

# Investor Factsheet

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INTERNATIONAL MONETARY SYSTEMS, LTD.

## Company Overview

### International Monetary Systems, Ltd.

Founded in 1985, International Monetary Systems (IMS) serves over 16,000 businesses and professional people representing 23,000 cardholders in 52 U.S. markets. The IMS network enables companies to acquire new customers, create cost savings, and improve operations by taking advantage of barter opportunities in their business models. Based in New Berlin, WI and managed by seasoned industry veterans, IMS is one of the largest publicly traded barter companies in the world and is continually expanding its network by adding exchange locations. The company's proprietary transaction software, *Trade Network Tracking System (TNT)*, enables businesses and individuals to trade goods and services throughout North America online using an electronic currency known as trade dollars.

Since its inception, IMS has continued to expand its membership roster by way of acquisitions and a strong program of internal growth. By exhibiting a high level of integrity and solid reliability, International Monetary Systems has earned a great degree of respect and has developed a reputation as a dominant player in the barter industry.

In today's fast-paced business environment, convenience and simplicity are crucial. International Monetary Systems provides its members with BarterBuy/E-mail promotions, monthly statements, 24-hour authorization service, and IMS' exclusive online, Internet trading. In addition, each account is assigned a seasoned trade broker who acts as that company's personal sales and purchasing representative.

Because of the nature of its business, IMS has consistent, recurring revenues from a number of sources. The Company's income is derived through transaction fees, monthly maintenance fees, and several other service charges. In 2010, IMS processed approximately \$212 million in trade dollar transactions, which generated revenue of nearly \$13,800,000.



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## Investment Highlights

- ✓ Well positioned in a highly fragmented market
- ✓ Established core competency in developing commercial barter networks and providing unmatched customer service to small business owners
- ✓ Strong value proposition, even in a weak economy
- ✓ Robust growth potential fueled by acquisition strategy
- ✓ Tremendous operating leverage in the business model

## Mission Statement

To be the market-leading business-to-business barter exchange in North America and to provide our customers with unmatched service of the highest quality.

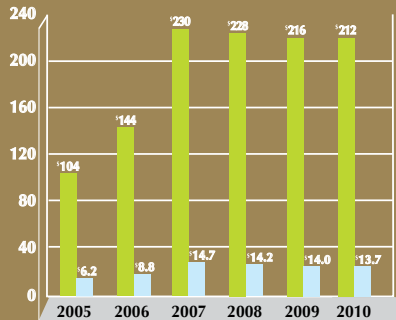




## Fundamentals

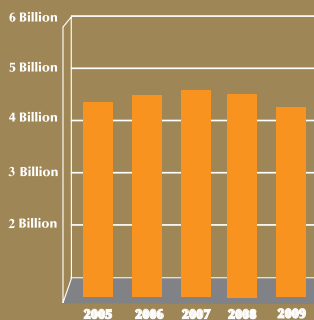
Share Price as of 6/9/11 .....\$1.00  
 Shares Outstanding (3/31/11).....10.5 Million  
 2010 Barter Transactions .....\$106 Million  
 2009 Barter Transactions .....\$108 Million

IMS Trade Volume (T\$ Millions)  
& Revenues (\$ Millions)



■ For the past five years, IMS trade volume has been growing at approximately 15%

Industry Trade Volume  
Estimates (\$ Billions)



- \$4.5 billion transacted each year in commercial barter industry.
- It is estimated that more than 250,000 businesses actively use barter exchanges.
- The barter industry is growing at approximately 5% per year.

## Growth Initiatives for 2011 and Beyond

### Continue Industry Rollup; Restart Through Acquisitions

- Highly fragmented market.
- Leveraged buyouts.
- 28 acquisitions in the past.
- Growth initiative through e-commerce.

### Organic Growth Strategy

- Franchising & licensing.
- Barter healthcare program (medical re-imbursement).
- New client enrollments through increased sales force, direct mail, teleselling and internet marketing.
- Expand Corporate Barter Division.
- Social networking.
- Smart phone applications technology.
- Expand our online barter marketplace (suggestive selling based on customer preferences and buying habits).
- Apply Groupon model to our marketing.
- Strategic Alliances with ecommerce website search engines.

### Strategic Industry Acquisitions

The majority of the 200-plus barter companies in the highly fragmented and regionalized barter industry are small, privately held firms actively searching for ways to expand their business models. International Monetary Systems, Ltd. has used and will continue to use its public equity, cash and trade dollars to make strategic acquisitions to expand our barter network. Through these acquisitions, IMS now serves 52 markets in the major metropolitan areas of eighteen key states plus Washington D.C. and Toronto, Canada. We also plan to expand our corporate bartering program with major corporations, both through internal growth and acquisitions.

### Acquisition Parameters

**Locations** - IMS will continue to increase penetration in major metropolitan areas, both to diversify the product and service mix and to create an even larger national business enterprise.

**Complementary Customer Base** - IMS will continue to focus on aggressively growing its customer base, while maintaining an equitable mix of goods and services.

**Strong Balance Sheets** - IMS will focus on maintaining a healthy balance sheet and will focus on acquiring companies with limited leverage and solid working capital metrics.

## Metrics

Operating Revenues		Operating Income (EBITDA)	
2005 Revenue	\$6,187,000	2005 EBITDA	\$531,000
2006 Revenue	\$8,783,000	2006 EBITDA	\$1,048,000
2007 Revenue	\$14,700,000	2007 EBITDA	\$1,375,000
2008 Revenue	\$14,200,000	2008 EBITDA	\$594,000
2009 Revenue	\$13,968,000	2009 EBITDA	\$2,252,000
2010 Revenue	\$13,704,000	2010 EBITDA	\$1,300,000

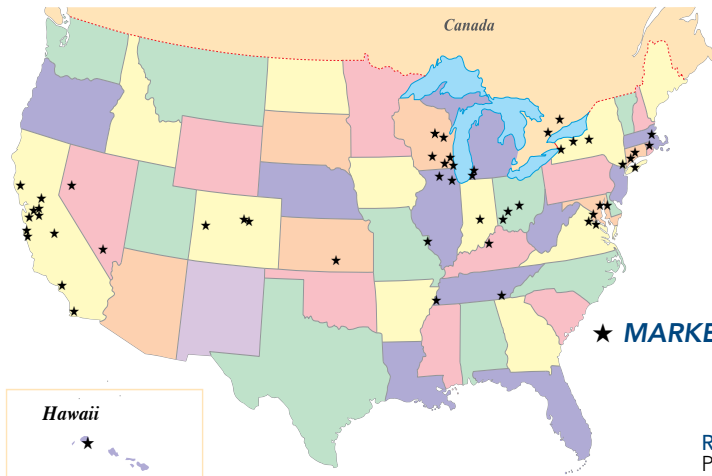
Year End	2011 (estimate)	2010
Revenue	\$13,400,000	\$13,700,000
EBITDA	\$2,000,000	1,300,000

## Barter Industry Thrives Even in Tough Times

Even when the economy is struggling and many companies are cash poor, bartering actually thrives because of the purchasing power created through "barter leverage." For example, if companies sell any products that have a keystone markup – a pricing structure in which their wholesale cost is half of the retail selling price – they will be acquiring each of their trade dollars for a cash outlay of just 50 cents. Then, when they make a purchase using these trade dollars, they are paying half price for everything they buy. Barter leverage allows companies to generate new business, conserve cash and convert excess inventory and capacity into needed goods and services, thus providing those companies with a distinct advantage – particularly in difficult economic times.

## Barter Can Sometimes Be Better Than Cash from Corp! Magazine

What makes barter attractive, especially in a sluggish economy? "Most businesses have excess capacity," explains Don Mardak, chairman, president and CEO of International Monetary Systems, Ltd. (IMS). IMS is one of the largest trading networks in the country and operates in 50 markets nationally. "If it's a professional person, he has empty time slots. If it's a hotel or airline, they have empty rooms or seats. A restaurant will have empty tables they wish were filled." It's the time-critical situations that offer the best use of trade dollars. "As time passes," says Mardak, "the excess capacity evaporates into thin air. You could look at hotel rooms or restaurant tables as perishable commodities. If someone were to use trade dollars to take advantage of those otherwise worthless empty rooms or tables then that's a win-win." Mardak's IMS has more than 16,000 members across the nation. "These are companies or professionals who have excess capacity of some sort," he says. "They are firmly committed to the barter system."



### CALIFORNIA

Brentwood  
Carmel  
Fresno  
Los Angeles  
Modesto  
Monterey  
Sacramento  
San Diego  
San Jose  
Sonoma County  
Stockton

### COLORADO

Boulder  
Denver  
Grand Junction

### CONNECTICUT

Hartford  
New Haven

### HAWAII

Honolulu

### ILLINOIS

Chicago  
Rockford

### INDIANA

Indianapolis  
Wichita

### KANSAS

Wichita  
Louisville

### MARYLAND

Annapolis  
Baltimore

### MASSACHUSETTS

Boston

### MICHIGAN

Benton Harbor  
St. Joseph

### MISSOURI

St. Louis

### NEVADA

Las Vegas  
Reno

### NEW YORK

Buffalo  
New York  
Rochester  
Syracuse  
Long Island

### OHIO

Cincinnati  
Columbus  
Dayton

### RHODE ISLAND

Providence

### TENNESSEE

Chattanooga  
Memphis

### VIRGINIA

Alexandria  
Arlington

### WASHINGTON

D.C.

### WISCONSIN

Fox Valley  
Green Bay  
Kenosha  
Madison  
Milwaukee  
Racine

### CANADA

Toronto  
Peterborough

## IMS Barter Card

Changing the Way the World Does Business™  
The only currency that sells for you



All statements in this document that are not historical are forward-looking statements within the meaning of the Securities Exchange Act of 1934 as amended. Such forward-looking statements are subject to factors that could cause actual results to differ materially for International Monetary Systems from those projected. Those factors include risks and uncertainties relating to, but not limited to, increased regulation of the barter industry, loss of key personnel, and other risk factors identified in the documents that International Monetary Systems has filed, or will file, with the Securities and Exchange Commission.

Copies of International Monetary Systems' filings with the SEC may be obtained from the SEC Internet site at [www.sec.gov](http://www.sec.gov). International Monetary Systems expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in International Monetary Systems' expectations with regard thereto or any change in events, conditions, or circumstances on which any such statements are based.

## **Donald F. Mardak, Chairman of the Board**

He has been the Principal Executive Officer, President and a director of IMS since our inception in 1985. In 2011, the Board appointed John E. Strabley as Chief Executive Officer and Dale L. Mardak as President of the company.

From 1970 to 1974, Don F. Mardak was a partner in Learning Unlimited, a division of Hal Leonard Publishing Corp. In 1974, he founded Don Mardak Piano & Organ Centers, Ltd., a chain of retail piano and organ stores in the Greater Milwaukee area.

In 1985, Mr. Mardak founded the Continental Trade Exchange barter network under the name "Continental Trading Company", a sole proprietorship. Continental Trading Company was incorporated in 1988 as Continental Trade Exchange, Ltd. and is now our primary operating subsidiary.

Mr. Mardak is a two-term president of NATE, the National Association of Trade Exchanges (1995-96 and 1999-2000) and served on the board of directors of the organization for seven years.

Currently, Mr. Mardak is a member of the Board of Directors of IRTA, The International Reciprocal Trade Association. In 2009, he was inducted into the Barter Hall of Fame.

## **John E. Strabley, Chief Executive Officer**

Appointed Chief Executive Officer in 2011, he had been the Executive Vice President of IMS since 1992 and a director since 1997.

Mr. Strabley joined Continental Trade Exchange, Ltd. as a trade broker in 1991. In 1992, he was promoted to General Manager and, in August of that year, was appointed as Vice President of Continental Trade Exchange and IMS.

In 1995, Mr. Strabley passed the barter industry certification examination and was awarded with the industry's designation of CTB - Certified Trade Broker.

In 1997, Mr. Strabley became a director of both Continental Trade Exchange, Ltd. and IMS.

## **Dale L. Mardak, President**

Appointed President in 2011, he had been Senior Vice President of IMS since 1995, and a director since 1997. He joined Continental Trade Exchange, Ltd. in 1993 as a trade broker and was appointed trade director in 1995.

In 1997, he was appointed Treasurer and a director of both Continental Trade Exchange, Ltd. and IMS.

In 1999, Mr. Mardak received the designation of CTB - Certified Trade Broker. Dale Mardak served as Secretary on the NATE board of directors from 2004-2006.

## **David A. Powell, CPA and Chief Financial Officer**

He was appointed as the Company's Chief Financial Officer in June 2010.

He is a Certified Public Accountant with over 10 years experience in public accounting and more than 15 years experience, holding a variety of senior financial positions with a number of companies.

Prior to joining IMS, he has served as finance and operations manager for the insurance subsidiaries of US Bancorp for more than 10 years, and most recently spent a year as corporate controller for a privately held group of retail service companies and a year as corporate controller for a privately held wholesale marketing and distribution company.

Since joining IMS in July 2009, he has been involved in accounting and financial reporting, tax compliance, risk management, and strengthening the company's internal controls.

## Contact Information

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