

Travelex Holdings Limited

Summary mid year update for the six months ended 30 June 2009

The Directors of Travelex Holdings Limited present their summary mid year update for the Company and its subsidiaries (the Group) for the six months ended 30 June 2009. The information contained in this summary is extracted from the unaudited management accounts which exclude any statutory year end adjustments.

Group overview

During the first half of the year the Group has operated in the face of challenging market conditions, across all businesses and regions. Revenue for the six months to 30 June 2009 is down 9% compared to the same period last year, with each of our three divisions impacted. Good cost control has been offset by investment in growth opportunities, leading to EBITDA¹ down 14% on last year. We also continue to convert profits strongly into cash and operate within our covenants with good headroom.

Global Business Payments

Our Global Business Payments division continues to be impacted by the external environment. Revenues and EBITDA have declined in the period compared to the same period last year. Weaker demand is being felt across all countries and all regions and this is consistent with the widespread fall in international trade. In the current market conditions we remain focused on managing the risk of credit losses within our customer portfolio and providing superior levels of service and competitive pricing.

Retail

The Retail division is performing in line with expectations despite lower passenger numbers in each of our key regions. The Division generated revenue and EBITDA below last year in the six months to June. In the United Kingdom the expansion of our foreign currency ATMs network continues, generating a good return on investment. Americas has been greatest impacted by declining passenger numbers after good growth in 2008. In Asia Pacific, Australia and Japan are performing well, ahead of last year in terms of revenue and EBITDA. This is offset by a weak performance in Hong Kong where the improving ties between China and Taiwan are impacting performance. The profitability of EMEA continues to grow strongly, with the Netherlands money transfer business experiencing strong demand.

Outsourcing

The Outsourcing division saw revenues and EBITDA decline compared to the same period last year. Cash is performing well, with revenues and EBITDA above last year driven by the expansion of our Supermarkets business. At the end of June 2009 we had operations in 178 stores compared to 76 last year. Currency Select is also outperforming 2008 as we begin to see the benefits of the investment we are making into our dynamic currency conversion product. Demand for our 'Cash Passport' prepaid card product remained strong. In April we signed a global partnership agreement with MasterCard that will provide the platform for the re-engineering and

rapid expansion of this business. Wholesale banknotes have experienced weak demand compared to the rapid growth of 2008.

Non core operations

The wind down of the travellers' cheques business continues to plan, and the encashment profile of cheques is performing to expectations.

Outlook

Market conditions remain challenging across the business, particularly in the Americas. We remain focused on closely managing our cost base and maximising our cash generation. We continue to maintain a good level of headroom on both cash generation against cash outflow requirements and against our covenants. The Group remains committed to investing in selective growth opportunities – Business Payments, Cash Passport, FX ATMs, Supermarkets, and Currency Select. Our ability to service our clients has not been impacted by the continued weak market conditions and we continue to be well positioned to take advantage of opportunities available to us.

¹ EBITDA is earnings from continuing operations before interest, tax, depreciation, amortisation and exceptional items.