

ASX/MEDIA RELEASE

OZFOREX DELIVERING ON KEY METRICS FOR HALF YEAR RESULTS

Highlights

- Key operating and financial metrics in line with prospectus forecasts resulting in a NPAT positive variance of 7%
- Net operating income up by 41.8% to \$35.1m in 1H2014, compared to 1H2013
- Active clients are in line with prospectus forecast at 107,000 for pro forma 6 months 1H2014
- Growth driven by ongoing roll-out in the US and ramp up in Travelex Branded Partnership arrangements in Australia & New Zealand
- Client growth is delivering ongoing momentum in transaction turnover – increased to 6.6 billion for pro forma 6 months 1H2014
- Balance sheet remains robust with strong cash flow generation and no gearing
- OzForex is on track to meet its FY14 prospectus forecasts.

Sydney, 20 November 2013 – International payments service provider, OzForex Group (ASX:OFX) today announced pro forma NPAT for six months ended 31 October 2013 of \$9.6m, a 7% increase on the prospectus forecast of \$9.0m, and a 14% increase on 1H2013. Net operating income of \$35.1m is 6% ahead of prospectus forecast for the same period, and represents a 41.8% increase on 1H2013.

EBTDA of \$13.4m for 1H2014 is up 3% on the prospectus forecast, and is a 10% increase on 1H2013. EBTDA for 1H2013 included a one off benefit from a historic GST claim of \$0.8m, and the pro forma EBTDA for 1H2014 included \$1.0m of on-going public company costs that were not in the statutory numbers. Normalising these timing differences would result in EBTDA growth of 28% in 1H2013 and 27% in 1H2014.

OzForex's active clients (those clients that have traded previously with OzForex in the last 12 months) increased slightly on the prospectus forecast to 107,000 for 1H2014, representing a 29% increase on the prior corresponding period.

Chief Executive Officer of OzForex, Mr Neil Helm said the profit growth was in line with the prospectus forecasts and the group's strategy positioned the company well going into the second half.

"The opportunity across the international payments market is large and diverse, and we have a proven management team in place that is focused on the clear opportunities to capture market share gains in this burgeoning global funds transfer market.

"We have a competitive business model in a growth industry that is attractive to our clients, and importantly, has some differentiating characteristics that aren't readily replicated".

Operational Highlights

OzForex has increasingly focused on the US market over the past 12 months, recognising the size of the opportunity and its attractive characteristics. The company has increased its licencing footprint from 16 states to 32, which now covers 75% of the US population, up from 38% as at 30 September 2012.

North American revenue is increasing in line with plan and for 1H2014 represents 11% of total fee and commission income before hedging and transaction costs, up from 9% in 1H2013.

In Australia and New Zealand the company has launched Travelex international payment services as part of an ongoing roll-out of the global Travelex branded partnership. MoneyGram International Payment Services was also successfully launched in these two countries.

International Payment Solutions (IPS) increased from 11% of total fee and commission income before hedging and transaction costs in 1H2013 to 12% in 1H2014.

Group Strategy

OzForex's strategy is to drive growth in clients delivering increased transactions and turnover, with a particular focus on growing the number of clients who are classed as 'active' across the customer portfolio.

The strategy can be categorised across three key initiatives:

1. Continuous improvement in OzForex's core business model

- Drive client online registration to increase conversion rates and improve overall customer service
- Use and expand the functionality across mobile services, tablets and apps to grow transaction volumes

2. Geographic expansion of OzForex's international payment services

- Continue to grow in key markets such as Hong Kong and the United States
- Seek additional state licences in the US as a platform for increasing market share

3. Expansion of OzForex's international payment solutions

- Further geographic roll out and introduction of new services for existing Branded Partnership clients including Travelex
- Ongoing development and implementation of OzForex's Business Solutions to a broader range of financial services institutions

ENDS

About OzForex

The OzForex Group is a global provider of online international payment services for consumer and business clients. The OzForex Group technology also powers international money transfer services of Travelex, Moneygram, ING Direct, Macquarie International Money Transfers and other international financial institutions. Established in 1998 with the aim of providing clients with a better deal, it has offices in Sydney, Toronto, San Francisco, London, Hong Kong, and Auckland. The OzForex Group provides services under the brands OzForex, UKForex, CanadianForex, USForex, NZForex, Tranzfers and ClearFX. Its parent company, OzForex Group Limited, is a publicly listed entity with shares traded on the Australian Securities Exchange under the code "OFX".

For more information please contact:

**Peter Brookes, Citadel Communications,
W 02 9290 3033
M 0407 911 389**