

Currency Exchange International Announces Financial Results for the Year and Three-Month Period Ended October 31, 2018

TORONTO, Jan. 22, 2019 -- **Currency Exchange International, Corp. (the "Company") (TSX: CXI; OTCBB: CURN)** is pleased to announce its financial results and present management's discussion and analysis ("MD&A") for the three month period and year ended October 31, 2018 (all figures are in U.S. dollars except where otherwise indicated). The complete financial statements and MD&A can be found on the Company's SEDAR profile at www.sedar.com.

Randolph Pinna, CEO of the Company stated, "2018 was a pivotal year for CXI. We reinvested significant resources in growing our core foreign currency banknote business in both Canada and the U.S., started to diversify our revenue stream by expanding our capability to offer global foreign currency payments, and agreed to acquire a longstanding payments company in Montreal, Canada, subject to regulatory approval. CXI is very well positioned in the market and our strong capital base gives us the ability to capitalize on potential growth opportunities in 2019."

Corporate and Operational Highlights for 2018:

- Banknote business segment: the banknote business continued to perform strongly, achieving 20% year-over-year growth. The Company continued to expand its customer base within new market segments in both Canada and the U.S.
- Foreign Currency International Payments segment: the Company has begun to diversify its revenue base and established a fully operational foreign currency payments business segment, which has grown 51% year-over year.
- CXI Corporate Owned Branches: the Company successfully opened three new locations in Los Angeles, Stamford, and New Orleans, while closing one location in Orlando, bringing the corporate owned retail locations total to 43.
- Total transaction volume in payments and banknotes increased by 15%, driven largely by new, larger clients being onboarded.
- Technology Improvements: the Company successfully launched a payments platform that will support the Company's ability to leverage the foreign currency payments business. The new system enhances compliance, treasury risk oversight, and mark-to-market processes, and positions the Company in 2019 to offer additional foreign currency payments products such as currency hedging.
- EBC reached an agreement to acquire assets and customers from a 22-year old payments business based in Montreal. The acquisition is expected to close in fiscal Q2 2019, subject to regulatory approvals being received. Integration initiatives are underway.
- A new office and second vault location are currently being staffed in Montreal. The new Montreal office will have 10-15 employees servicing the Eastern region of Canada in both lines of business.
- Significant reinvestment has been made in strengthening Human Capital within the Sales, Compliance, Risk Management teams as well as the Board of Directors.
- The Company continues to be strongly capitalized with complementary available Lines of Credit, providing ample flexibility and nimbleness to fund organic growth and to consider and capitalize upon accretive M&A opportunities in 2019.

Financial Highlights for the Year Ended October 31, 2018 compared to the Year Ended October 31, 2017:

- During the year ended October 31, 2018, transactional activity between the Company and its customers increased 15% to 1,118,000 transactions from 974,000 for the year ended October 31, 2017. The dollar volume of these transactions grew almost 50%. Since October 31, 2017, the Company has added 360 new customer relationships representing 2,724 new transacting locations;
- Revenues increased 20% or \$6.6 million to \$39.1 million for the year ended October 31, 2018 from \$32.5 million for the year ended October 31, 2017;
- Net operating income increased 4% or \$300,000 to \$8.2 million for the year ended October 31, 2018 from \$7.9 million for the year ended October 31, 2017;
- Net income increased 11% or \$405,000 to \$4.2 million for the year ended October 31, 2018 from \$3.8 million for the year ended October 31, 2017; and
- The increase in profitability for the year is attributable to increased contributions from payments, increased margins

from changes in currency mix, organic growth from wholesale and retail business lines, and lower taxes in the United States.

Financial Highlights for the Three-Month Period Ended October 31, 2018 compared to the Three-Month Period Ended October 31, 2017:

- During the three-month period ended October 31, 2018, transactional activity between the Company and its customers increased 15% to 320,000 transactions from 278,000 for the three-month period ended October 31, 2017;
- Revenues increased 10% or \$0.9 million to \$10.3 million for the three-month period ended October 31, 2018 from \$9.4 million for the three-month period ended October 31, 2017;
- Net operating income decreased \$791,000 to \$1.8 million for the three-month period ended October 31, 2018 from \$2.6 million for the three-month period ended October 31, 2017;
- Net income decreased 24% or \$342,000 to \$1 million for the three-month period ended October 31, 2018 from \$1.3 million for the three-month period ended October 31, 2017; and
- Despite increased contributions from payments, increased margins from changes in currency mix and organic growth from wholesale and retail business lines, profitability decreased because of increased operating expenses driven by largely non-recurring expenses related to implementing strategic priorities in the quarter. Examples of the priority investment areas include establishing a Regulatory Compliance Management (RCM) Framework (in EBC), Multi-state Licensing, Payments platform development, acquisition support, and product development.

Selected Financial Data

Three-months ending	Revenue \$	Net operating income \$	Net income (loss) \$	Total assets \$	Total equity \$	Earnings (loss) per share (diluted) \$
10/31/2018	10,270,233	1,724,576	995,967	73,267,274	62,721,937	0.17
7/31/2018	11,537,280	3,533,642	2,407,522	86,860,274	61,629,104	0.37
4/30/2018	8,887,772	1,115,289	507,606	84,714,970	57,789,679	0.08
1/31/2018	8,402,855	1,764,296	316,148	79,794,495	57,809,076	0.05
10/31/2017	9,355,315	2,609,517	1,337,947	63,968,227	56,492,618	\$ 0.21
7/31/2017	9,862,335	3,597,678	1,944,247	71,348,901	55,545,083	\$ 0.31
4/30/2017	7,172,429	1,424,291	625,052	66,875,712	52,111,070	\$ 0.10
1/31/2017	6,087,142	290,024	(85,776)	60,399,965	51,438,703	\$ (0.01)

Seasonality is reflected in the timing of when foreign currencies are in greater or lower demand. In a normal operating year there is seasonality to the Company's operations with higher revenues generated from March until September and lower revenues from October to February. This coincides with peak tourism seasons in North America when there are generally more travelers entering and leaving the United States and Canada.

On July 9, 2018 the Company announced its wholly-owned subsidiary EBC has entered into a definitive agreement to acquire the assets of a business operating 22 years primarily in the province of Quebec from the private family owners who were advised by Laurentian Bank Securities. These assets include a total of approximately 400 corporate customers that are engaged in international payments. It is expected that approximately 10 employees will be retained and employed in EBC's new Montreal Office. The transaction is subject to regulatory approval and will not close until all approvals have been obtained.

Conference Call

The Company plans to host a conference call on **January 23, 2019 at 8:30 AM (EST)**. To participate in or listen to the call, please dial the appropriate number:

- **Toll Free: 1 (855) 336-7594**
Conference ID number: 6288109

About Currency Exchange International, Corp.

The Company is in the business of providing a range of foreign exchange technology and processing services in North America, including the Hawaiian Islands. Primary products and services include the exchange of foreign currencies, wire transfer payments, purchase and sale of foreign bank drafts and international travelers cheques, and foreign cheque clearing. Related services include the licensing of proprietary FOREIGN CURRENCY software applications delivered on its web-based interface, www.ceifx.com ("CEIFOREIGN CURRENCY"), and licensing retail foreign currency operations to select companies in agreed locations.

The Company's wholly-owned Canadian subsidiary, Exchange Bank of Canada, based in Toronto, Canada, provides foreign exchange and international payment services to financial institutions and select corporate clients in Canada through the use of

its proprietary software – www.ebcfx.com.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This press release includes forward-looking information within the meaning of applicable securities laws. This forward-looking information includes, or may be based upon, estimates, forecasts and statements as to management's expectations with respect to, among other things, demand and market outlook for wholesale and retail foreign currency exchange products and services, proposed entry into the Canadian financial services industry, future growth, the timing and scale of future business plans, results of operations, performance, and business prospects and opportunities. Forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "preliminary", "project", "will", "would", and similar terms and phrases, including references to assumptions.

Forward-looking information is based on the opinions and estimates of management at the date such information is provided, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties and assumptions that could cause the Company's actual results, performance or achievements to differ materially from the results discussed or implied in such forward-looking information. Actual results may differ materially from results indicated in forward-looking information due to a number of factors including, without limitation, the competitive nature of the foreign exchange industry, currency exchange risks, the need for the Company to manage its planned growth, the effects of product development and the need for continued technological change, protection of the Company's proprietary rights, the effect of government regulation and compliance on the Company and the industry in which it operates, network security risks, the ability of the Company to maintain properly working systems, theft and risk of physical harm to personnel, reliance on key management personnel, global economic deterioration negatively impacting tourism, volatile securities markets impacting security pricing in a manner unrelated to operating performance and impeding access to capital or increasing the cost of capital as well as the factors identified throughout this press release and in the section entitled "Risks and Uncertainties" of the Company's Management's Discussion and Analysis for Year Ended October 31, 2016. The forward-looking information contained in this press release represents management's expectations as of the date hereof (or as of the date such information is otherwise stated to be presented), and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

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