

TABLE ONE
MONEYGRAM INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(Unaudited)

<i>(Amounts in thousands, except per share data)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2009	2008	2009 vs 2008	2009	2008	2009 vs 2008
REVENUE						
Fee and other revenue	\$ 278,493	\$ 281,881	\$ (3,388)	\$ 546,637	\$ 544,678	\$ 1,959
Investment revenue	8,455	34,498	(26,043)	20,146	96,063	(75,917)
Net securities gains (losses)	4,233	(30,291)	34,524	4,289	(337,591)	341,880
Total revenue	291,181	286,088	5,093	571,072	303,150	267,922
Fee commissions expense	121,764	129,098	(7,334)	240,308	246,330	(6,022)
Investment commissions expense	354	(5,385)	5,739	753	91,504	(90,751)
Total commissions expense	122,118	123,713	(1,595)	241,061	337,834	(96,773)
Net revenue (losses)	169,063	162,375	6,688	330,011	(34,684)	364,695
EXPENSES						
Compensation and benefits	47,639	68,136	(20,497)	99,271	120,435	(21,164)
Transaction and operations support	71,166	51,335	19,831	115,650	103,364	12,286
Depreciation and amortization	14,962	14,288	674	29,324	28,506	818
Occupancy, equipment and supplies	12,237	12,391	(154)	23,263	23,613	(350)
Interest expense	26,649	24,008	2,641	53,689	38,797	14,892
Valuation gain on embedded derivative	-	(31,203)	31,203	-	(31,203)	31,203
Debt extinguishment loss	-	-	-	-	1,499	(1,499)
Total expenses	172,653	138,955	33,698	321,197	285,011	36,186
(Loss) income before income taxes	(3,590)	23,420	(27,010)	8,814	(319,695)	328,509
Income tax (benefit) expense	(273)	8,259	(8,532)	290	25,999	(25,709)
NET (LOSS) INCOME	\$ (3,317)	\$ 15,161	\$ (18,478)	\$ 8,524	\$ (345,694)	\$ 354,218
Basic and diluted loss per common share	\$ (0.40)	\$ (0.11)	\$ (0.29)	\$ (0.60)	\$ (4.51)	\$ 3.91
Net (loss) income as reported	\$ (3,317)	\$ 15,161	\$ (18,478)	\$ 8,524	\$ (345,694)	\$ 354,218
Preferred stock dividends	(27,116)	(23,994)	(3,122)	(52,834)	(25,816)	(27,018)
Accretion recognized on preferred stock	(2,540)	-	(2,540)	(5,041)	-	(5,041)
Net loss available to common stockholders	\$ (32,973)	\$ (8,833)	\$ (24,140)	\$ (49,351)	\$ (371,510)	\$ 322,159
Weighted-average outstanding common shares	82,504	82,464	40	82,493	82,447	46

TABLE TWO
MONEYGRAM INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(Amounts in thousands, except share data)</i>	June 30, 2009	December 31, 2008
ASSETS		
Cash and cash equivalents	\$ -	\$ -
Cash and cash equivalents (substantially restricted)	3,973,685	4,077,381

Receivables, net (substantially restricted)	1,098,388	1,264,885
Trading investments (substantially restricted)	13,260	21,485
Available-for-sale investments (substantially restricted)	357,432	438,774
Property and equipment	143,712	156,263
Intangible assets	12,644	14,548
Goodwill	432,591	434,337
Other assets	189,560	234,623
Total assets	\$ 6,221,272	\$ 6,642,296
LIABILITIES		
Payment service obligations	\$ 5,079,941	\$ 5,437,999
Debt	909,046	978,881
Pension and other postretirement benefits	132,500	130,900
Accounts payable and other liabilities	110,415	121,586
Deferred tax liabilities	12,671	12,454
Total liabilities	6,244,573	6,681,820
MEZZANINE EQUITY		
Participating Convertible Preferred Stock-Series B, \$0.01 par value, 800,000 shares authorized, 495,000 shares issued and outstanding	496,695	458,408
Participating Convertible Preferred Stock-Series B-1, \$0.01 par value, 500,000 shares authorized, 272,500 shares issued and outstanding	303,392	283,804
Total mezzanine equity	800,087	742,212
STOCKHOLDERS' DEFICIT		
Preferred shares - undesignated, \$0.01 par value, 5,000,000 authorized, none issued	-	-
Preferred shares - junior participating, \$0.01 par value, 2,000,000 authorized, none issued	-	-
Common shares, \$0.01 par value, 1,300,000,000 shares authorized, 88,556,077 shares issued	886	886
Additional paid-in capital	6,268	62,324
Retained loss	(640,730)	(649,254)
Unearned employee benefits	(81)	(424)
Accumulated other comprehensive loss	(36,569)	(42,707)
Treasury stock: 6,036,846 and 5,999,175 shares at June 30, 2009 and December 31, 2008, respectively	(153,162)	(152,561)
Total stockholders' deficit	(823,388)	(781,736)
Total liabilities, mezzanine equity and stockholders' deficit	\$ 6,221,272	\$ 6,642,296

TABLE THREE
MONEYGRAM INTERNATIONAL, INC.
UNRESTRICTED ASSETS
(Unaudited)

	June 30, 2009	March 31, 2009	December 31, 2008
<i>(Amounts in thousands)</i>			
Cash and cash equivalents	\$ 3,973,685	\$ 3,904,783	\$ 4,077,381
Receivables, net	1,098,388	1,117,184	1,264,885
Government agency securities	334,727	390,573	409,246
	5,406,800	5,412,540	5,751,512
Amounts restricted to cover payment service obligations	(5,079,941)	(5,067,167)	(5,437,999)
Excess unrestricted assets, excluding trading investments, put options and other asset-backed securities	326,859	345,373	313,513
Trading investments	13,260	19,840	21,485
Put options on trading investments	24,049	30,287	26,505
Other asset-backed securities	22,705	25,254	29,528
Excess unrestricted assets	\$ 386,873	\$ 420,754	\$ 391,031

TABLE FOUR
MONEYGRAM INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF (LOSS) INCOME (AS ADJUSTED)
(Unaudited)

	Reported	Q2	Adjusted	Reported	Q2	Adjusted
<i>(Amounts in thousands)</i>	Q2 2009	Adjustments	Q2 2009	Q2 2008	Adjustments	Q2 2008
REVENUE						
Fee and other revenue	\$ 278,493	\$ -	\$ 278,493	\$ 281,881	\$ -	\$ 281,881
Investment revenue	8,455	-	8,455	34,498	-	34,498
Net securities gains (losses)	4,233	(4,233)	- ⁽¹⁾	(30,291)	30,291 ⁽¹⁾	-

Total revenue	291,181	(4,233)	286,948	286,088	30,291	316,379
Fee commissions expense	121,764	-	121,764	129,098	-	129,098
Investment commissions expense	354	-	354	(5,385)	29,273 ⁽²⁾	23,888
Total commissions expense	122,118	-	122,118	123,713	29,273	152,986
Net revenue	169,063	(4,233)	164,829	162,375	1,018	163,393
EXPENSES						
Compensation and benefits	47,639	2,772 ⁽³⁾	50,411	68,136	(16,524) ⁽³⁾	51,612
Transaction and operations support	71,166	(3,858) ⁽⁴⁾	67,308	51,335	(1,129) ⁽³⁾	50,206
Depreciation and amortization	14,962	-	14,962	14,288	-	14,288
Occupancy, equipment and supplies	12,237	-	12,237	12,391	-	12,391
Interest expense	26,649	-	26,649	24,008	4,235 ⁽²⁾	28,243
Valuation gain on embedded derivative	-	-	-	(31,203)	31,203 ⁽⁵⁾	-
Total expenses	172,653	(1,086)	171,568	138,955	17,785	156,740
(Loss) income before income taxes	\$ (3,590)	\$ (3,147)	\$ (6,739)	\$ 23,420	\$ (16,767)	\$ 6,653

	Reported	Q2 YTD	Adjusted	Reported	Q2 YTD	Adjusted
(Amounts in thousands)	Q2 2009 YTD	Adjustments	Q2 2009 YTD	Q2 2008 YTD	Adjustments	Q2 2008 YTD
REVENUE						
Fee and other revenue	\$ 546,637	\$ -	\$ 546,637	\$ 544,678	\$ -	\$ 544,678
Investment revenue	20,146	-	20,146	96,063	-	96,063
Net securities gains (losses)	4,289	(4,289) ⁽¹⁾	-	(337,591)	337,591 ⁽¹⁾	-
Total revenue	571,072	(4,289)	566,783	303,150	337,591	640,741
Fee commissions expense	240,308	-	240,308	246,330	-	246,330
Investment commissions expense	753	-	753	91,504	(27,735) ⁽²⁾	63,769
Total commissions expense	241,061	-	241,061	337,834	(27,735)	310,099
Net revenue (losses)	330,011	(4,289)	325,721	(34,684)	365,326	330,642
EXPENSES						
Compensation and benefits	99,271	(687) ⁽³⁾	98,584	120,435	(16,524) ⁽³⁾	103,911
Transaction and operations support	115,650	(4,008) ⁽⁴⁾	111,642	103,364	(8,862) ⁽³⁾	94,502
Depreciation and amortization	29,324	-	29,324	28,506	-	28,506
Occupancy, equipment and supplies	23,263	-	23,263	23,613	-	23,613
Interest expense	53,689	-	53,689	38,797	(1,982) ⁽²⁾	36,815
Valuation gain on embedded derivative	-	-	-	(31,203)	31,203 ⁽⁵⁾	-
Debt extinguishment loss	-	-	-	1,499	(1,499) ⁽⁶⁾	-
Total expenses	321,197	(4,695)	316,503	285,011	2,336	287,347
Income (Loss) before income taxes	\$ 8,814	\$ 406	\$ 9,218	\$ (319,695)	\$ 362,990	\$ 43,295

(1) Realized and unrealized gains and losses and other-than-temporary impairments on investments.

(2) Mark-to-market valuation gain (loss) on interest rate swaps, which were terminated in June 2008.

(3) Executive severance and related costs & transaction costs related to the recapitalization.

(4) Impairment charges and loss on non-core businesses.

(5) Change in the fair value of embedded derivatives in preferred stock.

(6) Debt extinguishment loss related to the recapitalization.

TABLE FIVE
MONEYGRAM INTERNATIONAL, INC.
GLOBAL FUNDS TRANSFER SEGMENT RESULTS (AS ADJUSTED)
(Unaudited)

(Amounts in thousands)	Reported	Q2	Adjusted	Reported	Q2	Adjusted
	Q2 2009	Adjustments	Q2 2009	Q2 2008	Adjustments	Q2 2008
Money transfer revenue						
Fee and other revenue	\$ 249,726	\$ -	\$ 249,726	\$ 254,715	\$ -	\$ 254,715
Investment revenue	107	-	107	375	-	375
Net securities losses	-	-	-	(346)	346	(1)
Retail money order and other						
Fee and other revenue	18,072	-	18,072	16,727	-	16,727
Investment revenue	1,254	-	1,254	5,021	-	5,021
Net securities gains (losses)	584	(584)	(1)	(4,240)	4,240	(1)
Total Global Funds Transfer revenue	269,743	(584)	269,159	272,252	4,586	276,838
Commissions expense	121,318	-	121,318	128,551	-	128,551
Net revenue	\$ 148,425	\$ (584)	\$ 147,841	\$ 143,701	\$ 4,586	\$ 148,287
Operating income	\$ 10,905	\$ 2,592	(2)	\$ 13,497	\$ 4,586	\$ 35,206
Operating margin	4.0 %		5.0 %	11.2 %		12.7 %

(Amounts in thousands)	Reported	Q2 YTD	Adjusted	Reported	Q2 YTD	Adjusted
	Q2 2009 YTD	Adjustments	Q2 2009 YTD	Q2 2008 YTD	Adjustments	Q2 2008 YTD
Money transfer revenue						
Fee and other revenue	\$ 491,846	\$ -	\$ 491,846	\$ 491,600	\$ -	\$ 491,600
Investment revenue	107	-	107	1,081	-	1,081
Net securities losses	-	-	-	(4,081)	4,081	(1)
Retail money order and other						
Fee and other revenue	33,914	-	33,914	33,659	-	33,659
Investment revenue	2,976	-	2,976	13,870	-	13,870
Net securities gains (losses)	592	(592)	(1)	(44,878)	44,878	(1)
Total Global Funds Transfer revenue	529,435	(592)	528,843	491,251	48,959	540,210
Commissions expense	239,221	-	239,221	245,114	-	245,114
Net revenue	\$ 290,214	\$ (592)	\$ 289,622	\$ 246,137	\$ 48,959	\$ 295,096
Operating income	\$ 47,631	\$ 2,584	(2)	\$ 50,215	\$ 48,959	\$ 75,907
Operating margin	9.0 %		9.5 %	5.5 %		14.1 %

(1) Realized and unrealized gains and losses and other-than-temporary impairments on investments.

(2) Includes adjustment for goodwill impairment charge of \$3.2 million on exit of non-core business.

TABLE SIX
MONEYGRAM INTERNATIONAL, INC.
PAYMENT SYSTEMS SEGMENT RESULTS (AS ADJUSTED)
(Unaudited)

(Amounts in thousands)	Reported	Q2	Adjusted	Reported	Q2	Adjusted
	Q2 2009	Adjustments	Q2 2009	Q2 2008	Adjustments	Q2 2008

Fee and other revenue	\$ 10,696	\$ -	\$ 10,696	\$ 10,300	\$ -	\$ 10,300
Investment revenue	6,313	-	6,313	29,102	-	29,102
Net securities gains (losses)	3,242	(3,242)	(⁽¹⁾) -	(25,705)	25,705	(⁽¹⁾) -
Total Payment Systems revenue	20,251	(3,242)	17,009	13,697	25,705	39,402
Commissions expense	800	-	800	(4,839)	29,273	(⁽²⁾) 24,434
Net revenue	\$ 19,451	\$ (3,242)	\$ 16,209	\$ 18,536	\$ (3,568)	\$ 14,968
Operating income	\$ 9,442	\$ (2,560)	(⁽³⁾) \$ 6,882	\$ 3,904	\$ (3,568)	\$ 336
Operating margin	46.6 %		40.5 %	28.5 %		0.9 %

(Amounts in thousands)	Reported	Q2 YTD	Adjusted	Reported	Q2 YTD	Adjusted
	Q2 2009 YTD	Adjustments	Q2 2009 YTD	Q2 2008 YTD	Adjustments	Q2 2008 YTD
Fee and other revenue	\$ 20,852	\$ -	\$ 20,852	\$ 19,120	\$ -	\$ 19,120
Investment revenue	15,076	-	15,076	81,180	-	81,180
Net securities gains (losses)	3,291	(3,291)	(⁽¹⁾) -	(288,632)	288,632	(⁽¹⁾) -
Total Payment Systems revenue (losses)	39,219	(3,291)	35,928	(188,332)	288,632	100,300
Commissions expense	1,840	-	1,840	92,719	(27,735)	(⁽²⁾) 64,984
Net revenue (losses)	\$ 37,379	\$ (3,291)	\$ 34,088	\$ (281,051)	\$ 316,367	\$ 35,316
Operating income (loss)	\$ 16,694	\$ (2,609)	(⁽³⁾) \$ 14,085	\$ (310,949)	\$ 316,367	\$ 5,418
Operating margin	42.6 %		39.2 %	(165.1 %)		5.4 %

(1) Realized and unrealized gains and losses and other-than-temporary impairments on investments.

(2) Mark-to-market valuation gain (loss) on interest rate swaps, which were terminated in June 2008.

(3) Includes adjustment of \$0.7 million for goodwill impairment and loss on pending sale of non-core business.

TABLE SEVEN
MONEYGRAM INTERNATIONAL, INC.
EBITDA AND ADJUSTED EBITDA
(Unaudited)

(Amounts in thousands)	Q2 2009	Q2 2008
(Loss) income before income taxes	\$ (3,590)	\$ 23,420
Interest expense	26,649	24,008
Depreciation and amortization	14,962	14,288
Amortization of agent signing bonuses	8,554	9,007
EBITDA	46,575	70,723
Net securities (gains) losses ⁽¹⁾	(4,233)	30,291
Valuation gains on interest rate swaps	-	(29,273)
Severance and related net costs	(2,772)	17,653
Impairment charges and loss on non-core businesses	3,858	-
Valuation gain on embedded derivative ⁽²⁾	-	(31,203)
Adjusted EBITDA	\$ 43,428	\$ 58,191

(1) Realized and unrealized gains and losses and other-than-temporary impairments on investments.

(2) Change in the fair value of embedded derivatives in preferred stock.