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## **MoneyGram and Safaricom Expand Access to Remittances in Kenya**

### **New Agreement Enables Consumers to Send Directly to Subscribers on the M-PESA Network in Kenya**

Nairobi, Kenya 5th November 2014 (GLOBE NEWSWIRE) -- MoneyGram (NASDAQ: MGI), one of the largest money transfer companies in the world, and Safaricom, the leading provider of converged communication solutions in Kenya, today announced the launch of a new service that enables consumers in over 90 countries outside Kenya to send money directly to M-PESA, Kenya's leading mobile money transfer solution.

The new offering makes it easier, faster and more convenient for Kenyans living in more than 90 countries to send money directly to nearly 20 million M-PESA customers living in the country, opening up the possibility to tap into the over \$1.7 billion sent home by Kenyans abroad every year.

The launch was celebrated at a press conference in Nairobi which was attended by Pamela H. Patsley, MoneyGram's chairman and chief executive officer, and Bob Collymore, Safaricom's chief executive officer, as well as U.S. Ambassador to Kenya Robert F. Godec and Governor of the Central Bank of Kenya Njuguna Ndung'u.

"MoneyGram is excited to work with Safaricom to provide millions of customers with access to fast, reliable and secure options to send and receive money. Safaricom's M-PESA is a global leader in mobile money and has helped increase financial inclusion in Kenya," said Patsley. "As MoneyGram continues to expand its self-service product offerings, this activation with Safaricom is an important step forward in providing an exceptional consumer experience. We are working with our agents around the world to ensure this service is a success."

Ms. Patsley, who is visiting Kenya for the first time, also applauded Kenya's mobile money transfer progress which she said was a global phenomenon and a great success story. Customers have access to MoneyGram in more than fifty African countries, and the company is committed to supporting economic development across the continent through expanded walk-in and self-service offerings like the M-PESA service.

"Over the last eight years, M-PESA has enabled nearly 70% of the adult population in Kenya to access financial services, up from 40% in 2007. M-PESA is enabling an increasingly secure and vibrant digital economy in Kenya. This new relationship with MoneyGram enables us to tap into remittances coming in from Kenyans living in other countries," said Safaricom's chief executive officer, Bob Collymore.

He added, "As we draw closer to unveiling our new M-PESA platform, we are laying the foundation for deeper integration with both local and international financial institutions, with a view to helping transform lives by availing fast and convenient services across the country."

The introduction of the new service will mean that M-PESA subscribers will be able to receive funds into their account 24 hours a day, 7 days a week and 365 days a year. Consumers can visit MoneyGram locations in 90 countries or MoneyGram Online to send funds to an M-PESA customer in Kenya. The M-PESA customer will receive an SMS in real time confirming that the funds have arrived and will be able to collect the cash from an M-PESA agent.

Remittances from Kenyans abroad are now part of the top contributors to gross domestic product. The Central Bank of Kenya (CBK), recorded a 20% increase in remittances from the diaspora in August 2014. The amounts received locally are often used for life's essentials and daily expenses, while the remainder funds key economic and social functions such as paying bills or financing business needs.

#### **About MoneyGram International, Inc.**

MoneyGram, a leading money transfer company, provides essential services to consumers who are not fully served by traditional financial institutions. MoneyGram offers worldwide money transfer services in more than 200 countries and territories through a global network of 347,000 agent locations, including retailers, international post offices and banks. MoneyGram also offers bill payment services, issues money orders and processes official checks in select markets.

#### **About Safaricom**

Safaricom transforms lives. We provide voice, data, financial services and enterprise solutions for a range of subscribers, small businesses and government, using a variety of platforms.

As the biggest communication company in East and Central Africa, Safaricom has delights over 21 million subscribers, providing over 200,000 touch points for its customers and offering over 100 different products under its portfolio.

With annual revenues in excess of Kshs 100 Billion, Safaricom invested Kshs 27.78 billion in infrastructure this year, providing over half of Kenya's population with 3G coverage and providing 2G coverage to 90% of Kenyans. Safaricom harnesses its proprietary fibre infrastructure, and is in the process of building a dedicated enterprise business to provide managed services to clients in the East African region.

Safaricom pioneered commercial mobile money transfer globally through M-PESA, the most successful such service anywhere in the world. Launched in March 2007 as a money transfer service, M-PESA now has over 19 million customers and over 81,000 Agent outlets countrywide.

### **About Safaricom's M-PESA**

The M-PESA service, the first of its kind in the world, was launched in March 2007. As at 30<sup>th</sup> September, 2014, the service had over 19 million customers and over 81,000 Agent outlets countrywide. Over 600 organizations are now accepting Bill Payment via M-PESA.

The service does not require users to have a bank accounts; an important aspect in Kenya, where millions of people do not operate bank accounts. With M-PESA, account holders can buy electronic funds at an M-PESA agent and send the electronic value to any other mobile phone user in the country, who can then redeem it for conventional cash at any M-PESA agent.

M-PESA customers can hold up to KShs 100,000 in their M-PESA account at any one time, and can do transactions of up to KShs140,000 in a day. Amounts totaling between KShs 50 and KShs 70,000 can be deposited, sent or withdrawn per transaction.

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