Non-GAAP Measures

Western Union's management believes the non-GAAP financial measures presented provide meaningful supplemental information regarding our operating results to assist management, investors, analysts, and others in understanding our financial results and to better analyze trends in our underlying business, because they provide consistency and comparability to prior periods. These non-GAAP financial measures include revenue change constant currency adjusted; EBITDA margin; Consumer-to-Consumer segment revenue change constant currency adjusted; Consumer-to-Business segment revenue change constant currency adjusted; Business Solutions segment revenue change constant currency adjusted; 2013 EBITDA margin outlook; 2013 operating cash flow outlook IRS Agreement adjusted; and additional measures found in the Appendix included with this presentation.

A non-GAAP financial measure should not be considered in isolation or as a substitute for the most comparable GAAP financial measure. A non-GAAP financial measure reflects an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measure, provide a more complete understanding of our business. Users of the financial statements are encouraged to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures is included below.

All adjusted year-over-year changes were calculated using prior year reported amounts, unless indicated otherwise. Amounts included below are in millions, unless indicated otherwise.

Reconciliation of Non-GAAP Measures

	2Q12	3Q12	4Q12	FY2012	1Q13	2Q13	YTD 2Q13
Consolidated Metrics							
Revenues, as reported (GAAP)	$ 1,425.1	$ 1,421.6	$ 1,424.7	$ 5,664.8	$ 1,325.4	$ 1,385.9	$ 2,711.3
Foreign currency translation impact (a)	34.6	37.7	13.4	93.8	12.3	14.9	27.2
Revenues, constant currency adjusted	$ 1,459.7	$ 1,459.3	$ 1,438.1	$ 5,758.6	$ 1,337.7	$ 1,400.8	$ 2,738.5
Prior year revenues, as reported (GAAP)	$ 1,366.3	$ 1,410.8	$ 1,431.3	$ 5,491.4	$ 1,393.4	$ 1,425.1	$ 2,818.5
Pro forma prior year revenues, TGBP adjusted (b)	$ 1,426.0	$ 1,474.8	$ 1,456.2	$ 5,695.0	N/A	N/A	N/A
Revenue change, as reported (GAAP)	4 %	1 %	0 %	3 %	(5)%	(3)%	(4)%
Revenue change, constant currency adjusted	7 %	3 %	0 %	5 %	(4)%	(2)%	(3)%
Pro forma revenue change, TGBP adjusted	0 %	(4)%	(2)%	(1)%	N/A	N/A	N/A
Pro forma revenue change, TGBP and constant currency adjusted	2 %	(1)%	(1)%	1 %	N/A	N/A	N/A
Operating income, as reported (GAAP)	$ 345.9	$ 365.6	$ 286.0	$ 1,330.0	$ 296.9	$ 276.8	$ 573.7
Reversal of depreciation and amortization (c)	59.0	61.2	62.0	246.1	62.9	66.4	129.3
EBITDA (c)	$ 404.9	$ 426.8	$ 348.0	$ 1,576.1	$ 359.8	$ 343.2	$ 703.0
Operating income margin, as reported (GAAP)	24.3 %	25.7 %	20.1 %	23.5 %	22.4 %	20.0 %	21.2 %
EBITDA margin	28.4 %	30.0 %	24.4 %	27.8 %	27.1 %	24.8 %	25.9 %
Consumer-to-Consumer Segment							
Revenues, as reported (GAAP)	$ 1,155.0	$ 1,151.5	$ 1,153.2	$ 4,584.3	$ 1,050.2	$ 1,108.8	$ 2,159.0
Foreign currency translation impact (a)	30.1	32.8	9.5	77.6	6.1	6.1	12.2
Revenues, constant currency adjusted	$ 1,185.1	$ 1,184.3	$ 1,162.7	$ 4,661.9	$ 1,056.3	$ 1,114.9	$ 2,171.2
Prior year revenues, as reported (GAAP)	$ 1,155.1	$ 1,193.3	$ 1,181.9	$ 4,608.4	$ 1,124.6	$ 1,155.0	$ 2,279.6
Revenue change, as reported (GAAP)	0 %	(4)%	(2)%	(1)%	(7)%	(4)%	(5)%
Revenue change, constant currency adjusted	3 %	(1)%	(2)%	1 %	(6)%	(3)%	(5)%

Reconciliation of Non-GAAP Measures

	2Q12	3Q12	4Q12	FY2012	1Q13	2Q13	YTD 2Q13
Consumer-to-Business Segment							
Revenues, as reported (GAAP)	$ 149.4	$ 147.3	$ 152.1	$ 603.9	$ 153.7	$ 153.0	$ 306.7
Foreign currency translation impact (a)	3.5	4.2	4.9	15.5	5.9	7.2	13.1
Revenues, constant currency adjusted	$ 152.9	$ 151.5	$ 157.0	$ 619.4	$ 159.6	$ 160.2	$ 319.8
Prior year revenues, as reported (GAAP)	$ 153.5	$ 155.3	$ 153.9	$ 615.9	$ 155.1	$ 149.4	$ 304.5
Revenue change, as reported (GAAP)	(3)%	(5)%	(1)%	(2)%	(1)%	2 %	1 %
Revenue change, constant currency adjusted	0 %	(2)%	2 %	1 %	3 %	7 %	5 %
Business Solutions Segment							
Revenues, as reported (GAAP)	$ 92.5	$ 95.4	$ 92.6	$ 367.4	$ 92.8	$ 98.3	$ 191.1
Foreign currency translation impact (a)	0.9	0.6	(1.0)	0.4	0.2	1.2	1.4
Revenues, constant currency adjusted	$ 93.4	$ 96.0	$ 91.6	$ 367.8	$ 93.0	$ 99.5	$ 192.5
Prior year revenues, as reported (GAAP)	$ 31.4	$ 33.6	$ 68.2	$ 161.1	$ 86.9	$ 92.5	$ 179.4
Pro forma prior year revenues, TGBP adjusted (b)	$ 91.1	$ 97.6	$ 93.1	$ 364.7	N/A	N/A	N/A
Revenue change, as reported (GAAP)	**	**	**	**	7 %	6 %	7 %
Revenue change, constant currency adjusted	**	**	**	**	7 %	8 %	7 %
Pro forma revenue change, TGBP adjusted	2 %	(2)%	(1)%	1 %	N/A	N/A	N/A
Pro forma revenue change, TGBP and constant currency adjusted	4 %	0 %	(2)%	2 %	N/A	N/A	N/A

** Calculation of growth percentage is not meaningful due to the impact of the TGBP acquisition in November 2011.

Reconciliation of Non-GAAP Measures

2013 Outlook Metrics		
Operating income margin (GAAP)		20.0%
Depreciation and amortization impact		4.5%
EBITDA margin (c)		24.5%
Operating cash flow (GAAP)	$	900
Payments on IRS Agreement (d)		100
Operating cash flow, IRS Agreement adjusted	$	1,000

Non-GAAP related notes:

(a) Represents the impact from the fluctuation in exchange rates between all foreign currency denominated amounts and the United States dollar. Constant currency results exclude any benefit or loss caused by foreign exchange fluctuations between foreign currencies and the United States dollar, net of foreign currency hedges, which would not have occurred if there had been a constant exchange rate.

(b) Represents the pro forma incremental impact of Travelex Global Business Payments ("TGBP") on Consolidated and Business Solutions segment revenues. Pro forma revenues presents the results of operations of the Company and its Business Solutions segment as they may have appeared had the acquisition of TGBP occurred as of January 1, 2011. The pro forma information is provided for illustrative purposes only and does not purport to present what the actual results of operations would have been had the acquisition actually occurred on the date indicated. The results of operations for TGBP have been included in Consolidated and Business Solutions segment revenues from November 7, 2011, the date of acquisition.

(c) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) results from taking operating income and adjusting for depreciation and amortization expenses.

(d) Represents the remaining tax payments of approximately $100 million the Company expects to make due to the December 2011 agreement with the IRS resolving substantially all of the issues related to the restructuring of our international operations in 2003.