



April 17, 2017

Euronet Worldwide's Statement on MoneyGram

LEAWOOD, Kan., April 17, 2017 (GLOBE NEWSWIRE) -- Euronet Worldwide, Inc. ("Euronet" or the "Company") (NASDAQ:EEFT), a leading electronics payments provider, today acknowledges it submitted a binding offer to acquire MoneyGram International, Inc. ("MoneyGram") (NASDAQ:MGI) to MoneyGram's Board of Directors on April 14, 2017. On April 16, 2017, MoneyGram announced it had rejected Euronet's offer and has entered into an amendment to the definitive agreement under which MoneyGram will merge with Ant Financial Services Group (the "Amended Merger Agreement"). Euronet intends to review the Amended Merger Agreement.

Euronet made its initial offer on March 14, 2017. Under the terms of its offer, Euronet proposed to acquire all shares outstanding of MoneyGram for \$15.20 in cash for each share of MoneyGram Common Stock and MoneyGram Preferred Stock on an as-converted basis. Euronet's proposal provided for no closing condition related to securing change of control consents covering money transmitter licenses in the jurisdictions in which MoneyGram operates and a \$69 million antitrust termination fee. Euronet's proposal also did not present security concerns and would not be subject to review by the Committee on Foreign Investment in the United States (CFIUS).

Michael Brown, Chairman and Chief Executive Officer of Euronet commented, "We have long believed a combination with MoneyGram would be of great benefit to Euronet and MoneyGram stockholders, customers and other stakeholders of these two great companies, which would be even stronger when combined. We are disappointed that the MoneyGram board has chosen not to pursue this combination."

"The road ahead for MoneyGram remains highly uncertain in our view. In light of bipartisan concerns that have been raised by four Members of Congress, extensive public reports examining questionable data security practices of Ant Financial and broad concern raised over Chinese based acquirers, we continue to hold the view that the Ant deal may never close."

"We are and will continue to be a growth company, having delivered more than a 20% adjusted EPS compounded annual growth rate since 2011. I founded this company with a strong belief in the potential to bring U.S. technology and know-how to countries that had been denied economic advances. We have spent more than \$500 million bringing U.S. technology, systems and hardware from U.S. brands, including Diebold, NCR, IBM and Microsoft, to the world. From dramatically lowering the cost of domestic money transfer in the U.S to bringing cardless ATMs to Europe, we will continue to lead our industry. We are tremendously proud of the growth and the value creation we have achieved."

Notwithstanding MoneyGram's amended agreement with Ant Financial, Euronet is compelled to set the record straight regarding recent arguments made public by Ant Financial as it pertains to the facts that directly impact the review and consideration of any proposed transaction with MoneyGram.

The Facts - Bipartisan Concern

- Bipartisan concerns have been raised by four Members of Congress about what Ant Financial would have you believe to be but "phantom national security concerns." Elected officials expressing concern about national security should never be dismissed as "political interference." Nor should Ant give the back of its hand to the serious work being undertaken by the Committee on Foreign Investment in the United States (CFIUS).

- ┆ These complaints also ignore the inherent inequity between U.S. and Chinese acquirers when it comes to reciprocal transactions.

- Consider a sample of the following voices concerned about the transaction:

- ┆ "Thus the proposal merits careful evaluation as it would provide Chinese access to the U.S. financial infrastructure, a move that would pose significant national security risks if completed." - Representatives Kevin Yoder and Eddie Bernice Johnson
- ┆ "The Chinese government is a significant shareholder of Ant Financial, with an approximate 15% stake. Should this transaction be approved, the Chinese government would gain significant access to, and information on, financial

- markets and specific international consumer money flows...we must fully examine how the MoneyGram network may be used by the Chinese government to target these voices." - Representatives Robert Pittenger and Chris Smith
- | "This deal would not only cause harm to President Trump's trade agenda, it would also create a serious national security and cybersecurity threat to the American economy." - Dan Perrin, Executive Director, The Council to Reduce Known Cyber Vulnerabilities
- | "As the Chinese government increasingly cracks down on the political, religious and human rights activists, we must fully examine how the MoneyGram network may be used by the Chinese government to target these voices." - Michael R. Wessel, U.S.-China Economic and Security Review Commission

•Consider some of the voices concerned about Chinese acquirers:

- | "The political realities on both sides pose a major downside risk to both pending transactions as well as the pace of newly announced investments in coming months." - Rhodium report
- | "Wall Street should bet on Team Trump curbing at least some Chinese deals." - Samir N. Kapadia is a political data scientist and managing director at VogelHood Group, a quantitative policy advisory firm in Washington, DC
- | "It is clear that China's number one goal is to take US technology capabilities so that Chinese firms can gain global market share at the expense of their foreign competitors." - Robert D. Atkinson, president and founder of the Information Technology and Innovation Foundation (ITIF)
- | "China appears to be conducting a campaign of commercial espionage against U.S. companies involving a combination of cyber espionage and human infiltration to systematically penetrate the information systems of U.S. companies to steal their intellectual property, devalue them, and acquire them at dramatically reduced prices." - U.S.-China Economic and Security Review Commission 2016 Report to Congress, November 2016
- | "Generous financing from the Chinese government allows corporations like Zoomlion to outbid other suitors that might be more reliable from a national security perspective. And when shareholders see a higher bid, they are prone to tune out the national security implications." - BG (USA-Ret.) John Adams, Former Deputy U.S. representative, NATO Military Committee

The Facts - History of Data Security Concerns

•There is ample material in the public record to give any consumer or regulator pause with regard to how Ant Financial and its founder view the supposed protection of data.

•A report published in a peer-reviewed legal journal titled "Consumer protection in mobile payments in China: A critical analysis of Alipay's service agreement" questions if Ant Financial's user agreements meet even China's relatively loose consumer protection standards. The article cites: "Alipay's service agreement states that 'the company will profile the consumer's information and use it for sale or reward. **The company may also disclose the identity information of the consumers**'." It does not reveal the potential recipients of this disclosure.

•Another research report titled "Cashless Society, Cached Data: Are Mobile Payment Systems Protecting Chinese Citizens' Data?" from the University of Toronto's Citizen Lab states that "the extent to which Alipay shares such data with the Chinese government is troublingly unclear in light of the wealth of citizens' data the company has acquired." The report further states that "the history of Alipay's data breaches and the company's cavalier attitude toward user security are troubling given the scope and amount of personal user data the app collects to conduct financial and other transactions."

•A simple search quickly reveals that Ant Financial's founder has publicly urged the Chinese government to use data in troubling ways. A Bloomberg News article from October 2016 states: "Chinese billionaire Jack Ma [founder of Ant Financial] proposed that the nation's [China's] top security bureau use big data to prevent crime, endorsing the country's nascent effort to build unparalleled online surveillance of its billion-plus people....The capabilities Ma described also highlight the role that leading technology companies -- including Alibaba -- could play in helping build a system not unlike that of Steven Spielberg's "Minority Report," in which an all-knowing state can stop crimes before they take place."

•Furthermore, Ant Financial is already using its customers' data in China's social credit score project that was described by the Wall Street Journal as "China's New Tool for Social Control." This story noted that Ant Financial is "one of eight companies approved [by the Chinese government] to pilot commercial experiments with social-credit scoring."

•Ant Financial's own statements speak volumes. Ant Financial is "working actively with public agencies, financial institutions, and various types of merchants to obtain more data" in its participation in the Chinese government's "social credit system."

The Facts - Ongoing Protection of U.S. Data

•Ant Financial stated on April 6, 2017 that it wanted to connect "the Ant Financial and MoneyGram ecosystems." You simply cannot combine ecosystems - to achieve a business goal or comply with regulations - without involving the integration of data and the architecture of these backbone systems. Access to the architecture of these servers, which the ultimate owner

controls, plays a central role in maintaining the protection of this data.

- The integration of ecosystems stands in sharp contrast to Ant Financial's claims to elected officials and regulators about supposed firewalls and MoneyGram operating as a standalone company.
- This has absolutely nothing to do with MoneyGram's talented staff and everything to do with the track record of its proposed new owner.

About Euronet Worldwide, Inc.

Euronet Worldwide is an industry leader in processing secure electronic financial transactions. The Company offers payment and transaction processing solutions to financial institutions, retailers, service providers and individual consumers. These services include comprehensive ATM, POS and card outsourcing services, card issuing and merchant acquiring services, software solutions, cash-based and online-initiated consumer-to-consumer and business-to-business money transfer services, and electronic distribution of prepaid mobile phone time and other prepaid products.

Euronet's global payment network is extensive - including over 35,000 ATMs, approximately 163,000 EFT POS terminals and a growing portfolio of outsourced debit and credit card services which are under management in 53 countries; card software solutions; a prepaid processing network of approximately 661,000 POS terminals at approximately 305,000 retailer locations in 35 countries; and a global money transfer network of approximately 317,000 locations serving 146 countries. With corporate headquarters in Leawood, Kansas, USA, and 61 worldwide offices, Euronet serves clients in approximately 160 countries. For more information, please visit the Company's website at www.euronetworldwide.com.

Non-GAAP Financial Measures

Adjusted earnings per share (adjusted EPS) is a non-GAAP measure that is defined as diluted U.S. GAAP earnings per share excluding, to the extent incurred in the period, the tax-effected impacts of: a) foreign currency exchange gains or losses, b) goodwill impairment charges, c) gains or losses from the early retirement of debt, d) share-based compensation, e) acquired intangible asset amortization, f) non-cash interest expense, g) non-cash income tax expense, and h) other non-operating or non-recurring items. Adjusted earnings per share represents a performance measure and is not intended to represent a liquidity measure. Non-GAAP measures may not be comparable to similarly titled non-GAAP measures used by other companies and should be used in addition to, and not a substitute for, measures computed in accordance with U.S. GAAP. See slide 16 in our investor presentation included as Exhibit 99.2 to our Form 8-K dated March 14, 2017 for a reconciliation of adjusted EPS to its most directly comparable U.S. GAAP financial measure.

Note on Forward-Looking Statements

This press release contains "forward-looking statements" related to the proposed transactions involving MoneyGram, including, but not limited to, statements regarding the benefits of a combination of MoneyGram and Euronet as well as statements regarding the companies' future performance. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release, including the following: MoneyGram and Ant Financial's combination may not proceed as expected; the combination of MoneyGram and Euronet, if it were to proceed, may not proceed as expected; Euronet may not continue to grow as expected; and the outcome of the CFIUS review process is uncertain. In addition, please refer to the documents that Euronet has filed with the SEC on Forms 10-K, 10-Q and 8-K. These filings identify and address other important risks and uncertainties that could cause events and results to differ materially from those contained in the forward-looking statements set forth in this press release. Any forward-looking statements made in this press release speak only as of the date of this press release. Readers are cautioned not to put undue reliance on forward-looking statements, and Euronet assumes no obligation and does not intend to update these forward-looking statements, whether as a result of new information, future events or otherwise.

Media Contacts

Abernathy MacGregor

Tom Johnson or Patrick Tucker

(212) 371-5999

tbj@abmac.com

pct@abmac.com

Investor Contacts

Euronet Worldwide

Stephanie Taylor

Director of Financial Planning & IR

(913) 327-4221

staylor@euronetworldwide.com

 Primary Logo

Source: Euronet Worldwide, Inc.

News Provided by Acquire Media