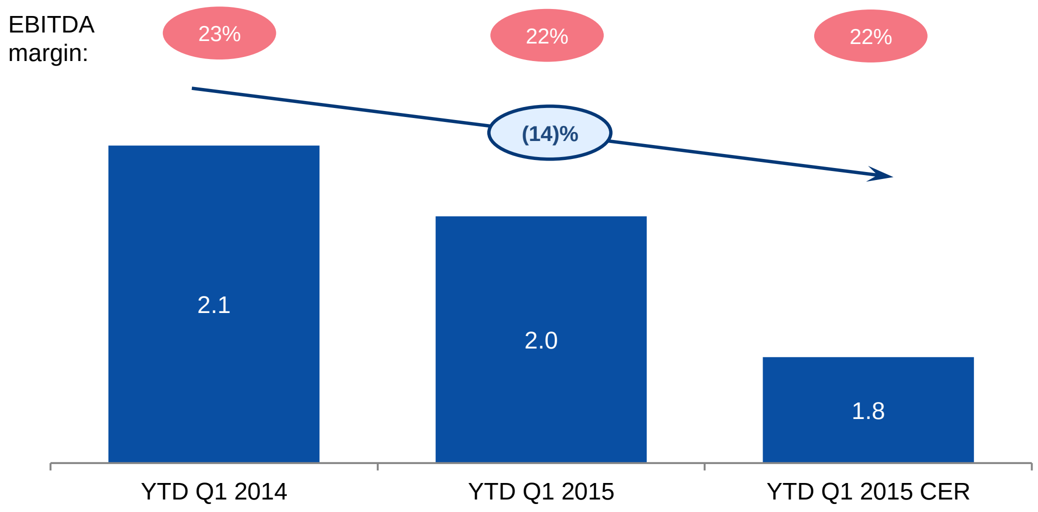
Other Trade – Principally Travelex Insurance Services (TIS)

Other Trade revenue[1] (£m)



Other Trade EBITDA[1,2,3] (£m)



Other Trade KPIs

Key drivers	YTD Q1 2014	YTD Q1 2015
EBITDA margin – insurance (%)	23.4%	21.3%

Commentary

- Insurance revenue and EBITDA have been impacted following the renegotiation of terms with underwriters at the end of 2014
- Underlying volumes remain resilient

[1] All figures are based on a "Core Group" basis i.e. including 100% of JVs
[2] EBITDA before Central & Shared Costs
[3] YTD Q1 2015 CER shows results retranslated at 2014 Q1 average exchange rates

Central & Shared Costs

Central & Shared Costs

	YTD Q1 2014	YTD Q1 2015
Central	3.3	3.1
Shared	6.9	7.7
Total Central and Shared (excl. Bonus)	**10.2**	**10.8**
Bonus provision	1.1	0.4
Total Central and Shared (incl. Bonus)	**11.3**	**11.2**

Commentary

- The Group substantially completed its Systems Development and Shared Service Migration initiative in 2014. Opportunities to offshore additional activities continue to be assessed on an ongoing basis
- Centralisation and offshoring of back office functions has led to an increase in costs reported within Shared. Overall centralisation and offshoring costs continue to reduce overall functional costs, with savings being realised principally in the trading segments of Retail and Wholesale & Outsourcing and consequently higher Shared Costs

Usable cash flow statement

Summary consolidated usable cash flow statement

£m, three months ended 31 March	2014	2015
Core Group EBITDA	11.7	8.1
Less: Unconsolidated Joint Ventures	(1.4)	(1.7)
Less: France entities sold	-	(0.3)
Dividends received from Joint Ventures	0.3	-
Loan from Joint Venture	-	4.6
Movements in cash inventory (cash in tills & vaults)	9.8	46.7
Other movements in working capital (incl. cash in transit)	(0.4)	(3.6)
Net usable cash inflow from operating activities	**20.0**	**53.8**
Taxation received (paid)	(5.7)	(0.9)
Purchase of PP&E, software & development	(8.8)	(5.1)
Proceeds received on disposal of subsidiary	-	18.3
Other net investing activities	(0.1)	(8.4)
Net usable cash (used)/generated in investing activities	**(8.9)**	**4.8**
Interest paid	(10.8)	(10.5)
Repayment of shareholder loans	(4.2)	-
Dividends paid to non-controlling interest	-	(1.8)
Net cash paid on investment in subsidiary	-	(47.4)
Drawdown of RCF	-	25.0
Purchase of own shares for employee share schemes	(0.4)	-
Capital element of finance lease payments	(0.2)	-
Net usable cash used in financing activities	**(15.6)**	**(34.7)**
Net usable cash outflow from one-off items	**(3.9)**	**(21.6)**
Exchange (gains)/losses on usable cash	0.1	(1.2)
Net (decrease)/increase in usable cash	(14.0)	0.2
Usable cash at the beginning of the period	140.1	66.3
Usable cash at the end of the period	**126.1**	**66.5**

Key highlights

- A shareholder loan was received from the UAE joint venture in February 2015.
- Cash in tills and vaults have reduced in the three month period ended 31 March 2015 following the unwind of year end balances which were held in anticipation of the festive season and implementation of short-term cash management initiatives.
- The working capital movement arises primarily as a result of the timing of wholesale bank note orders at the end of March.
- Cash tax payments were lower than in the three months ended 31 March 2014 due to lower cash paid in Australia (£2.6m), Japan (£0.8m) and Brazil (£0.5m).
- Capital expenditure represents amounts incurred in respect of the expansionary and maintenance (£3.9m), SSM (£0.6m), and Digital projects (£0.6m).
- On 29 January 2015, in connection with the sale of the Travelex group, Travelex France Holdings Ltd sold Banque Travelex SA and its 100% subsidiary Travelex Paris SAS to UAE Exchange Ltd. The total cash proceeds received were £18.3m.
- Other net investing activities of £8.4m relates primarily to the movement in the Brazil government bonds held (£9.0m).
- The Group acquired the remaining 51% interest in Brazil on February 2, 2015. The total cash consideration paid for remaining shareholding was £47.4m. This has been recorded in financing activities in accordance with IFRS as it is the acquisition of a non controlling interest.
- Interest payments relate to the £350m senior secured notes which were issued in August 2013. The notes comprise £200m at 8% fixed rate payable semi-annually plus £150m at a floating rate of 3 month Libor plus 6% payable quarterly
- One-off items include exceptional costs relating primarily to corporate projects related to the sale of the business.

Usable cash, free cash & net debt

Free cash & usable cash *£m*	**31 Dec 2014**	**31 Mar 2015**
Cash and cash equivalents	505.3	509.4
Cash classified as held for sale (France)	9.7	-
Ring-fenced cash and term deposits	(39.9)	(41.3)
Short-term bank borrowings	(3.2)	-
Prepaid debit card floats	(146.6)	(145.7)
Banknotes prepayments	(20.9)	(12.4)
Unrestricted cash	**304.4**	**310.0**
Cash in tills, vaults and transit (incl. HFS)	(198.6)	(211.0)
Management estimate of regulatory cash	(15.0)	(15.0)
Free cash	**90.8**	**84.0**
Cash in business	(24.5)	(17.5)
Usable cash	**66.3**	**66.5**

Net debt *£m*	**31 Dec 2014**	**31 Mar 2015**
Fixed & floating rate notes	(343.4)	(344.0)
Drawn down RCF	-	(25.0)
Finance leases	(1.4)	(1.3)
Gross debt	**(344.8)**	**(370.3)**
Free cash	90.8	84.0
Net debt	**(254.0)**	**(286.3)**

Commentary

- Cash and cash equivalents includes banknote prepayments amounting to £12.4m at 31 March 2015 (£20.9m at 31 December 2014) and prepaid debit card float balances of £145.7m at 31 March 2015 (£146.6m at 31 December 2014), which are deducted in arriving at unrestricted cash. The reduction in prepaid card float is due to the timing of amounts being put on deposit
- Free cash – adjusts unrestricted cash for cash allocated to working capital (cash in tills and vaults) and management's estimate of cash required locally for regulatory purposes
- Usable cash – adjusts free cash using a notional estimate of local working capital requirements. We estimate that two thirds of this cash is not readily accessible as it is required for working capital requirements of the business
- Lower free cash at 31 March 2015 reflects cash paid on the acquisition of Brazil (£47.4m), interest payments (£10.5m), legal and professional fees associated with the sale of the business (£21.6m) as well as other corporate projects, partially offset by proceeds received on the disposal of Banque Travelex (£18.3m) and the draw down of the RCF (£25.0m)

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Summary and conclusions

- Revenue growth and a resilient underlying trading performance, in line with expectations
  - Core Group Revenue of £161.9m, up 4% (£164.3m, up 5% at constant exchange rates)
  - Core Group EBITDA of £8.1m, down 31% (£8.5m, down 27% at constant exchange rates)
  - Core Group EBITDA has declined reflecting a combination of challenging trading conditions in Brazil, the impact of a major contract renewal in Retail, and the significant increase in Digital and business development investment to enable the Group to capitalise on long-term growth opportunities
- Acquisition of Travelex Holding Limited by Dr B. R. Shetty and Mr Saeed Bin Butti, Chairman of Centurion Investments, and the sale of our French business to UAE Exchange completed on 29 January 2015
- Further progress against the Group's strategic objectives
  - Acquisition of remaining 51% of Grupo Confidence in Brazil
  - Significant ramp-up in the Digital Team under the leadership of Sean Cornwell with recruitment of key team members largely complete
  - Continued optimisation of our Shared Service Global Delivery Centre

Our debt investor relations website can be found at http://www.travelex-corporate.com

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Sale of Travelex to Dr B. R. Shetty and Mr Saeed Bin Butti, Chairman of Centurion Investments

Transaction overview

- The acquisition of the Group to Dr Shetty and Mr Saeed Bin Butti, Chairman of Centurion Investments completed on 29 January 2015
- In connection with the agreed sale of Travelex Holdings Limited, Travelex France Holdings Limited, a 100% owned subsidiary in the Group, sold Banque Travelex SA on 29 January 2015 for cash consideration of €24.6m (£18.3m) and deferred consideration of € 1.4m (£1.0m) to UAE Exchange UK Limited. The Group continues to manage the business for a fixed fee
- The French business remains included in our Core Group Revenue, and is excluded for statutory reporting purposes
- Travelex will continue with its stated growth strategy following the acquisition
- Lloyd Dorfman will continue as President of Travelex
- On completion, part of the existing Shareholder Debt was waived and part was retained in favour of UTX Holdings Limited on the same terms
- The acquisition has not resulted in additional debt being incurred by Travelex in connection with the financing of the acquisition

Key highlights

Dr B.R. Shetty	Dr Shetty's principal investment portfolio includes significant holdings in nmc Health plc, UAE Exchange and Neopharma, as well as investments in hospitality, food and beverage businesses
UAE Exchange	UAE Exchange was founded in 1980 and is a leading global money transfer and foreign exchange provided headquartered in the UAE with a fast growing international presence
Quality partners	UAE Exchange's payments and remittance offerings are highly complementary to Travelex The opportunity for both businesses to work closely together is compelling

Summary balance sheet

Summary consolidated balance sheet

£m	Mar 2015	Travellers' Cheques[1]	Apax Goodwill	Mar 2015 excl. Travellers' Cheques	Dec 2014 excl. Travellers' Cheques
Intangible assets	404	-	**236**	168	177
Property, plant & equipment	45	-	-	45	42
Investments	25	25	-	-	-
Financial assets	108	108	-	-	-
Other	31	-	-	31	30
Non current assets	**613**	**133**	**236**	**244**	**249**
Assets included in disposal group HFS [2]	**-**	-	-	**-**	**25**
Trade and other receivables	147	4	-	143	86
Cash and cash equivalents	510	41	-	469	465
Other	30	10	-	20	13
Current assets	**687**	**55**	-	**632**	**564**
Trade and other payables	(764)	(263)	-	(501)	(374)
Provisions	(13)	-	-	(13)	(16)
Financial liabilities	-	-	-	-	(48)
Other	(28)	(3)	-	(25)	(2)
Current liabilities	**(805)**	**(266)**	-	**(539)**	**(440)**
Net current (liabilities) assets	**(118)**	**(211)**	-	**93**	**124**
Borrowings – non-shareholder	(344)	-	-	(344)	(343)
Borrowings - shareholder	(582)	-	-	(582)	(1,178)
Other	(21)	-	-	(21)	(22)
Non current liabilities	**(947)**	**-**	-	**(947)**	**(1,543)**
Liabilities included in disposal group HFS [2]	**-**	**-**	**-**	**-**	**(18)**
Net liabilities	**(452)**	**(78)**	**236**	**(610)**	**(1,163)**

Commentary

- The assets and liabilities relating to the Travellers' Cheques business are separate to the "Core Group"
- Intangible assets at Mar-15 include goodwill of £236m relating to the 2005 acquisition by funds advised by Apax Partners
- Trade receivables include amounts due from some wholesale banknote customers which are settled within less than one week of being incurred
- Whilst the Core Group holds £510m of cash and equivalents at Mar-15, the amount that is classified as "Usable Cash" by management is marginally higher than that at year end (£66.5m at Mar-15)
- Trade and other payables include loads on Cash Passports awaiting redemption, trade creditors and accruals
- On 29 January 2015, the Group was sold to Dr B R Shetty and Mr Saeed Bin Butti, Chairman of Centurion Investments. On completion, part of the existing Shareholder Debt was waived and part was retained in favour of UTX Holdings Limited on the same terms

1 Includes Travellers' Cheques business outside of the core group; no adjustment has been made for intercompany balances which eliminate on consolidation
2 On 29 January 2015 the Group sold its operations in France for €26.0m to UAE Exchange UK Limited, and these were classified as Held for Sale as at 31 Dec 2014

Working capital

Working capital components

£m	Q1 2014	Q2 2014	Q3 2014	FY 2014	Q1 2015
Cash in tills and vaults (excl HFS)	**212.4**	**214.2**	**195.1**	**191.9**	**211.0**
Debtors					
Trade receivables	159.4	158.6	89.2	44.1	75.8
Banknote prepayments	241.1	0.3	14.2	20.9	12.4
Other receivables	30.1	32.9	35.2	21.8	40.5
Prepayments and accrued income	29.2	31.8	26.3	20.9	27.1
Plus (less): Travellers' cheques amts.	(3.1)	(2.9)	(2.7)	(2.5)	(4.5)
Less: Brazil acquisition prepayment	(8.5)	(8.5)	(8.0)	(7.7)	-
Total debtors	**448.2**	**212.2**	**154.2**	**97.5**	**151.3**
Creditors					
Trade payables	(487.7)	(264.2)	(168.4)	(127.5)	(233.8)
Other payables	(31.6)	(40.5)	(37.7)	(31.0)	(48.0)
Accruals and deferred income	(106.3)	(105.9)	(106.5)	(90.1)	(85.3)
Less: Travellers' cheques amounts	34.3	30.5	31.8	29.6	29.5
Add: Brazil prepaid card float liability	(24.7)	(25.6)	(21.5)	(18.8)	(15.2)
Total creditors	**(616.0)**	**(405.7)**	**(302.3)**	**(237.8)**	**(352.8)**
Net working capital	**44.6**	**20.7**	**47.0**	**51.6**	**9.5**

Commentary

- Cash in tills and vaults have increased at March 2015 compared to the year end, as a result of an increase in cash in transit across the bank notes business offset by a reduction in cash in tills due to higher stock levels at year in anticipation of a busier than usual holiday period.
- Movements in total debtors driven by the timing of wholesale bank note orders
- Trade payables have increased at the end of March driven by the timing of month end in relation to the banknotes supplier payment cycles as well as the timing of wholesale bank note orders.
- Accruals have decreased in the period as a result of the bonus and audit fee payment in March.

Reconciliation from Core Group Revenue to Statutory Revenue

Reconciliation to Statutory Revenue[1]

£m, period ended 31 March	2014	2015
Core Group Revenue	**155.8**	**161.9**
Joint Venture adjustment for equity accounting	(7.3)	(9.1)
Travellers' Cheques	0.4	0.7
Disposal of French business	-	(6.5)
Other adjustments	1.1	0.6
Statutory Revenue	**150.0**	**147.6**

Joint ventures in UAE, Africa, Qatar and Malaysia are not consolidated in the statutory accounts.

Source: Company information

[1] Historical FX rates used are actual average rates for each period

Reconciliation from Statutory EBITDA to Core Group and Economic EBITDA

Reconciliation to Statutory and Economic EBITDA[1]		
£m, period ended 31 March	**2014**	**2015**
Operating loss	(3.1)	(20.7)
Depreciation and amortisation	6.1	7.2
Exceptional items and non-underlying adjustments	4.4	19.0
Statutory EBITDA	**7.4**	**5.5**
Joint Venture adjustment for equity accounting[2]	1.4	1.7
Removal of French business	-	0.3
Travellers' Cheques	0.3	(0.2)
Share based payment charge (non-cash)	3.1	0.8
Other adjustments	(0.5)	-
Core Group EBITDA (100% of JVs)	**11.7**	**8.1**
Adjustment for Non-Consolidated JVs	(0.7)	(0.1)
Adjustment for Minorities in Consolidated JVs	(0.2)	(0.4)
Adjustment for French business sale	-	(0.3)
Economic EBITDA (Proportionate share of JVs)	**10.8**	**7.3**

Source: Company information

[1] Historical FX rates used are actual average rates for each period

[2] Net of recharges

Statutory EBITDA and earnings are impacted by non-cash and exceptional items

Financial summary

£m, period ended 31 March	2014	2015
Core Group EBITDA	**11.7**	**8.1**
Adjustments to arrive at Statutory EBITDA *(see further reconciliation on previous page)*	(4.3)	(2.6)
Statutory EBITDA	**7.4**	**5.5**
Depreciation	(3.8)	(3.4)
Amortisation of intangible assets	(1.6)	(3.1)
Amortisation of customer relationships and other intangible assets acquired in business combinations	(0.7)	(0.7)
Share of profit in equity accounted investments	0.5	0.5
Net finance costs (cash – pay)	(6.5)	(10.5)
Net finance costs (non-cash – pay)	(34.9)	(17.8)
Exceptional items and non-underlying adjustments	(4.9)	(15.1)
Tax	(0.9)	(1.5)
Discontinued	0.6	-
Statutory loss after tax	**(44.8)**	**(46.1)**

Commentary

- Depreciation and amortisation of hardware and software has increased in Q1 2015 compared with the prior year largely due to capitalisation of SSM at the end of 2014.
- Finance costs relate to cash-pay debt, which is debt that requires cash interest payment, and non-cash pay debt which is debt whose interest compounds and does not require settlement until maturity – see next slide for further analysis of finance income and finance costs
- Exceptional items relate primarily to legal and professional fees incurred for corporate projects associated with preparing for the sale of the Group to UTX Holdings Ltd.

Travelex worldwide money

Net finance costs include significant non-cash pay amounts relating to shareholder loans

Finance costs and income

£m, period ended 31 March	2014	2015
Finance costs		
Shareholder Loans and preference shares	34.6	25.5
FX losses	-	-
Movement in Brazil Redemption Liability	0.4	-
Interest on senior secured notes	6.5	6.4
Other interest costs	1.8	0.9
Total finance costs	**43.3**	**32.8**
Finance income		
FX gains	1.3	4.3
Interest receivable	0.1	0.2
Total finance income	**1.4**	**4.5**
Net finance costs	**41.9**	**28.3**
Analysed as:		
Cash- pay	6.5	10.5
Non cash pay	35.4	17.8

Commentary

- Ongoing finance costs include:
  - The cost of the senior secured notes
  - Other interest costs in the quarter relate primarily to the fees incurred on non-utilisation of the RCF.
  - On 29 January 2015, the Group was sold to Dr B R Shetty and Mr Saeed Bin Butti, Chairman of Centurion Investments. On completion, part of the existing Shareholder Debt was waived and part was retained in favour of UTX Holdings Limited on the same terms. Total shareholder debt decreased from £1,177m at 31 December 2014, to £581.7m at 31 March 2015.

Further reconciliations

Usable cash flow from operating activities to statutory measure

£m, period ended 31 March	2014	2015
Usable cash flow from operating activities	**20.0**	**53.8**
Cash paid on investment in joint ventures net of dividends received	(0.3)	-
Shareholder loan from joint venture	-	(4.6)
Share based payment	-	(0.6)
Movement in cash held in tills and vaults	32.3	17.9
Movement in banknotes prepayment	228.3	(8.5)
Movement in cash and deposits held for the Travellers' Cheques business	(6.0)	0.7
Movement in prepaid card float deposits	(18.7)	(6.0)
Movement in cash in business	(2.7)	(5.1)
Less: cash exceptional items	(3.9)	(21.6)
Other adjustments including disposal of France	-	10.3
Cash flow from operating activities (statutory)	**249.0**	**36.3**

FX Rate Summary

	Average FX rate for the period ended 31 March 2014	Average FX rate for the period ended 31 March 2015	FX rate as at 31 March 2014	FX rate as at 31 March 2015	% movement
EUR	1.21	1.36	1.21	1.38	14%
USD	1.66	1.51	1.67	1.48	(11%)
JPY	170.35	179.67	171.70	177.99	4%
AUD	1.85	1.95	1.80	1.94	8%
BRL	3.89	4.40	3.76	4.74	26%
TRY	3.67	3.80	3.77	3.85	2%