



Fourth Quarter and Fiscal Year 2014 Results

February 12, 2015



Forward-Looking Statements



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 “believes,” “estimates,” “expects,” “projects,” “plans,” “will,” “should,” “could,” “may,” “would,” “goals,” “anticipates” and other 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 the 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, 2013, together with its quarterly reports on Form 10-Q made with the SEC through the date of this presentation. 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.

Financial Highlights



\$ in Millions, except Diluted Income Per Common Share

	Q4 2014	YOY%	FY 2014	YOY%
Total Revenue	\$349.6	(9%)	\$1,454.9	(1%)
EBITDA ⁽¹⁾	\$49.9	(28%)	\$226.1	0%
Adjusted EBITDA ⁽¹⁾	\$59.2	(23%)	\$277.2	(6%)
Diluted Income Per Common Share	\$0.17	(48%)	\$1.10	51%
Adjusted Free Cash Flow ⁽²⁾	(\$35.1)	NM	\$50.0	(67%)

NM = Not meaningful

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

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

Money Transfer Results

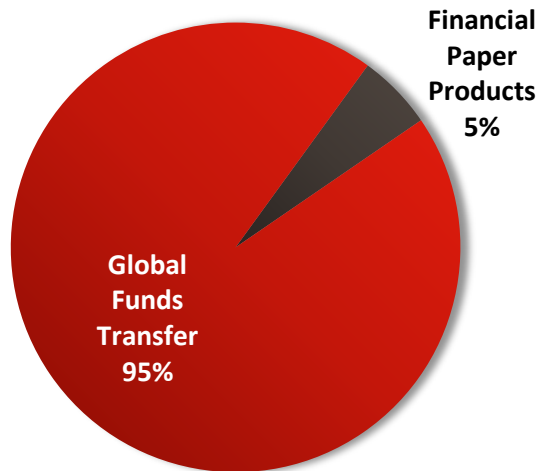


	Q4 2014 YOY (%)	Q4 2014 ex. U.S.-to-U.S. WMT ⁽¹⁾	FY 2014 YOY (%)	FY 2014 ex. U.S.-to-U.S. WMT ⁽¹⁾
Transaction Volume Growth				
Total Transactions	(2%)	12%	2%	12%
U.S.-to-U.S.	(40%)	1%	(22%)	10%
U.S. Outbound	14%		15%	
U.S. to Mexico	14%		20%	
Non-U.S.	12%		10%	
Revenue Growth				
Money Transfer Revenue	(10%)	2%	(1%)	7%
Money Transfer Constant Currency Revenue	(8%)	5%	(1%)	8%

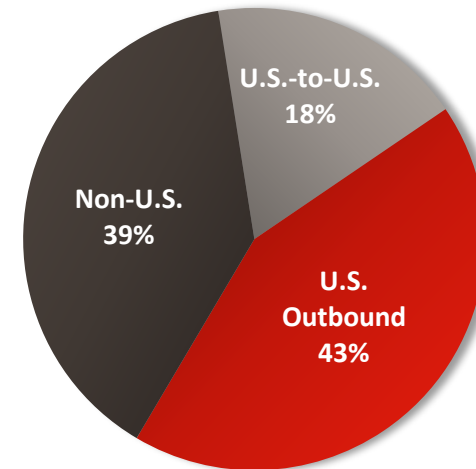
(1) Excluding U.S.-to-U.S. transactions originated at Walmart.

Global agent locations of 350,000, a net addition of 14,000 over the past year.

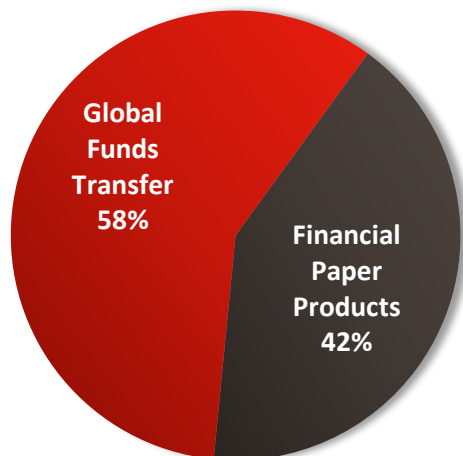
Revenue by Segment



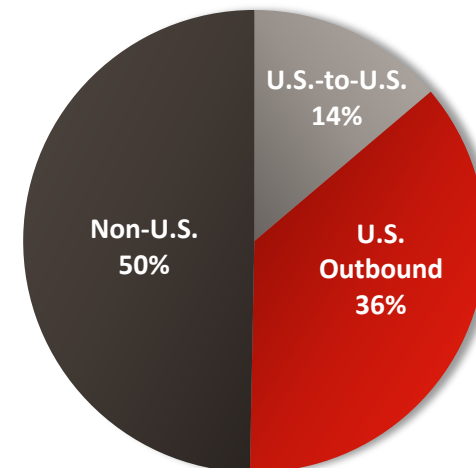
Money Transfer Transactions by Category



Operating Income by Segment ⁽¹⁾

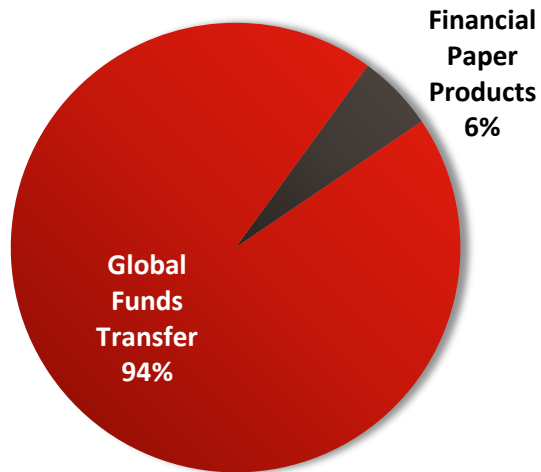


Money Transfer Revenue by Category

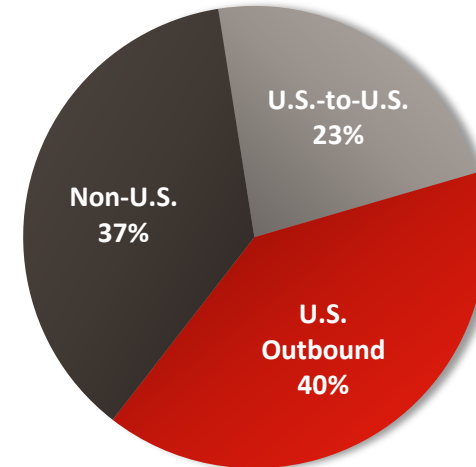


(1) Excludes other and unallocated expenses, approximated.

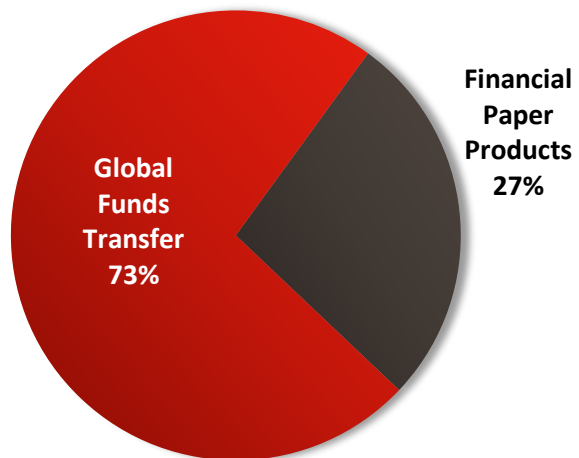
Revenue by Segment



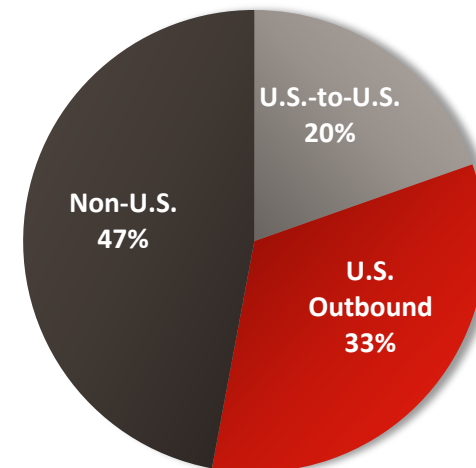
Money Transfer Transactions by Category



Operating Income by Segment ⁽¹⁾



Money Transfer Revenue by Category



(1) Excludes other and unallocated expenses, approximated.

- Self-service represented 9% of money transfer revenue in the quarter
- Approximately 160,000 new active MGO customers added in the quarter

	Q4 2014 YOY (%)	FY 2014 YOY (%)
Self-Service Money Transfer		
Transaction Growth	42%	48%
Revenue Growth	32%	35%
MoneyGram Online⁽¹⁾		
Transaction Growth	23%	34%
Revenue Growth	17%	26%

(1) Includes money transfer and bill payment.

2015 Outlook

*Flat Constant Currency
Revenue Growth⁽¹⁾*

*Constant Currency
Adjusted EBITDA
Decline: 8% to 12%*

✓ Reorganize & Restructure

- Enhance operating efficiencies and reduce the Company's cost base
- Approx. \$40 million in total cash outlays for the two-year program (2014 – 2015)
- MoneyGram anticipates that the program will result in annual pre-tax cost savings of approx. \$20 million on a run-rate basis exiting 2015
- In 2014, MoneyGram incurred \$30.5 million of cash outlays on the program
- Approx. \$10 million of additional restructuring and reorganization cash outlays remains to be spent in 2015

✓ Enhance Compliance

- Implement market-leading systems, technology and processes, and increase agent oversight
- Projected cash outlays of \$80 to \$90 million for the total three-year program (2014 - 2016)
- Estimated \$30 to \$40 million remains to be spent on the program

✓ Invest for Self-Service Growth

- MoneyGram continues to invest in the expansion of our suite of innovative products and services to ensure world-class convenience and flexibility for customers

✓ Other 2015 Outlook Items

- 2015 CAPEX: \$90 - \$100 million
- 2015 Agent Signing Bonus: \$65 - \$80 million

EBITDA & Adjusted EBITDA



\$ in Millions

	Q4 2014	FY 2014
Income before income taxes	\$ 8.5	\$ 72.6
Interest expense	11.5	44.2
Depreciation and amortization	15.3	55.5
Amortization of agent signing bonuses	14.6	53.8
EBITDA	\$ 49.9	\$ 226.1
Significant items impacting EBITDA:		
Net securities gains	\$ (23.0)	\$ (45.4)
Stock-based and contingent performance compensation ⁽¹⁾	(6.4)	6.9
Legal and contingent matters ⁽²⁾	14.9	16.4
Reorganization and restructuring costs ⁽³⁾	12.9	30.5
Compliance enhancement program	5.1	26.7
Losses related to agent closures	3.9	7.4
Direct monitor costs	1.9	6.5
Capital transaction costs ⁽⁴⁾	-	2.1
Adjusted EBITDA	\$ 59.2	\$ 277.2
Adjusted EBITDA Margin⁽⁵⁾	16.9%	19.1%

(1) Stock-based compensation and one-time contingent performance award payable after three years based on achievement of certain performance targets.

(2) Legal and contingent matters consists of \$11.0 million related to the state Civil Investigative Demand accrual and other matters.

(3) Reorganization and restructuring costs relate to the 2014 Global Transformation Program.

(4) Professional and legal fees incurred related to the April 2, 2014 debt and equity transactions, subsequent shelf registration and capital contributions from investors' payment to Walmart for the Participation Agreement.

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

Adjusted Free Cash Flow



\$ in Millions

	Q4 2014	FY 2014
Adjusted EBITDA	\$59.2	\$277.2
Cash interest expense	(10.7)	(41.1)
Cash tax expense	(1.5)	(6.4)
Cash payments for capital expenditures	(21.1)	(85.8)
Cash payments for agent signing bonuses	(61.0)	(93.9)
Adjusted Free Cash Flow	(\$35.1)	\$50.0

Q4 2014 Summary of Adjusting Items



\$ in Millions

	Q4 2014 Total	Transaction & Operations Support	Compensation & Benefits	Occupancy, Equipment & Supplies	Net Securities Gains
Net securities gains	\$ (23.0)	\$ -	\$ -	\$ -	\$ (23.0)
Stock-based and contingent performance compensation ⁽¹⁾	(6.4)	-	(6.4)	-	-
Legal and contingent matters ⁽²⁾	14.9	14.9	-	-	-
Reorganization and restructuring costs ⁽³⁾	12.9	4.2	8.1	0.6	-
Compliance enhancement program	5.1	4.5	0.2	0.4	-
Loss related to agent closure	3.9	3.9	-	-	-
Direct monitor costs	1.9	1.9	-	-	-
Total	\$ 9.3	\$ 29.4	\$ 1.9	\$ 1.0	\$ (23.0)

(1) Stock-based compensation and one-time contingent performance award payable after three years based on achievement of certain performance targets.

(2) Legal and contingent matters consists of \$11.0 million related to the state Civil Investigative Demand accrual and other matters.

(3) Reorganization and restructuring costs relate to the 2014 Global Transformation Program.

FY 2014 Summary of Adjusting Items



\$ in Millions

	FY 2014 Total	Transaction & Operations Support	Compensation & Benefits	Occupancy, Equipment & Supplies	Net Securities Gains
Net securities gains	\$ (45.4)	\$ -	\$ -	\$ -	\$ (45.4)
Reorganization and restructuring costs ⁽¹⁾	30.5	10.0	19.7	0.8	-
Compliance enhancement program	26.7	22.6	2.9	1.2	-
Legal and contingent matters ⁽²⁾	16.4	16.4	-	-	-
Losses related to agent closures	7.4	7.4	-	-	-
Stock-based and contingent performance compensation ⁽³⁾	6.9	0.5	6.4	-	-
Direct monitor costs	6.5	6.5	-	-	-
Capital transaction costs ⁽⁴⁾	2.1	2.1	-	-	-
Total	\$ 51.1	\$ 65.5	\$ 29.0	\$ 2.0	\$ (45.4)

(1) Reorganization and restructuring costs relate to the 2014 Global Transformation Program.

(2) Legal and contingent matters consists of \$11.0 million related to the state Civil Investigative Demand accrual and other matters.

(3) Stock-based compensation and one-time contingent performance award payable after three years based on achievement of certain performance targets.

(4) Professional and legal fees incurred related to the April 2, 2014 debt and equity transactions, subsequent shelf registration and capital contributions from investors' payment to Walmart for the Participation Agreement.

In addition to results presented in accordance with GAAP, this presentation includes 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 Adjusted 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.

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, Adjusted 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.