

QUARTERLY OPERATIONS UPDATE

Highlights

- ***Bank branded ATM installations increase 26.8% for the quarter ended 31 March 2011 (“4Q2011”) versus 3Q2011***
 - ***TSI India increases revenues by 41% in 4Q2011 versus 4Q2010***
 - ***Transaction volumes increase by 35% in 4Q2011 versus 4Q2010***
 - ***Contracts under discussion project total network of 1,000+ ATMs***
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The Directors of Transaction Solutions International Ltd (“TSI”) are pleased to provide 4Q2011 operating highlights.

For clarity, TSI announced in January 2011 it has moved to a March year end to align the group accounts with the Indian tax year.

Bank ATM installations increase 26.8% for the quarter

TSI has maintained its aggressive Bank ATM rollout strategy by delivering on ATM deployment contracts entered into in October and November of 2010.

At December 2010, TSI had 414 ATMs installed whilst at the end of March 2011 525 ATMs have been installed. The majority of the new ATMs were installed in March 2011.

Due to all ATMs having a ramp up period, the true economic benefit will be reflected in 1Q2012 and beyond. *“Typically, an ATM takes around 6 months for transaction volumes to ramp-up as Bank customers become familiar with the location,”* stated TSI Limited Managing Director, Gary Foster.

TSI India increases quarterly revenue by 41% in 4Q2011 versus 4Q2010

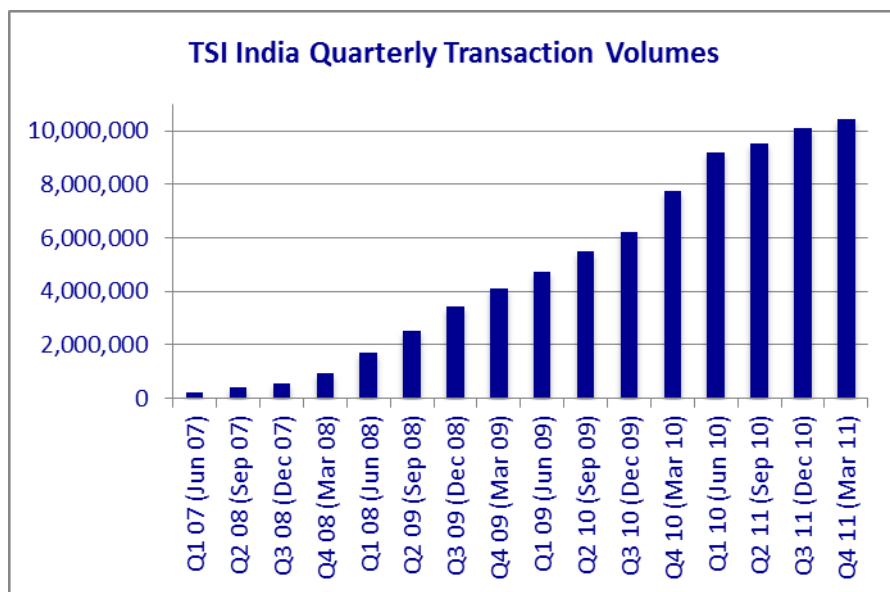
TSI India’s revenue increased 41% in 4Q2011 compared with 4Q2010.

Transaction volumes increase by 35% in 4Q2011 versus 4Q2010

TSI India saw transaction volumes increase to 10.4 million transactions in 4Q2011, reflecting greater usage from existing machines as well as new machines to a lesser extent. The 4Q2011 transaction volumes reflect 35% growth over transaction volumes generated in 4Q2010.

Contracts under negotiation to reach 1,000 ATMs

TSI India is well progressed with its contract to own and manage 100 ATM sites (up to 200 ATMs) for HDFC Bank (announced 28 March 2011). TSI is in contract discussions with existing clients to install a further 200 ATMs. Should favorable terms be reached, these contracts would take TSI's installed ATM network to around 1,000 ATMs.



About TSI

Founded in 2005, TSI's business is a rapidly growing bank ATM deployment and e-transaction financial services business based in India. Operational in India since 2006 the Company now has in excess of 500 ATMs fully operational and generating revenue. It has further contracts for up to another 200 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 a large number of 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.