



# Third Quarter 2010 Corporate Results

October 27, 2010

## Presenters

Michael J. Brown, Chairman & CEO

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# Forward-Looking Statements

Statements contained in this presentation that concern Euronet's or its management's intentions, expectations or predictions of future performance, are forward-looking statements. Euronet's actual results may vary materially from those anticipated in such forward-looking statements as a result of a number of factors, including: conditions in world financial markets and general economic conditions; technological developments affecting the market for the Company's products and services; foreign currency exchange fluctuations; the Company's ability to renew existing contracts at profitable rates; and changes in laws and regulations affecting the Company's business, including immigration laws. These risks and other risks are described in the Company's filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Copies of these filings may be obtained via the SEC's Edgar website or by contacting the Company or the SEC. Euronet does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances. The Company regularly posts important information to the investor relations section of its website

# Defined Terms

Unless specifically noted otherwise within this presentation, the following terms are hereby defined as follows:

Adjusted EBITDA is defined as operating income excluding depreciation, amortization, share-based compensation expenses and other non-recurring items. Although these items are considered operating costs under U.S. GAAP, these expenses primarily represent non-cash current period allocations of costs associated with long-lived assets acquired in prior periods. Similarly, expense recorded for share-based compensation does not represent a current or future period cash cost.

Adjusted cash earnings per share (Cash EPS) is defined as diluted U.S. GAAP earnings per share excluding the tax-effected impacts of: a) foreign exchange gains or losses, b) discontinued operations, 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 cash earnings per share includes shares potentially issuable in settlement of convertible bonds or other obligations, if the assumed issuances are dilutive to adjusted cash earnings per share.

The reconciliation of non-GAAP items is included in the attached supplemental data.



# Q3 2010 Financial Report

Rick L. Weller

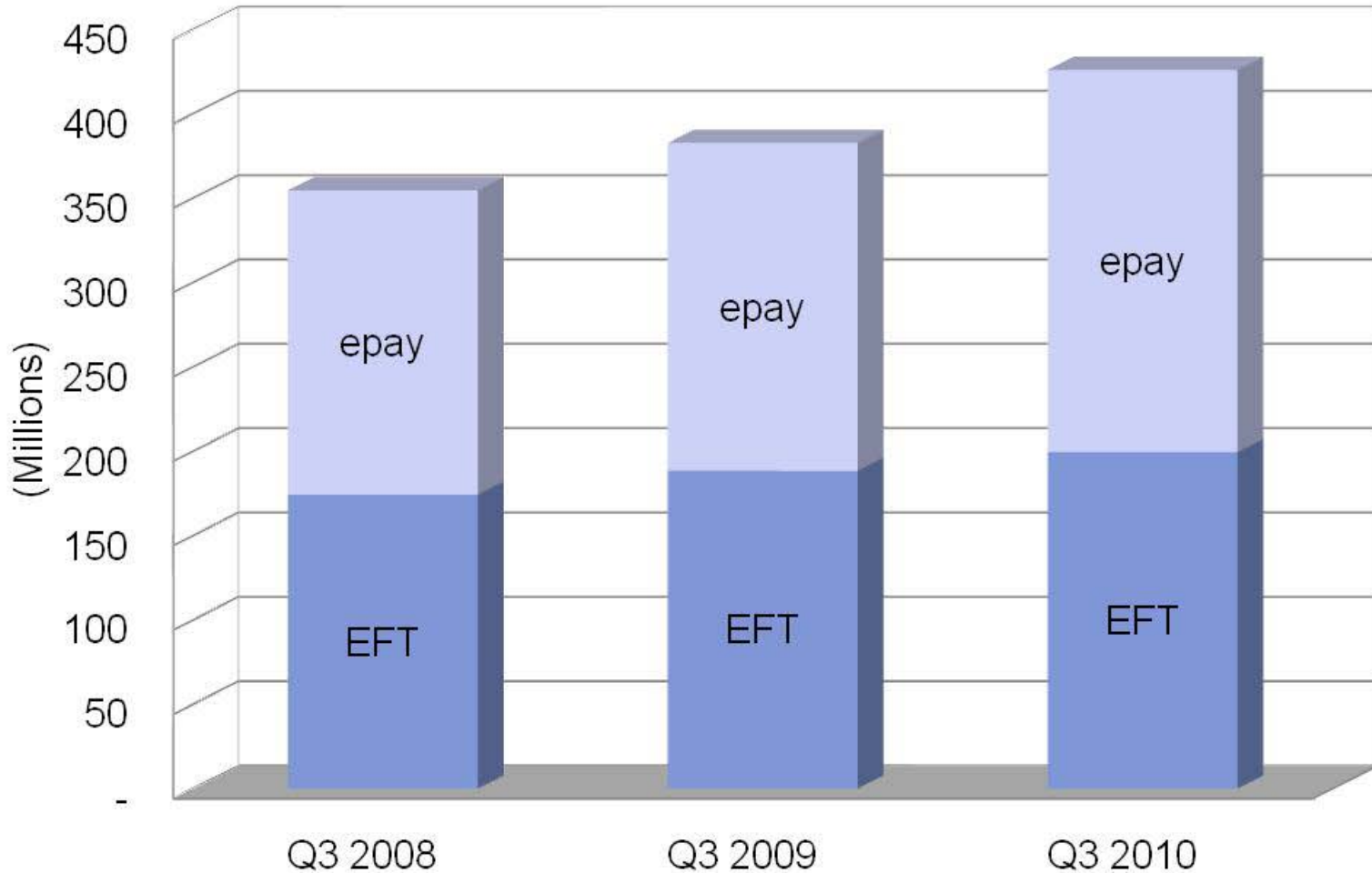
# Q3 2010 Financial Report

## Quarterly Financial Highlights

- ◆ Revenue - \$260.2 million
  - ◆ 2% decrease from \$264.8 million for Q3 2009
  - ◆ 1% increase after adjusting for foreign currency fluctuations
- ◆ Operating Income - \$20.3 million
  - ◆ 8% decrease from \$22.1 million for Q3 2009
  - ◆ 3% decrease after adjusting for foreign currency fluctuations
- ◆ Adjusted EBITDA – \$36.9 million
  - ◆ 4% decrease from \$38.6 million for Q3 2009
  - ◆ Less than 1% increase after adjusting for foreign currency fluctuations
- ◆ Cash EPS – \$0.34
  - ◆ Exceeded guidance of \$0.33
  - ◆ The same as Q3 2009

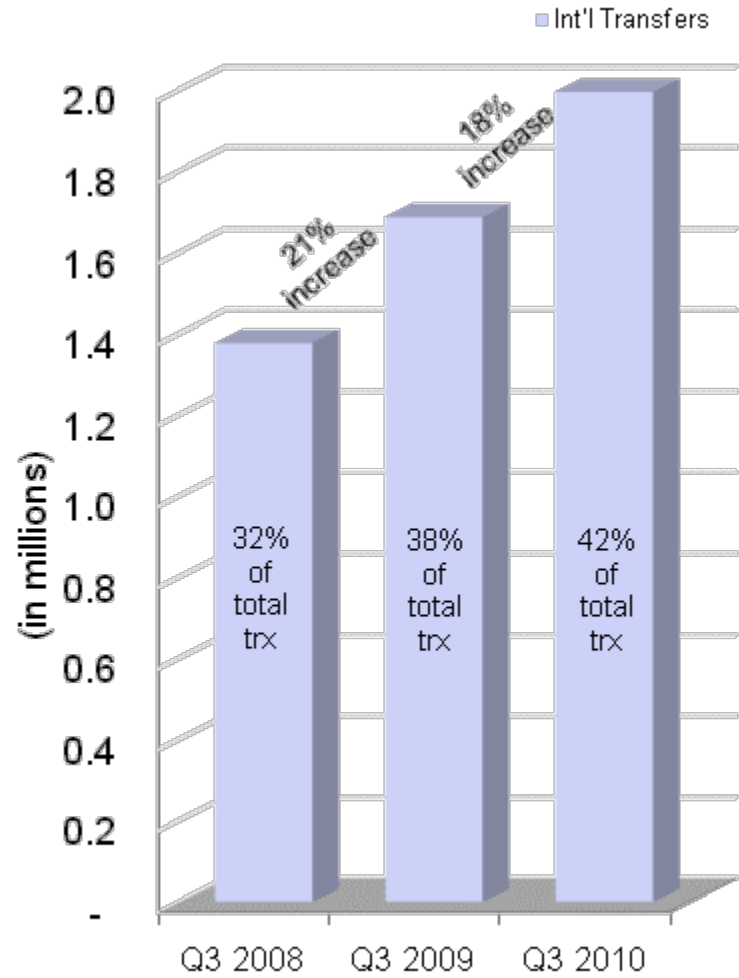
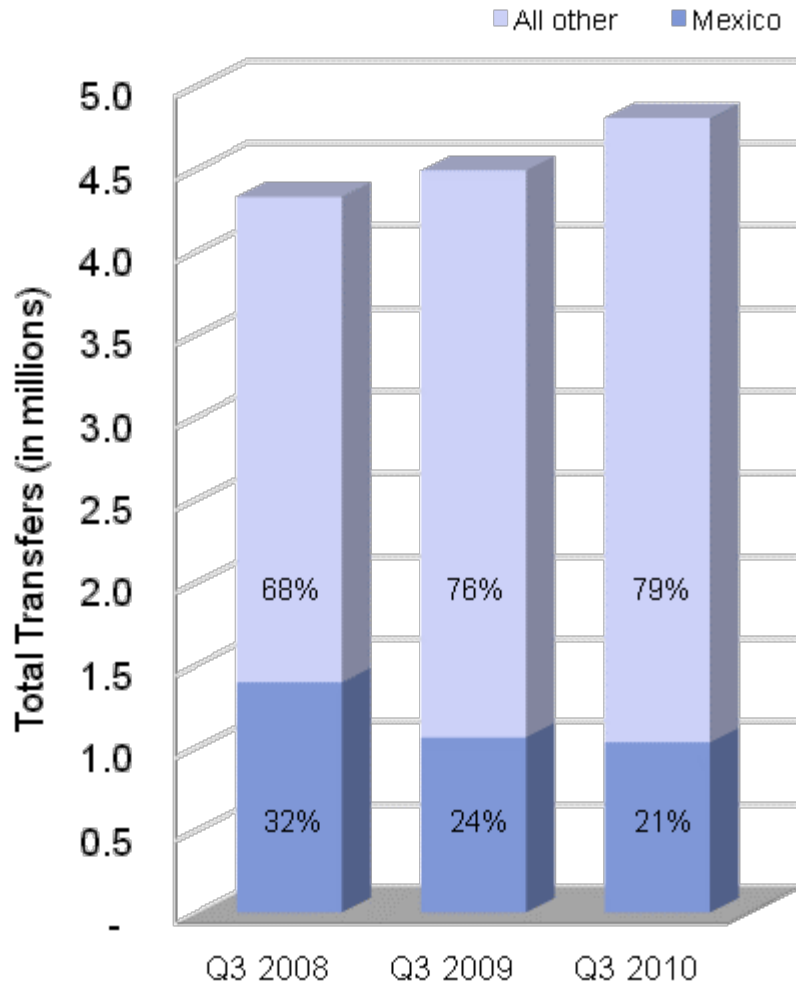
# Quarterly Transaction Growth

EFT and epay Combined



# Quarterly Transfer Growth and Mix

## Money Transfer Segment



# Q3 2010 Business Segment Results

## Same Quarter Prior Year Comparison

<i>As Reported</i>						
USD (in millions)	Revenue		Operating Income		Adjusted EBITDA	
	Q3 2009	Q3 2010	Q3 2009	Q3 2010	Q3 2009	Q3 2010
<b>EFT Processing</b>	\$ 50.9	\$ 49.1	\$ 12.2	\$ 10.5	\$ 17.0	\$ 15.4
<i>% Change</i>		-4%		-14%		-9%
<b>epay</b>	153.6	148.0	13.6	11.9	17.5	16.1
<i>% Change</i>		-4%		-12%		-8%
<b>Money Transfer</b>	60.3	63.1	2.6	3.7	7.9	8.8
<i>% Change</i>		5%		42%		11%
<b>Subtotal</b>	264.8	260.2	28.4	26.1	42.4	40.3
<i>% Change</i>		-2%		-8%		-5%
<b>Corporate, Eliminations &amp; Other</b>	-	-	(6.3)	(5.8)	(3.8)	(3.4)
<b>Consolidated Total</b>	\$ 264.8	\$ 260.2	\$ 22.1	\$ 20.3	\$ 38.6	\$ 36.9
<i>% Change</i>		-2%		-8%		-4%



# Q3 2010 Business Segment Results

Same Quarter Prior Year Comparison – Adjusted for FX\*

<i>Adjusted for FX*</i>						
USD (in millions)	Revenue		Operating Income		Adjusted EBITDA	
	Q3 2009	Q3 2010	Q3 2009	Q3 2010	Q3 2009	Q3 2010
<b>EFT Processing</b>	\$ 50.9	\$ <b>51.9</b>	\$ 12.2	\$ <b>11.3</b>	\$ 17.0	\$ <b>16.6</b>
<i>% Change</i>		2%		-7%		-2%
<b>epay</b>	153.6	<b>148.7</b>	13.6	<b>12.1</b>	17.5	<b>16.4</b>
<i>% Change</i>		-3%		-11%		-6%
<b>Money Transfer</b>	60.3	<b>65.7</b>	2.6	<b>3.8</b>	7.9	<b>9.1</b>
<i>% Change</i>		9%		46%		15%
<b>Subtotal</b>	264.8	<b>266.3</b>	28.4	<b>27.2</b>	42.4	<b>42.1</b>
<i>% Change</i>		1%		-4%		-1%
<b>Corporate, Eliminations &amp; Other</b>	-	-	(6.3)	<b>(5.8)</b>	(3.8)	<b>(3.4)</b>
<b>Consolidated Total</b>	\$ 264.8	\$ <b>266.3</b>	\$ 22.1	\$ <b>21.4</b>	\$ 38.6	\$ <b>38.7</b>
<i>% Change</i>		1%		-3%		0%

\* Results are adjusted for the estimated impact of changes in foreign currency exchange rates.  
See reconciliation of non-GAAP items in the attached supplemental data.

# Q3 2010 Financial Report

## Balance Sheet & Financial Position

USD (in millions)	6/30/2010	9/30/2010
Unrestricted Cash	\$ 202.6	\$ 178.7
Total Assets	1,271.6	1,410.4
Total Assets (excluding trust accounts)	1,095.4	1,188.3
Total Debt	289.2	292.4
Total Debt to Quarterly Annualized Adjusted EBITDA Multiple	2.2x	2.0x
Net Debt to Quarterly Annualized Adjusted EBITDA Multiple	0.7x	0.8x



# Business Overview

Michael J. Brown



# EFT Processing Segment



# EFT Processing

## Q3 2010 Financial Highlights

- ◆ Revenue – \$49.1 million
  - ◆ 4% decrease over \$50.9 million for Q3 2009
  - ◆ 2% increase after adjusting for foreign currency fluctuations
- ◆ Operating Income – \$10.5 million
  - ◆ 14% decrease from \$12.2 million for Q3 2009
  - ◆ 7% decrease after adjusting for foreign currency fluctuations
- ◆ Adjusted EBITDA – \$15.4 million
  - ◆ 9% decrease from \$17.0 million for Q3 2009
  - ◆ 2% decrease after adjusting for foreign currency fluctuations
- ◆ Transactions – 199.4 million
  - ◆ 6% increase over 188.4 million for Q3 2009

# EFT Processing

## Q3 2010 Business Highlights

- ◆ **Focused on expanding ATM, POS and Card network and outsourcing services**
  - ◆ *New agreements*
    - ◆ First Network Participation (NPA) agreement with Citibank in Romania
    - ◆ Signed outsourcing agreements with Development Credit Bank (125 ATMs) and Barclays (30 ATMs) in India
    - ◆ Signed Point-of-Sale (POS) top-up for Citibank merchants for third mobile operator in Slovakia
  - ◆ *Renewed/Extended agreements*
    - ◆ Raiffeisen in Serbia & Kosovo for ATM driving, monitoring and transaction switching
    - ◆ Credit Agricole in Serbia for ATM and POS driving, monitoring and transaction switching
    - ◆ Network Participation (NPA) agreements with Polbank and Lucas Bank in Poland

# EFT Processing

## Q3 2010 Business Highlights (Cont'd)

- ◆ OMV project nearly finished with Germany now complete, Romania and Serbia in process and two small remaining countries (Bulgaria and Slovakia)
  - ◆ Approximately 90% complete
- ◆ Germany transaction fee remained unchanged throughout Q3, however, rates expected to be considerably lower in Q1 2011
- ◆ Cashnet transactions remained relatively constant vs. prior year same quarter and sequential quarter
- ◆ Rolled out 36 ATMs in Q3 2010 in China, bringing total to 817 ATMs under management
- ◆ ATM backlog of approximately 900

# EFT Processing

## Q3 2010 Business Highlights (Cont'd)

- ◆ **Expansion into ancillary product lines to strengthen core offerings**
  - ◆ Agreement with Raiffeisen in Serbia for additional services at ATMs
  - ◆ Signed agreements with Pekao SA in Poland, BAL Bank in Germany and GE Money Bank in Czech Republic for value added services
  - ◆ Cross-sell arrangement with BCR(Erste) for 17,000 POS mobile top-up services in Romania
  - ◆ Completed the Cardless bill payment project and CRS (Cash Recycling System) modification for Postal in China
  
- ◆ **Focused on expanding ITM software services to new clients**
  - ◆ Piloting Euronet's Next Generation Mobile Banking Solution featuring SMS and Alert messaging
  
- ◆ **Continued sales expansion efforts with current ITM software clients for various payment processing products, especially**
  - ◆ International Card Association connections – Caribbean and Asia
  - ◆ EMV/Chip card expansion into Asia and Middle East



# epay Segment



# epay

## Q3 2010 Financial Highlights

- ◆ Revenue – \$148.0 million
  - ◆ 4% decrease from \$153.6 million for Q3 2009
  - ◆ 3% decrease after adjusting for foreign currency fluctuations
- ◆ Operating Income – \$11.9 million
  - ◆ 12% decrease from \$13.6 million for Q3 2009
  - ◆ 11% decrease after adjusting for foreign currency fluctuations
- ◆ Adjusted EBITDA – \$16.1 million
  - ◆ 8% decrease from \$17.5 million for Q3 2009
  - ◆ 6% decrease after adjusting for foreign currency fluctuations
- ◆ Transactions – 226.6 million
  - ◆ 17% increase over 194.4 million for Q3 2009

# epay

## Q3 2010 Business Highlights

- ◆ **Finalized the acquisition of Brazilian prepaid company**
  - ◆ Brazilian prepaid market growing at double digits
  - ◆ Brazil provides a large and stable platform for expansion throughout South America
  - ◆ Agreements with all mobile operators
  - ◆ Opportunity to expand epay non-mobile product set into South America
  - ◆ 14,000 points of sale
  
- ◆ **Telco product wins**
  - ◆ Agreement with Aspiag Service S.r.l., a large retailer in Italy, to provide mobile top-up at over 200 points of sale
  - ◆ Agreement with Miquel Alimentacion in Spain, a chain of supermarkets with 575 points of sale
  - ◆ Agreement with two mobile virtual network operators in Australia for top-up to be rolled out in Q4
  - ◆ Launched mobile top-up service for LycaMobile, a global prepaid mobile virtual network operator, in Spain

# epay

## Q3 2010 Business Highlights (Cont'd)

- ◆ **Non telco product wins**
  - ◆ Distribution agreements with Microsoft for MS Office and XBOX in Australia
  - ◆ Exclusive agreement in Australia with Jamster, a mobile entertainment provider
  - ◆ Agreement to provide iTunes in Dymocks Bookstores in Australia
  - ◆ Expanded agreement with Carrefour, a large hypermarket/convenience store chain in France, to provide closed-loop gift cards and other prepaid products
  - ◆ 3-year extension of exclusive 14-country agreement with Media Saturn Holding, the largest electronics retailer in Europe, to provide iTunes and mobile top-up
  - ◆ Agreement with Group&Play in Spain to develop lottery service based on e-vouchers
  - ◆ Launched epay-branded open loop gift card in the USA
  - ◆ Signed processing agreements with four gift box providers in Italy (including SmartBox, the #1 gift box provider)
  - ◆ Signed agreements with three gift box providers in Germany

# Money Transfer Segment



# Money Transfer

## Q3 2010 Financial Highlights

- ◆ Revenue – \$63.1 million
  - ◆ 5% increase over \$60.3 million in Q3 2009
  - ◆ 9% increase after adjusting for foreign currency fluctuations
- ◆ Operating Income – \$3.7 million
  - ◆ 42% increase over \$2.6 million for Q3 2009
  - ◆ 46% increase after adjusting for foreign currency fluctuations
- ◆ Adjusted EBITDA – \$8.8 million
  - ◆ 11% increase over \$7.9 million for Q3 2009
  - ◆ 15% increase after adjusting for foreign currency fluctuations
- ◆ Transfers – 4.8 million
  - ◆ 7% increase over 4.5 million for Q3 2009

# Money Transfer

## Q3 2010 Business Highlights

- ◆ Transaction growth over prior year same quarter in all markets
- ◆ Continuing to leverage opportunities created through Payment Services Directive by providing service in additional EU markets
- ◆ Worldwide network grew 29 percent from Q3 2009 to approximately 104,900 locations – currently providing transfers in 130 countries
- ◆ In Q3 of 2010, launched enhanced payout services in key countries including Jamaica, Ukraine, Bosnia, Senegal and Guatemala
- ◆ Pending launch of 23 new paying correspondents in 47 countries with 5,800 locations
- ◆ Sequential quarter improvement in year over year declines in transfers to Mexico last 4 quarters

# Money Transfer

## Q3 2010 Business Highlights

- ◆ Signed a long-term agreement to offer money transfer and bill payment services in 7-Eleven® stores through an integrated point-of-sale solution
  - ◆ Approximately 6,000 conveniently located stores in the United States
  - ◆ Agreement nearly doubles RIA's USA distribution network
  - ◆ Provides a globally recognized retail brand to nationally promote RIA's services throughout the US
- ◆ Signed a long-term agreement with Cash Store Financial Services Inc. to supply money transfer services in Canada
  - ◆ Network of 523 Cash Store and Instalozans branches



# Summary & Outlook

- ◆ Q3 2010 adjusted Cash EPS of \$0.34 exceeds guidance of \$0.33
- ◆ Transaction growth over prior year same quarter for all segments
- ◆ Key additions to Money Transfer network through long-term agreements
- ◆ Momentum from growth in value added services and renewal of key contracts in EFT
- ◆ Higher German transaction fees through Q4, reduced fees expected Q1 2011
- ◆ Expansion into largest South American market with acquisition of epay Brazil
- ◆ Continued product diversification in epay segment
- ◆ Q4 2010 adjusted Cash EPS is expected to be approximately \$0.39, assuming consistent FX rates

# Supplemental Data

The following schedules provided a full reconciliation of non-GAAP Financial Measures. Management believes that Adjusted EBITDA and adjusted cash earnings per share provide useful information to investors because they are indicators of the strength and performance of our ongoing business operations, including our ability to fund capital expenditures, acquisitions and operations and to incur and service debt. 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 the payment processing industry.

The Company's management analyzes historical results adjusted for certain items that are non-cash, non-operational or non-recurring. Management believes the exclusion of these items provides a more complete and comparable basis for evaluating the underlying business unit performance.

# Supplemental Data

**EURONET WORLDWIDE, INC.**  
**Reconciliation of Net Income to Adjusted EBITDA**  
**(unaudited - in millions)**

**Three months ended September 30, 2010**

	<u>EFT</u>		<u>Money</u>		<u>Corporate</u>		<u>Consolidated</u>
	<u>Processing</u>	<u>epay</u>	<u>Transfer</u>	<u>Services</u>			
Net income						\$	21.1
Add: Income tax expense							7.1
Deduct: Total other income, net							<u>(7.9)</u>
Operating income (loss)	\$ 10.5	\$ 11.9	\$ 3.7	\$ (5.8)			20.3
Add: Depreciation and amortization	4.9	4.2	5.1	0.1			14.3
Add: Share-based compensation	<u>-</u>	<u>-</u>	<u>-</u>	<u>2.3</u>			<u>2.3</u>
Earnings (loss) before interest, taxes, depreciation, amortization and share-based compensation (Adjusted EBITDA)	<u>\$ 15.4</u>	<u>\$ 16.1</u>	<u>\$ 8.8</u>	<u>\$ (3.4)</u>		<u>\$</u>	<u>36.9</u>

# Supplemental Data

**EURONET WORLDWIDE, INC.**  
**Reconciliation of Net Income to Adjusted EBITDA**  
**(unaudited - in millions)**

**Three months ended September 30, 2009**

	<b>EFT Processing</b>	<b>epay</b>	<b>Money Transfer</b>	<b>Corporate Services</b>	<b>Consolidated</b>
Net income					\$ 19.1
Deduct: Income from discontinued operations, net					(0.5)
Add: Income tax expense					8.1
Deduct: Total other income, net					<u>(4.6)</u>
Operating income (loss)	\$ 12.2	\$ 13.6	\$ 2.6	\$ (6.3)	\$ 22.1
Add: Depreciation and amortization	4.8	3.9	5.3	0.4	14.4
Add: Share-based compensation	<u>-</u>	<u>-</u>	<u>-</u>	<u>2.1</u>	<u>2.1</u>
Earnings (loss) before interest, taxes, depreciation, amortization and share-based compensation (Adjusted EBITDA)	<u>\$ 17.0</u>	<u>\$ 17.5</u>	<u>\$ 7.9</u>	<u>\$ (3.8)</u>	<u>\$ 38.6</u>

# Supplemental Data

## EURONET WORLDWIDE, INC.

### Reconciliation of Revenue, Operating Income (Loss) to Adjusted EBITDA to Amounts by Segment Adjusted for FX (unaudited - in millions)

Three months ended September 30, 2010

	EFT Processing		Money epay		Transfer		Corporate Services & Other		Consolidated	
Revenue	\$	49.1	\$	148.0	\$	63.1	\$	-	\$	260.2
Add: Estimated foreign currency impact *		2.8		0.7		2.6		-		6.1
Revenue - Adjusted for FX	\$	51.9	\$	148.7	\$	65.7	\$	-	\$	266.3
Operating income (loss)	\$	10.5	\$	11.9	\$	3.7	\$	(5.8)	\$	20.3
Add: Estimated foreign currency impact *		0.8		0.2		0.1		-		1.1
Operating income (loss) - Adjusted for FX	\$	11.3	\$	12.1	\$	3.8	\$	(5.8)	\$	21.4
Adjusted EBITDA (reconciled on previous schedule)	\$	15.4	\$	16.1	\$	8.8	\$	(3.4)	\$	36.9
Add: Estimated foreign currency impact *		1.2		0.3		0.3		-		1.8
Adjusted EBITDA - Adjusted for FX	\$	16.6	\$	16.4	\$	9.1	\$	(3.4)	\$	38.7

\* The Company's accounting and reporting systems accumulate results that include conversion of the results of foreign operations at average currency exchange rates in effect during the period. For the purposes of this analysis, management has converted the current period results of our foreign operations to U.S. dollars using average rates in effect in the prior period. This analysis has been prepared outside of our normal accounting systems and has inherent limitations as to its usefulness. Nonetheless, we have provided these estimates to illustrate the degree of the impact of changes in foreign currency exchange rates in analyzing the Company's results when compared to the prior period.

# Supplemental Data

**EURONET WORLDWIDE, INC.**  
**Reconciliation of Adjusted Cash Earnings per Share**  
**(unaudited - in millions, except share and per share data)**

	Three Months Ended September 30,	
	2010	2009
Net income attributable to Euronet Worldwide, Inc.	\$ 21.0	\$ 18.9
1.625% convertible debt interest, net of tax	-	0.8 (1)
Income applicable for common shareholders	21.0	19.7
Foreign exchange gain, net of tax	(8.9)	(7.6)
Intangible asset amortization, net of tax	4.6	4.7
Share-based compensation, net of tax	2.2	2.0
Non-cash 3.5% convertible debt accretion interest, net of tax	1.8	1.6
Gain on dispute settlement	(3.1)	-
Discontinued operations, net of tax	-	(0.4)
Gain on investment securities and related adjustments	-	(2.3)
Non-cash GAAP tax expense	0.4	0.5
Adjusted cash earnings	\$ 18.0 (2)	\$ 18.2 (2)
Adjusted cash earnings per share - diluted (2)	\$ 0.34	\$ 0.34
Diluted weighted average shares outstanding	51,539,150	51,906,902
Effect of assumed conversion of convertible debentures (1)	-	1,313,640
Effect of unrecognized share-based compensation on diluted shares outstanding	808,175	848,615
Adjusted diluted weighted average shares outstanding	52,347,325	54,069,157

(1) As required by U.S. GAAP, the interest cost and amortization of the convertible debt issuance cost are excluded from income for the purpose of calculating diluted earnings per share for any period when the convertible debentures, if converted, would be dilutive to earnings per share. Further, the convertible shares are treated as if all were outstanding for the period. Although the assumed conversion of the 1.625% convertible debentures was not dilutive to the Company's GAAP earnings per share for the third quarter 2009, it was dilutive to the Company's adjusted cash earnings per share. Accordingly, the interest cost and amortization of the convertible debt issuance cost are excluded from income and the convertible shares are treated as if all were outstanding for the period.

(2) Adjusted cash earnings and adjusted cash earnings per share are non-GAAP measures that should be considered in addition to, and not as a substitute for, earnings per share computed in accordance with U.S. GAAP.