

23 November 2010

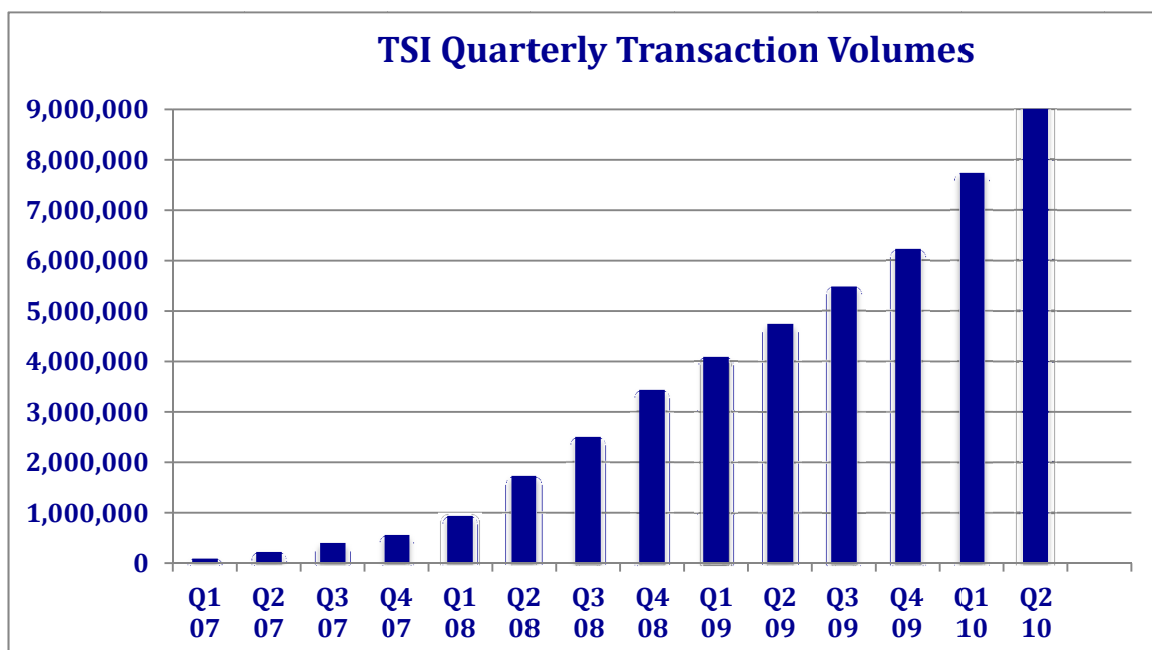
**TSI ACHIEVING STRONG REVENUE GROWTH ON INSTALLED ATM'S**

**Highlights**

- Revenues increase 10.5% to A\$674,000 for the month of October 2010;
- Transactions increase 9.7% to 3.49 million transactions for October 2010;
- Revenues have increased for 12 consecutive quarters;
- High demand necessitates installation of a second ATM into existing selected sites.

**TSI Achieving Strong Revenue Growth on Installed ATM's**

The Directors of Transaction Solutions International Ltd ("TSI") are pleased to announce that October 2010 transaction volumes jumped 9.7% compared to the previous month. Further, gross revenues attached to those transactions increased by 10.5% over the past month. This reflects current Gross Revenues of **A\$674,000 for the month** up from A\$610,000 in September 2010. TSI has been experiencing strong revenue growth from its 350 installed ATM's in India. Revenue has continued to grow quarter on quarter over the past 12 quarters as transaction volumes have ramped up. The following chart provides the historical snapshot of the strong transaction volume growth over the past three years.



TSI Managing Director, Mr Gary Foster said “The substantial transactional volume growth that we have been experiencing can be attributed to the maturing of our established ATM sites. In some cases we have had to place a second ATM in certain sites, as one ATM is not sufficient to handle the demand being experienced. We have had a number of ATM sites transacting in excess of 18,000 transactions a month. When compared to the Australian market average of approximately 2,500 transactions per ATM per month, it gives you a sense of the scale and potential the Indian market has to offer us. TSI India is continuing an ATM rollout for one of our major banking clients and we have contracts for another 150 ATM’s to be installed which is an increase of 43% on our current installed ATM base. We expect transaction volumes to continue to increase from our existing network and from the deployment of further ATM’s.”

## **About TSI**

Founded in 2005, TSI’s business is a rapidly growing Automatic Teller Machine (ATM) deployment and e-transaction financial services business based in India. Operational in India since 2006 the company now has in excess of 350 ATMs fully operational and generating revenue. It has further contracts for another 150 ATMs to be installed.

The company’s business model is to build recurring revenue through the deployment of ATMs as well as service the financial payments sector through automation of bill payment processes, in a market that is migrating from paper based to electronic transactions.

TSI owns, manages and operates its financial hardware and systems, in return for a fee per transaction. This recurring revenue model assists TSI in producing a business model that is highly scalable.

TSI has agreements with national companies including major banks, utilities and corporates. It is these corporations (not consumers) who form TSI’s customer base, and from who TSI receives its revenues.

Supported by the strong infrastructure and business platform built over the last 5 years, and a leading market reputation the business is now scalable by the installation of new ATM’s and building on the recently introduced bill payments capability. Barriers to entry in the sector are high with regulatory and banking approvals required. TSI has successfully overcome those barriers, as reflected in its growth profile and the increasing demand for its ATM outsourced business.