

iCash Payment Systems Limited

ABN 87 061 041 281



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Company Announcements
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Via e-lodgement

Finance News Network video interview with Executive Chairman James Manny

The transcript follows or you can watch the interview by clicking the interview [link](#) here.

TRANSCRIPTION OF FINANCE NEWS NETWORK INTERVIEW WITH ICASH PAYMENT SYSTEMS LIMITED (ASX:ICP) EXECUTIVE DIRECTOR, JAMES MANNY

Clive Tompkins: Hello Clive Tompkins reporting for the Finance News Network. Joining me from ATM supplier iCash is Executive Director, James Manny. James welcome back.

You've called an Extraordinary General Meeting, what is the purpose of the meeting and why so close to year-end reporting?

James Manny: Business doesn't stop you know just because we're in the middle of reporting season. We've recently hired a new CFO and he has our reporting obligations well under control. The main reasons for calling the EGM is to restructure our capital and we're looking at a consolidation on a ten to one basis. We have three resolutions, the other two are really just housekeeping and it's to ensure that we have the capability to act on opportunistic circumstances as they arise.

But the business is doing very well, we are a substantial player now in the Australia markets and in the non-bank ATM business and we are holding the non-bank ATM business number one position in Korea.

Clive Tompkins: James why is it so important to consolidate the number of shares on issue and are you concerned at all about the consolidation not being fully valued?

James Manny: The consolidation is important for the company, in terms of the number of shares that we have on issue. It carries with it a perception in both the domestic and international markets that we think is out of step with the commercial posture that we have, and that may impact on our negotiations at some stage in the future. In terms of consolidating or how that consolidation reflects in valuation, we're very confident that the consolidation will hold and ultimately be at the share price, will be there for reflection of reality of the results.

Clive Tompkins: In your previous interview James, you mentioned goals that were important to achieve this calendar year, are you on track?

James Manny: The business has done extraordinarily well. As I indicated before, we're now a significant player in the domestic market; we're introducing new technologies in terms of ATM fleet management that will increase our uptime and efficiency. In our Korean market we've achieved the number non-bank ATM position over there as well.

But in terms of goals that we had set ourselves for this calendar year, one of those was to better communicate our message of success to the market and in regard to that; we can see that we're having significant impact there. We can tell that in terms of metrics by the number of broker sponsored, research papers that have now been done on the company and the number of investor enquiries that are starting to come through.

The second major goal that we were looking to achieve was to having our successes better reflected in our share price and we have strategies in place to do that. The Board is very confident that in the foreseeable future we will be able to have all our successes properly reflected in our share price.

Clive Tompkins: You also said that China and New Zealand were important markets for you, has the company's focus changed?

James Manny: With respect to China and New Zealand as with all our projects, they compete for our capital resources. In the case of New Zealand we have a dual approach on how to answer that market over there. One of those is technology based and the other is market based. In any case, we see that we will enter the New Zealand market when economic circumstances allow reasonable return for us.

China is a little bit more complicated. We had informed the market that we had concerns in terms of a fragmented value chain and the introduction of agent negotiated contracts. Over the last little while we have replaced our agent negotiated contracts with direct agreements. We recently signed a direct agreement – it's a tri-party agreement with a semi Government listed entity that happens to be the largest business banking machine distributor in China.

The other two parties are our subsidiary NeoICP and our holding Company, iCash Payment Systems Limited. This avoids any ambiguity in terms of how the cash flows go, it's a much more transparent transaction and it gives us certainty in terms of revenues and earnings. Even from the very first component that we send to China, we'll make positive returns on.

Clive Tompkins: Last question. The share market and the international economic outlook have been volatile, how do you see the company's prospects in the short to medium term?

James Manny: I believe iCash correctly foresaw the storm clouds on the horizon last time and we positioned the company accordingly. We took advantage of weaknesses in certain sectors and we were able to grow our business on the basis of solid strategies. And that was particularly in the case of 2008 and 2009. Looking ahead we see storm clouds ahead, particularly towards the end of this year and into next year.

From our perspective, we believe that we've got our revenues and earnings well hedged in terms of providing strong growth for us and very secure revenues streams. We've commercially integrated our business with major participants in the region. They all have growth strategies that are completely independent of how the global economy goes. They're operating in regions that are not linked to the West and they're high cash dependent economies, so we're very confident that we will have strong growth prospects in the near future.

Clive Tompkins: James Manny thanks for the update.

James Manny: Thank you very much for your time.

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