



8 February 2016

## OFX TERMINATES DISCUSSIONS WITH WESTERN UNION

The Board of OzForex Group Limited (ASX:OFX) (**OFX** or the **Company**) announces that it has terminated discussions with The Western Union Company (**Western Union**) in relation to the preliminary, non-binding, indicative conditional proposal to acquire 100% of the shares of OFX via scheme of arrangement (**Indicative Proposal**) previously announced on 19 November 2015.

On 26 November 2015, OFX announced it had granted an exclusive due diligence period to Western Union to progress its Indicative Proposal. Western Union was provided with due diligence information and access to senior management. The Company made clear in communications to the market at the time that there was no certainty a binding offer would eventuate.

Although discussions continued for some months, Western Union has not submitted a binding proposal. Accordingly, the Board of OFX has terminated discussions with Western Union.

### Trading update

In the quarter to 31 December 2015, OFX reduced its advertising expenditure associated with the “OzForex” brand in Australia ahead of the rebranding to “OFX” and transition to a new website url. The resulting lower client acquisition levels, combined with decreased volatility in the FX markets reduced the level of trading activity from both new and existing active clients compared to expectations.

Given these factors, the December quarter Fee and Commission Income increased 9% on the prior corresponding quarter which was below expectations. OFX is now expecting underlying EBTDA<sup>1</sup> for FY16 of \$35.0 – \$37.0 million, which represents growth versus the prior corresponding FY15 period, but is lower than previous guidance provided.

At the AGM in August 2015, OFX outlined its Accelerate strategy to build upon its market leading position in Australia and grow its other geographies in existing and new business areas.

Notwithstanding the distractions associated with the Indicative Proposal, OFX’s management continue to make significant progress on the implementation of the Accelerate strategy with the recent launch of the new OFX brand and the go-live of the new website in Australia. OFX has also

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<sup>1</sup> FY16 underlying earnings before tax, depreciation and amortisation includes adjustments disclosed to the ASX in OFX’s 1H16 Results Presentation and additional one-off expenditure in 2H16 related to the “OFX” rebranding, head office relocation and corporate actions (including expenses incurred in relation to the Indicative Proposal)



introduced lower value payments, and in the past fortnight commenced weekend trading.

With strong early indicators stemming from the early enablement phase, we reiterate our revenue growth target to double 2015 revenues by 2019 to more than \$200m and remain confident that the Accelerate strategy will lead to attractive shareholder returns over the medium term.

**An investor/analyst call will be held at 11am. Details to follow.**

**Key contact for shareholder and media inquiries:**

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**About OzForex Group (ASX:OFX)**

OzForex Group Limited is a global provider of online international payment services for consumer and business clients. It has offices in 6 locations. The OzForex Group provides services under the brands OzForex (now OFX), UKForex, CanadianForex, USForex, NZForex, Tranzfers and ClearFX. To support our increased focus on marketing and people, we are launching a new single global brand in December, OFX, using a single domain name, [www.OFX.com](http://www.OFX.com). From December 2015, OFX is being progressively rolled out across all geographies starting in Australia.