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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2004
Commission File Number 001-11015

VIAD CORP
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	36-1169950 (I.R.S. Employer Identification No.)
1850 N. Central Ave., Phoenix, Arizona (Address of principal executive offices)	85004 (Zip Code)

Registrant's telephone number, including area code (602) 207-4000

Indicate by check mark whether the registrant (1) has filed all Exchange Act reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes x No __________

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).

Yes x No __________

As of April 30, 2004, 88,565,038 shares of Common Stock ($1.50 par value) were outstanding.

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PART I. Financial Information

Item 1. *Financial Statements*

VIAD CORP
CONSOLIDATED BALANCE SHEETS

	March 31, 2004	December 31, 2003
	(unaudited) (in thousands, except share data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 30,469	$ 63,853
Other investments in securities	129,453	99,230
Receivables, net	64,946	45,915
Inventories	34,541	35,768
Deferred income taxes	55,688	45,485
Other current assets	39,902	34,831
	354,999	325,082
Funds, agent receivables and current maturities of investments substantially restricted for payment service obligations	1,849,675	1,821,020
Total current assets	2,204,674	2,146,102
Investments substantially restricted for payment service obligations	6,292,564	5,975,213
Property and equipment, net	244,805	250,787
Other investments and assets	61,949	63,431
Deferred income taxes	76,267	101,571
Goodwill	652,653	652,213
Other intangible assets, net	33,164	32,838
Total Assets	$9,566,076	$9,222,155
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 72,694	$ 57,710
Other current liabilities	210,758	211,097
Current portion of long-term debt	40,595	21,211
	324,047	290,018
Payment service obligations	7,784,259	7,525,796
Total current liabilities	8,108,306	7,815,814
Long-term debt	211,953	230,232
Pension and other postretirement benefits	124,532	122,703
Derivative financial instruments	79,791	71,093
Other deferred items and insurance liabilities	116,223	122,132
$4.75 Preferred stock subject to mandatory redemption	6,741	6,733
Minority interests	3,161	3,611
Common stock and other equity:		
Common stock, $1.50 par value, 200,000,000 shares authorized, 99,739,925 shares issued	149,610	149,610
Additional capital	214,148	218,783
Retained income	897,178	863,944
Unearned employee benefits and other	(54,099)	(58,026)
Accumulated other comprehensive income (loss):		
Unrealized gain on available-for-sale securities	136,298	105,263
Unrealized loss on derivative financial instruments	(109,464)	(106,471)
Cumulative foreign currency translation adjustments	11,877	12,387
Minimum pension liability adjustment	(42,749)	(42,749)
Common stock in treasury, at cost, 11,170,033 and 11,382,364 shares	(287,430)	(292,904)
Total common stock and other equity	915,369	849,837
Total Liabilities and Stockholders' Equity	$9,566,076	$9,222,155

See Notes to Consolidated Financial Statements.

VIAD CORP
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three months ended March 31, 2004	Three months ended March 31, 2003
	(in thousands, except per share data)	
Revenues:		
Convention show services	$158,330	$174,942
Payment services transaction fees	113,622	97,061
Payment services investment income	77,700	74,567
Exhibit design and construction	45,286	47,114
Travel and recreation services	3,939	3,282
Total revenues	398,877	396,966
Costs and expenses:		
Costs of services	306,291	311,549
Costs of products sold	46,212	49,305
Corporate activities and minority interests	4,210	3,745
Net interest expense	1,042	3,048
Total costs and expenses	357,755	367,647
Income before income taxes	41,122	29,319
Income tax expense	12,061	7,929
Income from continuing operations	29,061	21,390
Income from discontinued operations, net of tax	11,932	641
Net income	$ 40,993	$ 22,031
Diluted income per common share		
Income from continuing operations	$ 0.33	$ 0.24
Income from discontinued operations, net of tax	0.14	0.01
Net income per common share	$ 0.47	$ 0.25
Average outstanding and potentially dilutive common shares	87,217	86,326
Basic income per common share		
Income from continuing operations	$ 0.33	$ 0.24
Income from discontinued operations, net of tax	0.14	0.01
Net income per common share	$ 0.47	$ 0.25
Average outstanding common shares	86,710	86,008
Dividends declared per common share	$ 0.09	$ 0.09

See Notes to Consolidated Financial Statements.

VIAD CORP
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three months ended March 31,	
	2004	**2003**
	(in thousands)	
Net income	$ 40,993	$ 22,031
Other comprehensive income:		
Unrealized gains on available-for-sale securities:		
Reclassification of securities from held-to-maturity to available-for-sale, net of tax expense	—	30,222
Holding gains (losses) arising during the period, net of tax	35,289	(3,092)
Reclassification adjustment for net realized gains included in net income, net of tax expense	(4,254)	(2,722)
	31,035	24,408
Unrealized gains (losses) on derivative financial instruments:		
Holding losses arising during the period, net of tax	(21,233)	(16,254)
Net reclassifications from other comprehensive income to net income, net of tax benefit	18,240	21,401
	(2,993)	5,147
Unrealized foreign currency translation gains (losses)	(510)	5,791
Other comprehensive income	27,532	35,346
Comprehensive income	$ 68,525	$ 57,377

See Notes to Consolidated Financial Statements.

VIAD CORP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three months ended March 31,	
	2004	2003
	(in thousands)	
Cash flows from operating activities:		
Net income	$ 40,993	$ 22,031
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,652	12,012
Deferred income taxes	3,972	(3,602)
Income from discontinued operations, net of tax	(11,932)	(641)
Investment impairment charges and adjustments	5,928	20,813
Gains on dispositions of investments and other assets	(7,410)	(4,842)
Amortization of investment premiums	7,679	6,369
Other noncash items, net	2,668	(106)
Change in operating assets and liabilities:		
Receivables	(26,837)	(23,109)
Inventories	1,227	2,984
Accounts payable	14,549	(4,353)
Restructuring liability (cash payments)	(2,470)	(2,152)
Other assets and liabilities, net	(4,738)	15,809
	36,281	41,213
Change in payment service assets and obligations, net	228,386	144,735
Net cash provided by operating activities	264,667	185,948
Cash flows from investing activities:		
Capital expenditures	(9,951)	(7,206)
Acquisition of business, net of cash acquired	—	(98,049)
Proceeds from sale of business, net of cash divested	15,247	—
Proceeds from dispositions of property and other assets	490	416
Proceeds from sales and maturities of available-for-sale securities	686,810	855,891
Proceeds from maturities of held-to-maturity securities	—	283,690
Purchases of available-for-sale securities	(985,050)	(1,215,506)
Net cash used in investing activities	(292,454)	(180,764)
Cash flows from financing activities:		
Payments on long-term borrowings	(247)	(207)
Net change in short-term borrowings	2,000	(6,000)
Dividends paid on common and preferred stock	(7,807)	(8,039)
Dividend paid to minority interest	—	(8,115)
Proceeds from exercise of stock options	457	884
Net cash used in financing activities	(5,597)	(21,477)
Net decrease in cash and cash equivalents	(33,384)	(16,293)
Cash and cash equivalents, beginning of year	63,853	57,219
Cash and cash equivalents, end of period	$ 30,469	$ 40,926

See Notes to Consolidated Financial Statements.

VIAD CORP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 – Basis of Preparation and Principles of Consolidation

The accompanying unaudited consolidated financial statements of Viad Corp ("Viad" or "the Company") have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2004 are not necessarily indicative of the results that may be expected for the year ending December 31, 2004. Certain prior period amounts have been reclassified to conform to the current period presentation.

For further information, refer to the consolidated financial statements and related footnotes for the year ended December 31, 2003, included in the Company's Form 10-K (File No. 001-11015), filed with the Securities and Exchange Commission on March 11, 2004.

The consolidated financial statements include the accounts of Viad and all of its wholly-owned subsidiaries. All significant intercompany account balances and transactions between Viad and its subsidiaries have been eliminated in consolidation. Results of operations for the three months ended March 31, 2003 have been restated to present the financial results of a disposed business as a discontinued operation. See Note 2, "Discontinued Operations and Acquisition of Minority Interest."

Viad's Payment Services segment participates in various trust arrangements (special-purpose entities) related to structured investments within its investment portfolio, official check processing agreements with financial institutions, and the sale of certain receivables. Certain structured investments owned by Viad represent beneficial interests in grantor trusts or other similar entities. These trusts typically contain an investment grade security, generally a U.S. Treasury strip, and an investment in the residual interest in a collateralized debt obligation, or in some cases, a limited partnership interest. For certain of these trusts, the Payment Services segment owns the majority of the beneficial interests, and therefore, consolidates those trusts by recording and accounting for the assets of the trust separately in Viad's consolidated financial statements.

In connection with its PrimeLink business, the Payment Services segment has established separate trust entities and processes that provide certain financial institution customers additional assurance of the Company's ability to clear their official checks. The assets, liabilities, revenues and expenses associated with these arrangements are consolidated in Viad's financial statements. Additionally, the Payment Services segment has an agreement to sell, on a periodic basis, undivided percentage ownership interests in certain receivables, primarily from its money order agents. These receivables are sold to commercial paper conduits and represent a small percentage of the total assets in such conduits. Viad's rights and obligations are limited to the receivables transferred, and are accounted for as a sales transaction under Statement of Financial Accounting Standards ("SFAS") No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." The assets and liabilities associated with the conduits, including the sold receivables, are not recorded or consolidated in Viad's financial statements.

Note 2 – Discontinued Operations and Acquisition of Minority Interest

In March 2004, Travelers Express Company, Inc. ("Travelers Express"), a wholly-owned subsidiary of Viad, completed the sale of Game Financial Corporation ("Game Financial") to a subsidiary of Certegy Inc. for $43.1 million in cash. Game Financial was previously a wholly-owned subsidiary of Travelers Express (and reported as a component of the Payment Services segment) providing cash access services to casinos and gaming establishments throughout the United States. In determining the gain on the sale of Game Financial, the $43.1 million sale price was compared to the carrying amount on the date of sale of $16.4 million. $7.8 million of the gain was deferred pending resolution of certain contingencies in the sale contract. The contingencies generally relate to the retention of certain business and may result in additional gains in the future as the contingencies are resolved. The components of the carrying amount were total assets of $20.8 million less total liabilities $4.4 million. In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," the gain on the disposal of Game Financial and the after-tax earnings for the period in 2004 prior to the sale of $515,000 have been included in discontinued operations in the consolidated statements of income. Additionally, the after-tax results of operations for the three months ended March 31, 2003 of $641,000 have also been included in discontinued operations. The contingent gain is included in the consolidated balance sheet under "Other current liabilities."

In January 2003, MoneyGram Payment Systems, Inc., a wholly-owned subsidiary of Travelers Express, acquired the remaining 49 percent minority interest in MoneyGram International Limited ("MIL") from Travelex Group Plc. ("Travelex"). MIL, a London-based joint venture between MoneyGram Payment Systems, Inc. and Travelex, provides international sales and marketing services in connection with the money transfer business primarily in Europe, Africa, Asia and Australia. Prior to the acquisition, MoneyGram Payment Systems, Inc. owned a 51 percent interest in MIL.

As a majority-owned subsidiary, MIL's financial results were consolidated in Viad's financial statements prior and subsequent to the acquisition. The total consideration paid to Travelex included a $98.1 million cash payment by MoneyGram Payment Systems, Inc. and a dividend paid by MIL of $8.1 million. At the acquisition date, additional goodwill of $97.5 million was recorded related to the Payment Services segment. The amount of goodwill expected to be deductible for tax purposes is not significant.

Note 3 – Stock-Based Compensation

As permitted by SFAS No. 123, "Accounting for Stock-Based Compensation," Viad uses the intrinsic value method of accounting for stock-based compensation awards prescribed by Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees" and related interpretations in accounting for its stock-based compensation plans.

Assuming Viad had recognized compensation cost for stock options and performance-based stock awards in accordance with the fair value method of accounting defined in SFAS No. 123, net income and diluted and basic income per share for the three months ended March 31 would be as presented in the table below. Compensation cost calculated under SFAS No. 123 is recognized ratably over the vesting period and is net of estimated forfeitures and tax effects.

	2004	2003
	(in thousands, except per share data)	
Net income, as reported	$40,993	$22,031
Plus: stock-based employee compensation expense recorded under APB Opinion No. 25, net of tax	—	248
Less: stock-based employee compensation expense determined under fair value based method, net of tax	(923)	(968)
Pro forma net income	$40,070	$21,311
Diluted income per share:		
As reported	$ 0.47	$ 0.25
Pro forma	$ 0.46	$ 0.24
Basic income per share:		
As reported	$ 0.47	$ 0.25
Pro forma	$ 0.46	$ 0.24

For purposes of applying SFAS No. 123, the estimated fair value of stock options granted during 2004, 2003, and 2002 was $6.68, $5.33, and $8.47 per share, respectively. The fair value of each stock option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2004	2003	2002
Expected dividend yield	1.4%	1.8%	1.3%
Expected volatility	28.5%	30.4%	30.1%
Risk-free interest rate	3.16%	2.66%	4.92%
Expected life	5 years	5 years	5 years

Note 4 – Assets and Investments Substantially Restricted for Payment Service Obligations

Viad's Payment Services subsidiaries generate funds from the sale of official checks, money orders and other payment instruments with the related liabilities classified in the consolidated balance sheets under "Payment service obligations." Substantially all of the proceeds of such sales are invested in permissible securities, principally high-quality debt instruments. These investments, along with related cash and funds in transit, are substantially restricted by the Payment Services segment to the extent that they represent proceeds from the sale of payment instruments to satisfy the liability to pay, upon presentment, the face amount of the payment service obligations. Such assets are not available to satisfy working capital or other financing requirements of Viad. Investment securities are included in the consolidated balance sheets under "Investments substantially restricted for payment service obligations." Certain additional assets of the Payment Services subsidiaries relating to payment service obligations, including cash, funds in transit from agents, and securities expected to be sold or maturing within one year, are included under "Funds, agent receivables and current maturities of investments substantially restricted for payment service obligations."

At March 31, 2004, all investment securities substantially restricted for payment service obligations were classified as available-for-sale as they were held for indefinite periods of time and included those securities which may be sold to assist in the clearing of payment service obligations or in the management of investments. These securities are reported at fair value with unrealized gains and losses, net of tax, included in the consolidated balance sheets as a component of "Accumulated other comprehensive income (loss)."

Interest income, realized gains and losses on the disposition of investments and impairment losses are included in the consolidated statements of income under "Payment services investment income." The specific identification method is used to determine the cost basis of securities sold.

Viad's investments substantially restricted for payment service obligations consist primarily of mortgage-backed securities, other asset-backed securities, state and municipal government obligations and corporate debt securities. Other asset-backed securities are collateralized by various types of loans and leases, including home equity, corporate, manufactured housing, credit card, and airline. Interest income on mortgage-backed and other asset-backed securities for which the risk of credit loss is deemed remote is recorded utilizing the level yield method. Changes in estimated cash flows, both positive and negative, are accounted for with retrospective changes to the carrying value of investments in order to maintain a level yield over the life of the investment.

Interest income on mortgage-backed and other asset-backed investments for which risk of credit loss is not deemed remote is recorded under the prospective method in accordance with Emerging Issues Task Force ("EITF") Issue No. 99-20, "Recognition of Interest Income and Impairment on Purchased and Retained Beneficial Interests in Securitized Financial Assets." EITF Issue No. 99-20 requires that such changes be accounted for prospectively as adjustments of yield. Under EITF Issue No. 99-20, investments are evaluated for impairment when an adverse cash flow change occurs. If the fair value of a security is less than its carrying value when an adverse cash flow change occurs, the investment is written down to fair value. Fair value is generally based on quoted market prices. However, certain investment securities are not readily marketable. As a result, the carrying value of these investments is based on cash flow projections which require a significant degree of management judgment as to default and recovery rates of the underlying investments. Any such impairment charges are included in the consolidated statements of income under "Payment services investment income." Viad regularly monitors credit and market risk exposures and attempts to mitigate the likelihood of these exposures resulting in actual loss.

As described in Note 7, "Derivative Financial Instruments," Viad's Payment Services subsidiaries use swap agreements to hedge a substantial portion of the variable rate commission payments to its financial institution customers of its PrimeLink product and the net proceeds from the sale of receivables primarily from money order agents. These swap agreements effectively convert such variable rates to fixed rates. The fair value of these swap agreements generally increases when market values of fixed rate, long-term debt investments decline and vice versa. Payment Services also uses swap agreements to hedge the fair value of certain of its available-for-sale securities. These swap agreements effectively convert the fixed rates on the securities to variable rates. The reported fair value of these derivative financial instruments represents the estimated amount that Viad would pay to counterparties to terminate the swap agreements.

Normally, the swap agreements will not be terminated prior to maturity, nor is there any requirement to sell long-term debt securities prior to maturity, as the funds flow from ongoing sales of money orders and other payment instruments and funds from maturing short-term and long-term investments are expected to be adequate to settle payment service obligations as they are presented. In addition, Viad's Payment Services subsidiaries have various lines of credit, overdraft facilities and reverse repurchase agreements totaling $2.1 billion available to assist in the management of investments and the clearing of payment service obligations. Amounts outstanding under reverse repurchase agreements are required to be collateralized by securities. At March 31, 2004 and December 31, 2003, $4.0 million and $2.0 million were outstanding under an overdraft facility, respectively.

The Payment Services segment has restricted funds equal to payment service obligations and unrestricted funds, agents receivables and investments to the extent those assets exceed all payment service obligations. The following table shows the amount of those assets restricted for payment service obligations and excess unrestricted assets:

	March 31, 2004	December 31, 2003
	(in thousands)	
Funds, agent receivables and current maturities of investments	$ 1,849,675	$ 1,821,020
Investments (1)	6,290,052	5,973,498
	8,139,727	7,794,518
Amount restricted to cover payment service obligations (2)	(7,680,730)	(7,421,480)
Unrestricted assets	$ 458,997	$ 373,038

(1) Amount excludes the long-term portion of derivative financial instruments of $2.5 million and $1.7 million at March 31, 2004 and December 31, 2003, respectively, which are included in the consolidated balance sheets under the caption "Investments substantially restricted for payment service obligations."

(2) Amount excludes the current liability portion of derivative financial instruments of $103.5 million and $104.3 million at March 31, 2004 and December 31, 2003, respectively, which are included in the consolidated balance sheets under the caption "Payment service obligations."

Securities Classified as Available-for-Sale. A summary of securities classified as available-for-sale at March 31, 2004 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
U.S. Government agencies	$ 457,167	$ 5,057	$ (22)	$ 462,202
Obligations of states and political subdivisions	918,338	76,634	(33)	994,939
Corporate debt securities	308,206	27,925	(329)	335,802
Mortgage-backed and other asset-backed securities	4,341,423	127,336	(14,620)	4,454,139
Debt securities issued by foreign governments	5,361	631	—	5,992
Preferred stock	75,489	1,987	(1,868)	75,608
Securities classified as available-for-sale	$6,105,984	$239,570	$(16,872)	$6,328,682

A summary of securities classified as available-for-sale at December 31, 2003 is presented below:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
U.S. Government agencies	$ 405,378	$ 6,068	$ (405)	$ 411,041
Obligations of states and political subdivisions	938,693	73,663	(271)	1,012,085
Corporate debt securities	323,747	23,142	(720)	346,169
Mortgage-backed and other asset-backed securities	4,092,067	92,131	(20,926)	4,163,272
Debt securities issued by foreign governments	5,373	320	—	5,693
Preferred stock	75,546	1,601	(1,650)	75,497
Securities classified as available-for-sale	$5,840,804	$196,925	$(23,972)	$6,013,757

On March 31, 2003, Viad reclassified securities in the Payment Services portfolio with an amortized cost of $1.2 billion from held-to-maturity to available-for-sale. During the first quarter 2003, management determined that it no longer had the positive intent to hold these securities for an indefinite period of time due to management's desire for increased flexibility in managing the investment portfolio. The gross unrealized gains and losses related to these securities were $55.3 million and $5.3 million, respectively, on the date of transfer. As a result of the reclassification, the Company is prohibited from classifying securities as held-to-maturity for two years following the transfer under the provisions of SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," and therefore, at March 31, 2004, no securities in the Payment Services portfolio were classified as held-to-maturity.

Current maturities of investments substantially restricted for payment service obligations at March 31, 2004 and December 31, 2003 were $38.6 million and $40.3 million, respectively.

Gross realized gains and losses on the disposition of securities classified as available-for-sale for the three months ended March 31, 2004 were $7.1 million and $82,000, respectively. For the three months ended March 31, 2003, gross realized gains and losses were $4.6 million and $167,000, respectively. Viad also recognized $5.9 million and $20.8 million in other-than-temporary investment impairment charges and adjustments for the three months ended March 31, 2004 and 2003, respectively.

The following table presents, as of March 31, 2004, the Company's securities classified as available-for-sale for which the fair value was below the carrying value for a period of more than twelve months:

	Less than twelve months		More than twelve months			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Total Fair Value	Total Unrealized Losses
			(in thousands)			
U.S. Government agencies	$ 11,970	$ 22	$ —	$ —	$ 11,970	$ 22
Obligations of states and political subdivisions	8,929	33	—	—	8,929	33
Corporate debt securities	7,535	329	—	—	7,535	329
Mortgage-backed and other asset-backed securities	720,689	8,736	143,738	5,884	864,427	14,620
Preferred stock	16,729	248	8,380	1,620	25,109	1,868
	$765,852	$9,368	$152,118	$7,504	$917,970	$16,872

At December 31, 2003, Viad had the following:

	Less than twelve months		More than twelve months			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Total Fair Value	Total Unrealized Losses
			(in thousands)			
U.S. Government agencies	$ 81,747	$ 405	$ —	$ —	$ 81,747	$ 405
Obligations of states and political subdivisions	18,670	271	—	—	18,670	271
Corporate debt securities	38,319	720	—	—	38,319	720
Mortgage-backed and other asset-backed securities	1,383,395	14,554	163,036	6,372	1,546,431	20,926
Preferred stock	—	—	8,350	1,650	8,350	1,650
	$1,522,131	$15,950	$171,386	$8,022	$1,693,517	$23,972

Viad has determined that the unrealized losses reflected above, comprised of 26 and 19 securities at March 31, 2004 and December 31, 2003, respectively, represent temporary impairments. The Company believes that the unrealized losses generally are caused by liquidity discounts and increases in the risk premiums required by market participants rather than a fundamental weakness in the credit quality of the issuer or underlying assets.

Note 5 – Goodwill and Other Intangible Assets

A summary of other intangible assets at March 31, 2004 is presented below:

	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
		(in thousands)	
Amortized intangible assets:			
Customer lists	$31,070	$(17,884)	$13,186
Patents	13,200	(10,541)	2,659
Other	207	(178)	29
	44,477	(28,603)	15,874
Unamortized intangible assets:			
Trademarks	13,175	—	13,175
Pension intangible assets	4,115	—	4,115
	17,290	—	17,290

Total other intangible assets	$61,767	$(28,603)	$33,164

A summary of other intangible assets at December 31, 2003 is presented below:

	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
		(in thousands)	
Amortized intangible assets:			
Customer lists	$30,110	$(17,565)	$12,545
Patents	13,200	(10,385)	2,815
Other	1,033	(845)	188
	44,343	(28,795)	15,548
Unamortized intangible assets:			
Trademarks	13,175	—	13,175
Pension intangible assets	4,115	—	4,115
	17,290	—	17,290
Total other intangible assets	$61,633	$(28,795)	$32,838

Intangible asset amortization expense for the three months ended March 31, 2004 and 2003, was $490,000 and $507,000, respectively. Estimated amortization expense related to these intangibles for the five succeeding fiscal years is as follows:

	(in thousands)
2004	$1,544
2005	$2,009
2006	$1,748
2007	$1,748
2008	$1,435

The changes in the carrying amount of goodwill for the three months ended March 31, 2004 are as follows:

	Payment Services	Convention and Event Services	Other	Total
		(in thousands)		
Balance at January 1, 2004	$395,527	$227,056	$29,630	$652,213
Foreign currency translation adjustments	—	40	400	440
Balance at March 31, 2004	$395,527	$227,096	$30,030	$652,653

Note 6 – Debt and Other Obligations

At March 31, 2004 and December 31, 2003, Viad classified as long-term debt $170 million and $168 million, respectively, of short-term borrowings. These borrowings were supported by unused commitments under $475 million of available credit facilities.

At March 31, 2004, Viad had 442,352 authorized shares of $4.75 preferred stock subject to mandatory redemption provisions with a stated value of $100 per share, of which 328,352 shares were issued. Of the total shares issued, 234,983 were outstanding and 93,369 were held by Viad at a net carrying value of $6.7 million. The $4.75 preferred stock is subject to mandatory redemption provisions through annual cumulative sinking fund requirements of 6,000 shares per year, which are currently satisfied from the shares held by Viad. The outstanding shares held by others are scheduled for redemption in the years 2019 to 2058 and have a liquidation preference of $100 per share (aggregate liquidation preference of $23.5 million) in the event of any involuntary liquidation, dissolution or winding up of the Company. The $4.75 preferred stock may also be redeemed prior to scheduled redemption at the option of the Company expressed by resolution of the Board of Directors at a call price of $101 per share (aggregate redemption amount of $23.7 million).

As of March 31, 2004, Viad had certain obligations under guarantees to third parties on behalf of its subsidiaries. These guarantees are not subject to liability recognition in the consolidated financial statements and primarily relate to leased facilities and credit or loan arrangements with banks, entered into by Viad's subsidiary operations. Viad would generally be required to make payments to the respective third parties under these guarantees in the event that the related subsidiary could not meet its own payment obligations. The maximum potential amount of future payments that Viad would be required to make under all guarantees existing at March 31, 2004 is $55.3 million. There are no recourse provisions that would enable Viad to recover from third parties any payments made under the guarantees. Furthermore, there are no collateral or similar arrangements whereby Viad could recover payments.

Cash paid for interest was $2.6 million and $2.7 million for the three months ended March 31, 2004 and 2003, respectively.

Note 7 – Derivative Financial Instruments

Viad uses derivative financial instruments as part of its risk management strategy to manage exposure to fluctuations in interest and foreign currency rates. Derivatives are not used for speculative purposes. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portions of the change in the fair value of the derivative are recorded in accumulated other comprehensive income. Ineffective portions of the change in the fair value of cash flow hedges are recognized in earnings. For derivative instruments not designated as hedging instruments, changes in fair value are recognized in earnings in the current period.

A portion of Viad's Payment Services business involves the payment of variable-rate commissions to financial institution customers of its PrimeLink program. In addition, a Viad Payment Services subsidiary has agreements to sell, on a periodic basis, undivided percentage ownership interests in certain receivables primarily from money order agents in an amount not to exceed $450 million. The agreement expires in June 2006. The receivables, sold at a discount based on short-term variable interest rates, are sold in order to accelerate cash flow for investment in permissible securities. Variable-to-fixed derivative financial instruments (swap agreements) have been entered into to mitigate the effects of fluctuations primarily on commission expense and to a lesser extent on the net proceeds from the sale of agent receivables. The length of time over which future cash flows are hedged ranges up to ten years. Amounts receivable or payable under the derivative agreements designated as cash flow hedges are reclassified from other comprehensive income to net income as an adjustment to the expense of the related transaction. These amounts are included in the consolidated statements of income under "Costs of services."

Viad uses fair value hedges to mitigate the risk of fluctuating interest rates on certain available-for-sale securities. Interest rate swaps are used to modify exposure to interest rate risk by converting fixed rate assets to a floating rate. All amounts have been included in earnings consistent with the hedged transaction, primarily as "Payment services investment income." The Company uses the "shortcut" method prescribed by SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," and therefore, assumes no ineffectiveness. The amount recognized in earnings due to the ineffectiveness of the cash flow hedges was not material. No cash flow or fair value hedges were discontinued during the three months ended March 31, 2004 or 2003.

Viad is also exposed to foreign currency exchange risk. Forward derivative contracts are used to hedge assets and liabilities denominated in foreign currencies. While these contracts economically hedge Viad's foreign currency risk, they are not designated as hedges for accounting purposes under SFAS No. 133. Accordingly, these contracts are recorded on the consolidated balance sheets at fair value, with the change in fair value reflected in earnings. The effect of changes in foreign exchange rates on the foreign-denominated receivables and payables, net of the effect of the related forward contracts, is not significant.

Note 8 – Income Taxes

A reconciliation of the income tax expense on income from continuing operations and the amount that would be computed using statutory federal income tax rates for the three months ended March 31, is as follows:

	2004		2003	
	(in thousands)			
Computed income taxes at statutory federal income tax rate	$14,393	35.0%	$10,262	35.0%
State income taxes	1,179	2.9%	1,417	4.8%
Other, net	874	2.1%	914	3.1%
	16,446	40.0%	12,593	42.9%
Tax-exempt income	(4,241)	(10.3%)	(5,185)	(17.7%)
Adjustment to estimated annual effective rate (1)	(144)	(0.4%)	521	1.8%
Income tax expense	$12,061	29.3%	$ 7,929	27.0%

(1) APB Opinion No. 28, "Interim Financial Reporting," requires that income taxes be recorded based on the estimated effective tax rate expected to be applicable for the entire fiscal year.

Cash paid for income taxes was $5.1 million and $7.8 million for the three months ended March 31, 2004 and 2003, respectively.

Note 9 – Income Per Share

A reconciliation of the numerators and denominators of diluted and basic per share computations for income from continuing operations for the three months ended March 31 is as follows:

	2004	2003
	(in thousands, except per share data)	
Income from continuing operations	$29,061	$21,390
Preferred stock dividends (1)	—	(286)
Income available to common stockholders	$29,061	$21,104
Average outstanding common shares	86,710	86,008
Additional dilutive shares related to stock-based compensation	507	318
Average outstanding and potentially dilutive common shares	87,217	86,326
Diluted income per share from continuing operations	$ 0.33	$ 0.24
Basic income per share from continuing operations	$ 0.33	$ 0.24

(1) Effective July 1, 2003, Viad adopted SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity" which requires that the Company categorize its $4.75 preferred stock subject to mandatory redemption as a separate liability in its consolidated balance sheets. In addition, dividends paid on preferred stock that were previously charged directly against retained income, effective third quarter 2003 were recorded as interest expense and thereby already included as a function of income from continuing operations. Consequently, no adjustment to income from continuing operations has been made related to the first quarter 2004.

Options to purchase 2,547,000 and 3,580,000 shares of common stock were outstanding at March 31, 2004 and 2003, respectively, but were not included in the computation of diluted income per share because the effect would be antidilutive.

Note 10 – Restructuring Charges

In the fourth quarter of 2002, Viad approved a plan of restructuring related to the Convention and Event Services segment and recorded a charge totaling $20.5 million. The charge consisted of costs associated with the closure and consolidation of certain facilities, severance and other employee benefits and included a provision for the write-down (net of estimated proceeds) of certain inventories and fixed assets, facility closure and lease termination costs (less estimated sublease income) and other exit costs. At March 31, 2004, there was a remaining liability of $6.0 million, of which $4.2 million and $1.8 million were included in the consolidated balance sheets under "Other current liabilities" and "Other deferred items and insurance liabilities," respectively. The restructuring activities had been substantially completed as of December 31, 2003, however, payments due under the long-term lease obligations will continue to be made over the remaining terms of the lease agreements. Severance and benefit payments will continue to be made over the varying terms of the individual separation agreements.

A summary of the change in the 2002 restructuring liability balance at March 31, 2004 is as follows:

	Severance and Benefits	Facility Closure and Lease Termination	Total
		(in thousands)	
Balance at December 31, 2003	$1,164	$ 6,132	$ 7,296
Cash payments	(166)	(1,133)	(1,299)
Balance at March 31, 2004	$ 998	$ 4,999	$ 5,997

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In the third quarter of 2001, Viad approved a plan of restructuring and recorded a charge totaling $66.1 million, of which 93 percent related to the Convention and Event Services segment. The restructuring charge was associated with the closure and consolidation of certain facilities, severance and other employee benefits. All facilities were closed or consolidated and all positions eliminated as of December 31, 2002. At March 31, 2004, there was a remaining liability of $13.3 million, of which $3.2 million and $10.1 million were included in the consolidated balance sheets under “Other current liabilities” and “Other deferred items and insurance liabilities,” respectively. Payments due under the long-term lease obligations will continue to be made over the remaining terms of the lease agreements.

A summary of the change in the 2001 restructuring liability balance at March 31, 2004 is as follows:

	Severance and Benefits	Facility Closure and Lease Termination	Total
		(in thousands)	
Balance at December 31, 2003	$ 276	$13,413	$13,689
Cash payments	(276)	(895)	(1,171)
Noncash adjustment	—	758	758
Balance at March 31, 2004	$ —	$13,276	$13,276

Note 11 – Segment Information

Viad measures profit and performance of its operations on the basis of operating income from continuing operations before restructuring charges and other items. Intersegment sales are eliminated in consolidation and intersegment transfers are not significant. Corporate activities include expenses not allocated to operations. Depreciation and amortization are the only significant noncash items for the reportable segments. As discussed in Note 2, “Discontinued Operations and Acquisition of Minority Interest,” the results of the Payment Services segment have been restated to exclude those of Game Financial. Disclosures regarding Viad’s reportable segments along with reconciliations to consolidated totals for the three months ended March 31 are as follows:

	2004	2003
	(in thousands)	
Revenues:		
Payment Services	$191,322	$171,628
Convention and Event Services	203,616	222,056
Reportable segments	394,938	393,684
Travel and Recreation Services	3,939	3,282
	$398,877	$396,966
Operating income (loss):		
Payment Services	$ 30,168	$ 19,081
Convention and Event Services	17,529	18,605
Reportable segments	47,697	37,686
Travel and Recreation Services	(1,323)	(1,574)
	46,374	36,112
Corporate activities and minority interests	(4,210)	(3,745)
	42,164	32,367
Other investment income	748	1,104
Interest expense	(1,790)	(4,152)
Income before income taxes	$ 41,122	$ 29,319

Note 12 – Recent Accounting Pronouncements

In January 2004, the Financial Accounting Standards Board (“FASB”) issued Staff Position (“FSP”) FAS 106-1 on the accounting for the effect of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the “Act”) enacted into law on December 8, 2003. Viad anticipates that the prescription drug benefit it pays for Medicare-eligible retirees beginning in 2006 will be lower as a result of the Act.

Although SFAS No. 106, “Employers’ Accounting for Postretirement Benefits Other Than Pensions,” requires that recently enacted changes in the law that take effect in future periods be considered in current period liability determination, FSP FAS 106-1 permits the deferral of recognition of the effects of the Act until further authoritative guidance is issued. The Company has elected to defer recognizing the effects of the Act until final authoritative guidance is issued. As a result, the consolidated financial statements do not include the effects of the Act and the impact on Viad's financial position and results of operations cannot presently be determined.

In March 2004, the EITF reached a final consensus on EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairments and Its Application to Certain Investments." The final consensus provides a three-step impairment model for determining whether an investment is other-than-temporarily impaired and if such impairment exists, and requires the recognition of an impairment loss equal to the difference between the investment's cost and fair value at the reporting date. The impairment model applies to investments subject to SFAS No. 115 and investments in equity securities accounted for under the cost method. The consensus also requires an additional other-than-temporary evaluation criterion for investments accounted for under EITF Issue No. 99-20 related to beneficial interests in securitized financial assets. The impairment model set forth in EITF Issue No. 03-1 is effective for impairment tests performed in reporting periods beginning after June 15, 2004. Additionally, EITF Issue No. 03-1 sets forth quantitative and qualitative disclosure requirements about investments with unrealized losses for which other-than-temporary impairments have not been recognized. The disclosures are effective in annual financial statements for fiscal years ending after December 15, 2003, for investments accounted for under SFAS No. 115 (pursuant to a prior consensus). For all other investments within its scope, the disclosures are effective in annual financial statements for fiscal years ending after June 15, 2004.

Viad has included the required disclosures pursuant to the prior consensus in its annual consolidated financial statements as of and for the year ended December 31, 2003. Due to the material nature of the Payment Services segment's investment portfolio to the earnings and operations of Viad, these disclosures have been updated in the interim financial statements as of and for the three months ended March 31, 2004. As disclosed in Note 4, Viad recognized $5.9 million and $20.8 million of other-than-temporary impairment losses and adjustments (excluding realized gains and losses) related to its Payment Services investment portfolio for the three months ended March 31, 2004 and 2003, respectively. Management does not expect the application of the three-step impairment model contained in EITF Issue No. 03-1 to have a material effect on Viad's financial condition or results of operations incremental to any impairment losses that may otherwise be recognized under its existing methodology.

Note 13 – Proposed Spin-Off of Payment Services

On July 24, 2003, Viad announced a plan to separate its Payment Services business from its other businesses by means of a tax-free spin-off. To effect the separation, Travelers Express will become a subsidiary of MoneyGram International, Inc. ("MoneyGram"), a newly-formed, wholly-owned subsidiary of Viad, and Viad will distribute all of the shares of MoneyGram common stock as a dividend on Viad common stock on the date of the spin-off. At the time of the spin-off, the business of MoneyGram will consist of Viad's current Payment Services operations. The continuing business of Viad will consist of the businesses of the convention show services, exhibit design and construction, and travel and recreation services operations, including Viad's centralized corporate functions located in Phoenix, Arizona. On December 29, 2003, MoneyGram filed a preliminary registration statement on Form 10 with the Securities and Exchange Commission relating to the proposed spin-off (Amendment No. 1 to the Form 10 was filed on March 30, 2004).

Note 14 – Pension and Other Postretirement Plans

Net periodic pension cost for defined benefit plans and net periodic postretirement benefit cost for the three months ended March 31 includes the following components:

	Pension Benefits 2004	Pension Benefits 2003	Postretirement Benefits 2004	Postretirement Benefits 2003
	(in thousands)			
Service cost	$ 483	$ 796	$ 150	$ 179
Interest cost	3,090	3,127	764	713
Expected return on plan assets	(2,412)	(2,649)	(37)	(68)
Amortization of prior service cost	244	181	(240)	(240)
Recognized net actuarial loss	1,037	526	308	295
Net periodic pension cost	$ 2,442	$ 1,981	$ 945	$ 879

Viad previously disclosed in its financial statements for the year ended December 31, 2003 that it expected to contribute $2.2 million to its funded pension plans, $3.1 million to its unfunded pension plans, and $2.6 million to its other postretirement benefit plans in 2004. As of March 31, 2004, Viad has contributed $705,000 to its unfunded pension plans and $633,000 to its other postretirement benefit plans. The Company does not expect contributions for the entire year to differ from prior disclosure.

Note 15 – Subsequent Event

On April 1, 2004, Viad paid $9.0 million to retire its outstanding industrial revenue bonds. There were no gains or losses related to the early extinguishment of these debt obligations.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion should be read in conjunction with Viad Corp's consolidated financial statements and related notes. This discussion contains forward-looking statements that involve risks and uncertainties. Viad Corp's actual results could differ materially from those anticipated due to various factors discussed under "Forward-Looking Statements" and elsewhere in this Quarterly Report.

Overview:

Viad Corp ("Viad") operates in two reportable business segments as follows:

Payment Services - through Travelers Express Company, Inc. and related subsidiaries ("Travelers Express"), revenues are primarily derived from transaction fees and investment and related income by providing various services related to money transfers, money orders, official checks, and urgent and routine bill payment. Fee revenues are driven by transaction volume and contract pricing through a network of agents and customers, including financial institutions. Investment and related income is generated by investing funds received from the sale of payment instruments until such instruments are settled.

Convention and Event Services through GES Exposition Services, Inc., revenues are generated by providing various convention and tradeshow services such as freight handling, logistics, electrical, installation, dismantling and management services to trade associations, show management companies and exhibitors. Exhibitgroup/Giltspur specializes in the design, construction, refurbishment, installation and warehousing of convention and tradeshow exhibits, primarily for corporate customers.

Viad also operates certain travel and recreation businesses, Brewster Transport Company Limited and Glacier Park, Inc. These businesses provide tour and charter operations for tourism in the Canadian Rockies and operate historic lodges and provide food services in certain national parks in North America.

The following are financial highlights of the first quarter 2004 that are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"):

Viad Corp (Consolidated)

– Total revenues of $398.9 million, slightly increased from 2003

– Net income of $41.0 million versus $22.0 million, an increase of 86.1%

– Diluted income per share of $0.47 versus $0.25, including $0.14 per diluted share reported in discontinued operations related to the sale of Game Financial

Payment Services

– Revenues of $191.3 million, an increase of 11.5%

– Segment operating income of $30.2 million, an increase of 58.1%

Convention and Event Services

– Revenues of $203.6 million, a decrease of 8.3%

– Segment operating income of $17.5 million, a decrease of 5.8%

Other Significant Items

– In March 2004, the Payment Services segment completed the sale of Game Financial Corporation ("Game Financial") to a subsidiary of Certegy Inc. for $43.1 million in cash. Game Financial provides cash access services to casinos and gaming establishments throughout the United States. As a result of the sale, Viad recorded a gain of approximately $18.9 million ($11.4 million after-tax) in the first quarter of 2004 and may record future after-tax gains of up to approximately $4 million, based on contingencies in the contract. The results of operations of Game Financial and the gain on the disposal of Game Financial have been reported in discontinued operations and all prior periods have been restated accordingly.

– In April 2004, subsequent to the end of the first quarter, Viad paid $9.0 million to retire its outstanding industrial revenue bonds. There were no gains or losses related to the early extinguishment of these debt obligations.

Spin-off Transaction:

On July 24, 2003, Viad announced a plan to separate its Payment Services business from its other businesses by means of a tax-free spin-off. To effect the separation, Travelers Express will become a subsidiary of MoneyGram International, Inc. (“MoneyGram”), a newly-formed, wholly-owned subsidiary of Viad, and Viad will distribute all of the shares of MoneyGram common stock as a dividend on Viad common stock. At the time of the spin-off, the business of MoneyGram will consist of Viad’s current Payment Services operations. The continuing business of Viad will consist of the businesses of the convention show services, exhibit design and construction, and travel and recreation services operations, including Viad's centralized corporate functions located in Phoenix, Arizona. On December 29, 2003, MoneyGram filed a preliminary registration statement on Form 10 with the Securities and Exchange Commission relating to the proposed spin-off (Amendment No. 1 to the Form 10 was filed on March 30, 2004). On February 11, 2004, Viad announced that it had received a favorable private letter ruling from the Internal Revenue Service confirming that the proposed spin-off will qualify as tax-free to Viad and its stockholders. The transaction remains subject to a number of conditions including final completion of MoneyGram's registration statement on Form 10, obtaining satisfactory banking and credit arrangements for each company, and final approval of the transaction by Viad's Board of Directors. Management expects that the spin-off will occur during the second quarter of 2004, however, there can be no assurance that the spin-off transaction will be completed.

In connection with the completion of the spin-off, Viad will repay its commercial paper of approximately $170.0 million, tender for its medium-term notes of $35.0 million and subordinated debentures of $18.5 million, and redeem its outstanding preferred stock at an aggregate call price of approximately $23.7 million. As noted above, Viad retired its outstanding industrial revenue bonds for $9.0 million in April 2004.

Non-GAAP Measures:

The following discussion includes a presentation of "Adjusted EBITDA" which is utilized by management to measure the profit and performance of Viad's operations and to facilitate period to period comparisons. Adjusted EBITDA is defined by Viad as net income before interest expense, income taxes, depreciation and amortization, changes in accounting principles and the effects of discontinued operations. Adjusted EBITDA is considered a useful operating metric as potential variations arising from taxes, depreciation, debt service costs, changes in accounting principles and discontinued operations are eliminated, thus resulting in an additional measure considered to be indicative of Viad's ongoing operations. Adjusted EBITDA is also used by management to assess Viad's ability to service debt, fund capital expenditures and finance growth. The presentation of Adjusted EBITDA is supplemental to results presented under GAAP and may not be comparable to similarly titled measures used by other companies. This non-GAAP measure should be considered in addition to, but not a substitute for, other measures of financial performance and liquidity reported in accordance with GAAP. Management believes that the presentation of Adjusted EBITDA provides useful information to investors regarding Viad's results of operations because it is useful for trending, analyzing and benchmarking the performance and value of Viad's business. Management uses Adjusted EBITDA primarily as a performance measure and believes that the GAAP financial measure most directly comparable to Adjusted EBITDA is net income. Although Adjusted EBITDA is used as a financial measure to assess the performance of the business, the use of Adjusted EBITDA is limited because it does not consider material costs, expenses and other items necessary to operate the business. These items include debt service costs, non-cash depreciation and amortization expense associated with long-lived assets, expenses related to federal and state income taxes and the effects of accounting changes and discontinued operations. Because Adjusted EBITDA does not consider these items, a user of Viad's financial information should consider net income an important measure of Viad's financial performance because it provides a more complete measure of Viad's performance.

A reconciliation of Adjusted EBITDA to net income for the three months ended March 31 is as follows:

	2004	2003
	(in thousands)	
Adjusted EBITDA	$ 55,564	$ 45,483
Interest expense	(1,790)	(4,152)
Income taxes	(12,061)	(7,929)
Depreciation and amortization	(12,652)	(12,012)
Income from discontinued operations, net of tax	11,932	641
Net income	$ 40,993	$ 22,031

The increase in Adjusted EBITDA was driven by improved operating income by the Payment Services segment. See "Results of Operations – Payment Services" below for further discussion.

Included below is a presentation of "float income" which is defined by Viad as Payment Services investment income before taking into account investment gains and losses and impairment charges. Impairment charges only include other-than-temporary impairment losses related to certain structured notes, asset-backed securities and collateralized mortgage obligations. Interest income adjustments related to private equity obligations are excluded from the presentation below. As such, total impairment charges presented elsewhere in this Quarterly Report may differ from this presentation reflecting the effects of the interest income adjustments related to private equity obligations. Also presented below is "net float income" which is defined by Viad as float income less commission expense. Float income and net float income are non-GAAP measures used by management to analyze the effects that factors such as interest rates and average investment balances have on overall investment portfolio performance. Net float income represents the net spread or return on the portfolio, which management believes is a meaningful way to evaluate the direct contribution of the portfolio. Net gains and losses and impairment charges are excluded from net float income to allow

management to isolate the impact of balance changes and changes in interest rates on the portfolio. Net gains and losses and impairment charges are evaluated separately as such amounts are based on various measures including the underlying credit quality of the securities.

Reconciliations of float income to Payment Services investment income and to net float income for the three months ended March 31 are as follows:

	2004	2003
	(in thousands)	
Float income	$76,654	$ 86,639
Net realized gains and losses	6,974	4,461
Impairment charges	(5,928)	(16,533)
Payment Services investment income	$77,700	$ 74,567

	2004	2003
	(in thousands)	
Float income	$ 76,654	$ 86,639
Commission expense	(49,745)	(58,926)
Net float income	$ 26,909	$ 27,713

See “Results of Operations – Payment Services” below for a discussion of float income and net float income.

Results of Operations:

All per share figures discussed are stated on a diluted basis.

Comparison of First Quarter of 2004 to the First Quarter of 2003

In the first quarter 2004, revenues increased slightly to $398.9 million from $397.0 million in the 2003 first quarter. While transaction fee revenue in the Payment Services segment was higher in the first quarter 2004 as compared to 2003, competitive pricing pressures in the Convention and Event Services segment offset these improvements. Income from continuing operations before income taxes was $41.1 million for the 2004 first quarter compared with $29.3 million for the 2003 first quarter, up 40.3 percent. The increase in operating income was primarily driven by a decrease in investment impairment charges in the Payment Services investment portfolio.

Net income for the first quarter 2004 was $41.0 million, or $0.47 per share, compared to $22.0 million, or $0.25 per share, for the first quarter 2003, up 88.0 percent on a per share basis. Net income included the effects of discontinued operations related to Game Financial of $11.9 million after-tax, (of which $11.4 million related to the gain on the sale and $515,000 to results of operations) or $0.14 per share, and $641,000 after-tax, or $0.01 per share, in the 2004 and 2003 periods, respectively.

Payment Services . Revenues of the Payment Services segment were $191.3 million for the first quarter 2004, up from first quarter 2003 revenues of $171.6 million. Segment operating income increased 58.1 percent to $30.2 million from the first quarter 2003 amount of $19.1 million. Operating margins increased to 15.8 percent in the first quarter 2004 compared with 11.1 percent in the first quarter 2003. Included in the first quarter 2004 operating results are $5.9 million of other-than-temporary impairment charges and other adjustments associated with investments held in the float portfolio as compared to $20.8 million in the first quarter 2003. These impairments were offset by net realized gains and losses of $7.0 million in the first quarter 2004 and partially offset by net realized gains and losses of $4.5 million in the first quarter 2003.

Payment Services revenues for the quarter were led by continued growth of the money transfer business. The money transfer business continued to show strong results with transaction volume growing 33 percent, led by domestically originated transactions and urgent bill payment volume. Domestically originated transactions grew by 34 percent while internationally originated transactions grew by 23 percent. In addition, the money transfer agent base expanded by 14 percent over the first quarter 2003. While money order volume declined slightly, average investable balances related to money orders were up 5 percent. Contributing to the increase in average investable balances was the increased volume in the retail chain segment.

Total average investable funds for the first quarter 2004 were $6.6 billion, down 2.3 percent from 2003 levels, driven by the PrimeLink business which had a decrease of average investable balances of 3.3 percent. The PrimeLink decrease was driven primarily by the slowing of mortgage refinance activity. Average investable balances in the PrimeLink business are expected to continue to decline during the second quarter 2004 as compared to the second quarter 2003 as the mortgage refinance activity declines. Total float income (investment income from the investment portfolio) represented 41 percent of the Payment Services segment's total revenue in the first quarter 2004 compared with 43 percent for 2003. Float income is affected by the level of investment balances and the yield on investments.

Float income (excluding gains, losses and impairments) and expense associated with the Payment Services segment's investment portfolio for the three months ended March 31 were as follows:

	2004			2003		
	Average Balance	Income/ Expense	Yield/ Rate (3)	Average Balance	Income/ Expense	Yield/ Rate (3)
			(in thousands)			
Investments substantially restricted for payment service obligations (1)	$6,584,946	$76,654	4.72%	$6,738,090	$86,639	5.21%
Payment service obligations (2)	$5,159,649	49,745	3.91%	$5,343,688	58,926	4.47%
Net float income and margin		$26,909	1.66%		$27,713	1.67%

(1) The Payment Services segment is regulated by various state agencies, which generally require the maintenance of liquid assets and investments with an investment rating of A or higher, in an amount generally equal to the payment service obligation for regulated payment instruments such as teller and agent checks, money orders and money transfers. In addition, the Payment Services segment has contractual arrangements that generally require the maintenance of liquid assets and investments in an amount equal to the payment instruments, namely cashiers checks. Due to these regulations, a substantial amount of funds, agent receivables and investments are not available to satisfy working capital or other financing requirements of the Payment Services segment. The amount of funds, agent receivables and investments that are "restricted," either for regulatory or contractual purposes, is equal to the total amount of payment service obligations ($7.7 billion and $8.0 billion at March 31, 2004 and 2003, respectively). See Note 4 of notes to consolidated financial statements.

(2) Commissions are paid to financial institution customers based upon average outstanding balances generated by the sale of PrimeLink products only. The expense reported includes those payments made to financial institution customers, costs associated with swaps and the sale of receivables program. The average balance in the table reflects only the payment service obligations for which commissions are paid and does not include the average balance of the sold receivables ($418 million and $440 million for the three months ended March 31, 2004 and 2003, respectively) as these are not recorded on the consolidated balance sheets. Commission expense is classified in "Costs of services" in the consolidated statements of income.

(3) "Yield/Rate" percentages are calculated by dividing the applicable amount shown in the "Income/Expense" column by the applicable amount shown in the "Average Balance" column.

Float income was $76.7 million in the first quarter 2004, a decrease of 11.5 percent. The decline was primarily due to lower interest rates on the float portfolio balances which decreased float income by $8.0 million. Additionally, lower average invested balances of 2.3 percent reduced float income by $2.0 million. The average investment yield on the portfolio was 4.72 percent for the first quarter 2004, or a 49 basis point decline from 5.21 percent in 2003. During the same period, the Fed Funds rate declined by 25 basis points.

The Payment Services segment typically maintains between $400 million and $750 million in short-term, liquid balances in order to fulfill its payment service obligations. The average balance for the first quarter 2004 was $590 million compared to $485 million for the same period in 2003. Mortgage refinancing activity began to decline from the unprecedented levels experienced in 2003. Thus, while overall volume has increased slightly, average official check amounts have declined having the net effect of lower average float balances which continue to be invested at the lower rates.

Commission expense was $49.7 million in the first quarter 2004, a decrease of 15.6 percent from 2003. The commission expense decrease attributable to lower interest rates was $7.2 million and to lower average balances was $2.0 million. This reflects an average commission rate of 3.91 percent in the first quarter 2004, or a 56 basis point decline from 4.47 percent in 2003. Commission expense includes amounts paid to financial institution customers based upon average outstanding balances generated by the sale of PrimeLink products as well as the discount on the sale of receivables. Commissions paid to customers generally are variable based on short-term interest rates, however, a portion of the commission expense has been fixed through the use of interest rate swap agreements.

Net float income (float income less commission expense) was $26.9 million in the first quarter 2004, down 2.9 percent from 2003. The net float income decrease due to lower average balances was $630,000 while $174,000 was due to lower interest rates reflecting a net float margin of 1.66 percent, or a 1 basis point decline from 1.67 percent in 2003.

The impact of changes in average investable balances and interest rates on the float income and commission expense associated with the investment portfolio for the three months ended March 31 was as follows:

	2004 vs. 2003			2003 vs. 2002		
	Balance (1)	Yield/ Rate (1)	Total	Balance (1)	Yield/ Rate (1)	Total
			(in thousands)			
Float income	$(1,969)	$(8,016)	$(9,985)	$14,392	$(12,635)	$ 1,757
Commission expense	$(2,029)	$(7,152)	$(9,181)	$13,483	$(10,164)	$ 3,319
Net float income	$ (630)	$ (174)	$ (804)	$ 4,964	$ (6,526)	$(1,562)

(1) The "Balance" column is calculated by annualizing the result of the yield/rate for the prior year's period multiplied by the change in the investments substantially restricted for payment service obligations. The "Yield/Rate" column is calculated by annualizing the result of the investments substantially restricted for payment service obligations for the prior year's period multiplied by the change in the yield/rate. See "Non-GAAP Measures" for further explanation of Float income and Net float income. Net float income for the "Balance" and "Yield/Rate" columns is not the net of "Float income" and "Commission expense" as each of these amounts is calculated independently.

The fair value of Viad's derivative positions fluctuates with interest rate changes. These changes are reflected as increases or decreases to a component of stockholders' equity. Changes in the value of the available-for-sale investment portfolio also are reflected as increases or decreases to a component of stockholders' equity. The change in the fair value of the derivative liability for the first quarter 2004 resulted in a net decrease of $3.0 million in stockholders' equity, and the net change in the fair value of the available-for-sale investment portfolio resulted in a net increase of $31.0 million in stockholders' equity. Changes in the value of the available-for-sale investment portfolio will generally move in the opposite direction of the derivative values although they will rarely offset exactly.

Convention and Event Services. Revenues of the Convention and Event Services segment were $203.6 million in the first quarter 2004, a decrease of 8.3 percent from first quarter 2003 revenues of $222.1 million. Segment operating income was $17.5 million in the first quarter 2004 compared to $18.6 million in the first quarter 2003, and segment operating margins were 8.6 percent and 8.4 percent, respectively.

Revenues in the convention show services business decreased 9.5 percent in the first quarter 2004 to $158.3 million from $174.9 million in 2003. The decrease largely resulted from the loss of the North American International Auto Show in Detroit (due to certain contractor requirements) and the loss of certain other customers due to competitive pricing which management believes would have led to unprofitable contracts. Although the convention show services business has a diversified customer base, revenue growth is dependent, among other things, on general economic conditions, levels of exhibitor spending as well as show rotation. In general, the tradeshow industry is experiencing early signs of growth in certain major tradeshows and an increase in new show launches. Management believes that further improvements in the economy and corporate earnings could lead to increased tradeshow spending. However, management continues to emphasize cost containment in response to uncertainty regarding near-term revenue growth.

Revenues in the exhibit design and construction business decreased 3.9 percent in the first quarter 2004 to $45.3 million. The decline continues to be driven by weak demand for the design and construction of new exhibits compounded by highly competitive pricing in the industry. Management believes these industry conditions will constrain revenue growth through 2004 as visibility over revenues remains poor and a sustained increase in corporate marketing spending on new exhibit construction has not materialized to date. If the prolonged weakness in demand and pricing pressures continue, revenue could decline further and operating income could be similarly affected. Management remains focused on cost control, productivity improvements and pricing strategies in order to preserve and enhance operating margins over the longer-term.

Travel and Recreation Services. Revenues of the travel and recreation businesses were $3.9 million, an increase of 20.0 percent from $3.3 million in the first quarter 2003. The operating loss of $1.3 million for the first quarter 2004 was an improvement as compared with a loss of $1.6 million in 2003. These results reflect the normal seasonal pattern for the first quarter. Continued threats of terrorism and the troubled state of the airline industry (particularly with respect to Air Canada) continue to hamper leisure travel to Viad's recreation properties which may continue to dampen future results.

Corporate Activities and Minority Interests. Corporate activities and minority interests increased $465,000 primarily due to expenses associated with the spin-off of the Payment Services segment in the first quarter 2004 as compared to the first quarter 2003.

Net Interest Expense. Net interest expense decreased to $1.0 million in the first quarter 2004 from $3.0 million in the first quarter 2003. Lower average outstanding debt balances of $109.0 million was the key driver of this decline along with lower average interest rates on those balances.

Income Taxes. The effective tax rate in the 2004 first quarter was 29.3 percent compared to 27.0 percent for the first quarter 2003. The relatively low effective tax rate compared to the statutory federal rate of 35.0 percent was primarily attributable to tax-exempt income from the Payment Services segment. The higher effective tax rate in 2004 as compared to 2003 was due to a lower proportion of tax-exempt income to pre-tax income.

Liquidity and Capital Resources:

Cash and corporate investments were $159.9 million at March 31, 2004 as compared to $163.1 million at December 31, 2003. The net decrease in cash and corporate investments was primarily due to the sale of Game Financial. At December 31, 2003, $33.6 million of cash related to Game Financial operations was included in the cash and corporate investments balance. The cash balances (and other net assets) related to Game Financial were divested pursuant to the sale transaction, and the gross cash proceeds resulting from the sale of $43.1 million were reinvested by the Payment Services segment. Accordingly, these funds were included in “Investments substantially restricted for payment service obligations” in the consolidated balance sheet at March 31, 2004 and not included in cash and corporate investments. The decrease in cash and corporate investments resulting from the sale of Game Financial was largely offset by cash generated from operations. Corporate investments are included in the consolidated balance sheets under “Other investments in securities.”

Viad’s total debt at March 31, 2004 was $252.5 million compared with $251.4 million at December 31, 2003. The debt-to-capital ratio was 0.22 to 1 at March 31, 2004, compared with 0.23 to 1 at December 31, 2003. Capital is defined as total debt (excluding $4.75 preferred stock subject to mandatory redemption) plus minority interests and common stock and other equity. In April 2004, Viad paid $9.0 million to retire its outstanding industrial revenue bonds. There were no gains or losses related to the early extinguishment of these debt obligations.

As a result of the announcement on July 24, 2003 of Viad’s intention to spin-off MoneyGram, the ratings agencies put Viad on credit watch with negative implications as it is probable that the existing debt of Viad will not be rated investment grade following the separation of MoneyGram. Because the commercial paper market is ratings driven, regardless of the reason for the credit watch, this action may result in increased borrowing costs for Viad in the future.

In connection with the completion of the spin-off, Viad will repay its commercial paper of approximately $170.0 million, tender for its senior notes of $35.0 million and subordinated debt of $18.5 million and redeem its outstanding preferred stock at an aggregate call price of approximately $23.7 million (carrying amount of $6.7 million as of March 31, 2004).

Viad has credit facilities totaling $475 million to support general corporate purposes, various letters of credit and a Canadian credit facility. The $475 million includes a $225 million five-year facility and a $250 million 364-day facility. The interest rate applicable to borrowings under the credit facilities is indexed to the London Interbank Offering Rate, plus appropriate spreads. The facilities also require commitment fees to be paid to committed lenders. Such spreads and fees would change should Viad’s debt ratings change. For example, a change from Viad’s current BBB/Baa2 debt rating to a non-investment grade rating, would result in an increase of up to 75 basis points in the interest rate applicable to the credit facilities. To date, Viad has not drawn against these facilities, however, if and/or when a drawing were to occur, the repayment schedule would be determined at that time. These facilities have been primarily used to backstop Viad’s outstanding commercial paper borrowings and support outstanding letters of credit. The committed lenders pursuant to these two credit facilities include twenty-one major financial institutions with Citigroup as the lead administrative agent and arranger. Short-term borrowings totaling $170 million and $168 million at March 31, 2004 and December 31, 2003, respectively, have been classified as long-term debt, pursuant to the unused commitments under the applicable credit facilities. Unused commitments (net of amounts used to support short-term borrowings and letters of credit) under the facilities totaled $234 million at March 31, 2004. Borrowings under the facilities are subject to various covenants, including a minimum net worth covenant, and a total debt to EBITDA financial ratio covenant. If Viad were to default on any other debt obligation outstanding of at least $25 million in aggregate, it would constitute an event of default with respect to the credit facilities under applicable cross default provisions. As of March 31, 2004, Viad was in compliance with all of its covenants. Upon completion of the spin-off transaction, these credit facilities will automatically terminate and be replaced with new credit facilities.

Capital expenditures for the three months ended March 31, 2004 totaled $10.0 million as compared to $7.2 million in 2003. These expenditures primarily related to certain leasehold improvements, information systems and related costs, and manufacturing and other equipment.

Under a Shelf Registration filed in 1994 with the Securities and Exchange Commission, Viad can issue up to an aggregate $500 million of debt and equity securities. In 2002, Viad filed an amended Shelf Registration with the Securities and Exchange Commission to update disclosures in the original registration and to maintain Viad’s financial flexibility. No securities have been issued under the program.

Off-Balance-Sheet Arrangements:

Viad has certain arrangements and transactions which are not recorded on the consolidated balance sheets which could materially affect liquidity or require the use of capital resources. As of March 31, 2004, these arrangements include aggregate

operating lease commitments of $163.7 million, aggregate guarantees of $55.3 million (representing parent guarantees of subsidiary obligations) and funding commitments related to collateralized private equity obligations of $14.9 million.

The Payment Services segment has an agreement to sell, on a periodic basis, undivided percentage ownership interests in certain receivables primarily from its money order agents in an amount not to exceed $450 million. These receivables are sold to commercial paper conduits sponsored by a financial institution and represent a small percentage of the total assets in these conduits. Viad's rights and obligations are limited to the receivables transferred, and are accounted for as sales transactions under Statement of Financial Accounting Standards ("SFAS") No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." The agreement expires in June 2006. The business purpose of this arrangement is to accelerate cash flow for investment in permissible securities by the Payment Services segment. The receivables are sold at a discount based upon short-term interest rates. Performance under the terms of the agreement is regularly reviewed by Payment Services executive management.

Critical Accounting Policies and Estimates:

The preparation of financial statements in conformity with GAAP requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities in the consolidated financial statements. The SEC has defined a company's most critical accounting policies as those that are most important to the portrayal of a company's financial position and results of operations, and that require a company to make its most difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. Based on this criteria, Viad has identified and discussed with its audit committee the critical accounting policies and estimates, and the methodology and disclosures related to those estimates that are most important to the portrayal of Viad's financial condition and results of operations. These critical accounting policies and estimates are discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Viad's Annual Report on Form 10-K for the year ended December 31, 2003.

Recent Accounting Pronouncements

In January 2004, the Financial Accounting Standards Board issued Staff Position ("FSP") FAS 106-1 on the accounting for the effect of the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act") enacted into law on December 8, 2003. Viad anticipates that the prescription drug benefit it pays for Medicare-eligible retirees beginning in 2006 will be lower as a result of the Act. Although SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," requires that recently enacted changes in the law that take effect in future periods be considered in current period liability determination, FSP FAS 106-1 permits the deferral of recognition of the effects of the Act until further authoritative guidance is issued. The Company has elected to defer recognizing the effects of the Act until final authoritative guidance is issued. As a result, the consolidated financial statements do not include the effects of the Act and the impact on Viad's financial position and results of operations cannot presently be determined.

In March 2004, the Emerging Issues Task Force ("EITF") reached a final consensus on EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairments and Its Application to Certain Investments." The final consensus provides a three-step impairment model for determining whether an investment is other-than-temporarily impaired and if such impairment exists, requires the recognition of an impairment loss equal to the difference between the investment's cost and fair value at the reporting date. The impairment model applies to investments subject to SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," and investments in equity securities accounted for under the cost method. The consensus also requires an additional other-than-temporary evaluation criterion for investments accounted for under EITF Issue No. 99-20 related to beneficial interests in securitized financial assets. The impairment model set forth in EITF Issue No. 03-1 is effective for impairment tests performed in reporting periods beginning after June 15, 2004. Additionally, EITF Issue No. 03-1 sets forth quantitative and qualitative disclosure requirements about investments with unrealized losses for which other-than-temporary impairments have not been recognized. The disclosures are effective in annual financial statements for fiscal years ending after December 15, 2003, for investments accounted for under SFAS No. 115 (pursuant to a prior consensus). For all other investments within its scope, the disclosures are effective in annual financial statements for fiscal years ending after June 15, 2004.

Viad has included the required disclosures pursuant to the prior consensus in its annual consolidated financial statements as of and for the year ended December 31, 2003. Due to the material nature of the Payment Services segment's investment portfolio to the earnings and operations of Viad, these disclosures have been updated in the interim financial statements as of and for the three months ended March 31, 2004. As disclosed in Note 4, Viad recognized $5.9 million and $20.8 million of other-than-temporary impairment losses and adjustments (excluding net realized gains and losses) related to its Payment Services investment portfolio for the three months ended March 31, 2004 and 2003, respectively. Management does not expect the application of the three-step impairment model contained in EITF Issue No. 03-1 to have a material effect on Viad's financial condition or results of operations incremental to any impairment losses that may otherwise be recognized under its existing methodology.

Forward-Looking Statements:

As provided by the safe harbor provision under the Private Securities Litigation Reform Act of 1995, Viad cautions readers that, in addition to the historical information contained in this Quarterly Report, this Quarterly Report includes certain information, assumptions and discussions that may constitute forward-looking statements. These forward-looking statements are not historical facts, but reflect current estimates, projections, or expectations of or current trends in future growth, operating cash flows, availability of short-term borrowings, consumer demand, new business, investment policies, productivity improvements, ongoing cost reduction efforts, efficiency, competitiveness, interest rates, tax rates, restructuring plans (including timing and realization of cost savings) and market risk disclosures. Actual results could differ materially from those projected in forward-looking statements. Viad's businesses can be affected by a host of risks and uncertainties. Among other things, gains and losses of customers, consumer demand patterns, labor relations, purchasing decisions related to customer demand for convention and event services, existing and new competition, industry alliances and consolidation and growth patterns within the industries in which Viad competes, and any deterioration in the economy may individually or in combination impact future results. In addition to the factors mentioned elsewhere, economic, competitive, governmental, technological, capital marketplace and other factors including further terrorist activities or war could affect the forward-looking statements contained in this Quarterly Report.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Viad's market risk exposures relate to fluctuations in interest rates and, to a lesser degree, relate to fluctuations in foreign exchange rates. Interest rate risk is the risk that changing interest rates will adversely affect the market value and earnings of Viad. Foreign exchange risk is the risk that fluctuating exchange rates will adversely affect earnings. Viad's exposure to these risks is primarily associated with its Payment Services segment business. Certain derivative financial instruments are used as part of Viad's risk management strategy to manage these exposures. Derivatives are not used for speculative purposes. Viad has exposure to changing rates related to its pension and postretirement plan assumptions including the expected return on plan assets, the discount rate and the health care cost trend rate.

Viad is exposed to foreign exchange risk as it has certain receivables and payables denominated in foreign currencies. Viad primarily utilizes forward contracts to mitigate its exposure to fluctuations in foreign exchange rates. Forward contracts relating to the Payment Services segment's money transfer transactions generally have maturities less than 30 days, and forward contracts relating to other receivables or payables generally have maturities less than 90 days. The forward contracts are recorded on the consolidated balance sheets, and the effect of changes in foreign exchange rates on the foreign-denominated receivables and payables, net of the effect of the related forward contracts, is not significant.

A portion of Viad's Payment Services segment business involves the payment of commissions to financial institution customers of its official check program. A Payment Services segment subsidiary also has entered into agreements to sell receivables primarily from its money order agents. The commissions and net proceeds from the agent receivables sales are computed based on short-term variable interest rates that subject Viad to risk arising from changes in these rates. Viad has mitigated a substantial portion of the variable rate risk through swap agreements which convert the variable rate payments to fixed rates.

Stockholders' equity can be adversely affected by changing interest rates, as after-tax changes in the fair value of securities classified as available-for-sale and in the fair value of derivative financial instruments are included as a component of stockholders' equity. The fair value of derivative financial instruments generally increases when the market value of fixed rate, long-term debt investments decline and vice versa. However, an increase or decrease in stockholders' equity related to changes in the fair value of securities classified as available-for-sale, may not be offset, in whole or in part, by the decrease or increase in stockholders' equity related to changes in the fair value of derivative financial instruments.

Viad is also exposed to short-term interest rate risk on certain of its debt obligations. Viad currently does not use derivative financial instruments to hedge cash flows for these obligations.

Earnings Sensitivity to Interest Rate Changes. Based on a hypothetical 10 percent proportionate increase in interest rates from the average level of interest rates during the last twelve months, and taking into consideration expected investment positions, commissions paid to selling agents, growth in new business, the effects of the swap agreements and the expected borrowing level of variable-rate debt, the increase in pre-tax income would be approximately $1.7 million. A hypothetical 10 percent proportionate decrease in interest rates, based on the same set of assumptions, would result in a decrease in pre-tax income of approximately $1.9 million. These amounts are estimated based on a certain set of assumptions about interest rates and portfolio balance growth and do not represent expected results. In addition, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" for a discussion of Viad's results of operations and the financial impact of interest rate fluctuations.

Fair Value Sensitivity to Interest Rate Changes. The fair values of securities classified as available-for-sale, derivative financial instruments and fixed-rate debt are sensitive to changes in interest rates. A 10 percent proportionate increase in interest rates would result in an estimated decrease in the fair value of securities classified as available-for-sale of approximately $91.6

million (reflected as an after-tax decrease in accumulated other comprehensive income of approximately $55.9 million), an estimated increase in the fair value of derivative financial instruments of approximately $37.5 million (reflected as an after-tax increase in accumulated other comprehensive income of approximately $22.9 million) and an estimated off-balance-sheet decrease in the fair value of fixed-rate debt of approximately $139,000 at March 31, 2004. A 10 percent proportionate decrease in interest rates would result in an estimated increase in the fair value of securities classified as available-for-sale of approximately $75.7 million (reflected as an after-tax increase in accumulated other comprehensive income of approximately $46.2 million), an estimated decrease in the fair value of derivative financial instruments of approximately $38.1 million (reflected as an after-tax decrease in accumulated other comprehensive income of approximately $23.2 million) and an estimated off-balance-sheet increase in the fair value of fixed-rate debt of approximately $140,000 at March 31, 2004. These amounts are estimated based on a certain set of assumptions about interest rates and portfolio balance growth and are not necessarily indicative of actual current period factors.

Interest Rate Risk and Market Risk Oversight. Viad has established several levels of risk management oversight and control. An investment committee, comprised of senior officers of Viad and the Payment Services segment, and reporting to the Chief Executive Officer of Viad, routinely reviews investment and risk management strategies and results. Viad maintains formal procedures for entering into derivative transactions and management regularly monitors and reports to the audit committee on such activity. Derivative agreements are with major financial institutions which are currently expected to perform fully under the terms of the agreements, thereby mitigating the credit risk from the transactions in the event of nonperformance by the counterparties. In addition, Viad regularly monitors the credit ratings of the counterparties and the likelihood of default is considered remote.

Item 4. *Controls and Procedures*

Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of disclosure controls and procedures has been evaluated as of March 31, 2004, and, based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are effective as of March 31, 2004. There were no changes in Viad’s internal controls over financial reporting that occurred during the first fiscal quarter that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in the reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in such reports is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decision regarding required disclosure.

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PART II. Other Information

Item 4. ***Submission of Matters to a Vote of Security Holders***

No matters were submitted to a vote of security holders during the first quarter of 2004.

Item 6 . ***Exhibits and Reports on Form 8-K***

(a)	Exhibit No. 10.A	Copy of Performance-Based Restricted Stock Agreement pursuant to the 1997 Omnibus Incentive Plan as amended March 30, 2004. *+
	Exhibit No. 10.B	Copy of Viad Corp Management Incentive Plan as amended March 30, 2004. *+
	Exhibit No. 10.C	Copy of Amendment No. 2 to the Restated Viad Corp Supplemental Pension Plan as of March 30, 2004. *+
	Exhibit No. 31.1	Exhibit of Certification of Chief Executive Officer of Viad Corp pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. A signed original of this written statement required by Section 302 has been provided to Viad Corp and will be retained by Viad Corp and furnished to the Securities and Exchange Commission or its staff upon request. *
	Exhibit No. 31.2	Exhibit of Certification of Chief Financial Officer of Viad Corp pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. A signed original of this written statement required by Section 302 has been provided to Viad Corp and will be retained by Viad Corp and furnished to the Securities and Exchange Commission or its staff upon request. *
	Exhibit No. 32.1	Additional Exhibit of Certification of Chief Executive Officer of Viad Corp pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. A signed original of this written statement required by Section 906 has been provided to Viad Corp and will be retained by Viad Corp and furnished to the Securities and Exchange Commission or its staff upon request. *
	Exhibit No. 32.2	Additional Exhibit of Certification of Chief Financial Officer of Viad Corp pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. A signed original of this written statement required by Section 906 has been provided to Viad Corp and will be retained by Viad Corp and furnished to the Securities and Exchange Commission or its staff upon request. *

(b) Reports on Form 8-K filed by the Registrant in the first quarter 2004.

1. A report on Form 8-K dated January 29, 2004 was filed January 29, 2004 by Viad. The Form 8-K reported, under Item 12, that on January 29, 2004, Viad Corp issued a press release announcing its unaudited financial results for the fourth quarter and 2003 fiscal year.

2. A report on Form 8-K dated February 11, 2004 was filed February 11, 2004 by Viad. The Form 8-K reported, under Item 5, that on February 11, 2004, Viad Corp issued a press release announcing that the company has received a favorable private letter ruling from the Internal Revenue Service confirming, among other things, that the proposed spin-off of Viad’s global payment services business will qualify as tax-free to Viad and its stockholders.

3. A report on Form 8-K dated February 20, 2004 was filed February 20, 2004 by Viad. The Form 8-K reported, under Item 9, that on February 20, 2004, Viad Corp issued a press release announcing that its subsidiary, Travelers Express Company, Inc., has agreed to sell Game Financial Corporation to Certegy Inc.

4. A report on Form 8-K dated March 4, 2004 was filed March 5, 2004 by Viad. The Form 8-K reported, under Item 5, that on March 4, 2004, Viad Corp issued a press release announcing that its subsidiary, Travelers Express Company, Inc., completed the sale of Game Financial Corporation to a subsidiary of Certegy Inc. for approximately $43 million in cash. As a result of the sale, Viad Corp expects to record an after-tax gain of

approximately $11 million in the first quarter of 2004 and may record future after-tax gains of up to $4 million, based on contingencies in the contract. In the press release, Viad also provided amended earnings guidance for the 2004 first quarter and full year to reflect the sale of Game Financial Corporation.

* Filed herewith.

+ Management contract or compensation plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VIAD CORP
(Registrant)

May 7, 2004

By: /s/ G. Michael Latta
G. Michael Latta
Vice President – Controller
(Chief Accounting Officer
and Authorized Officer)

EXHIBIT 10.A

VIAD CORP
1997 OMNIBUS INCENTIVE PLAN
PERFORMANCE-BASED RESTRICTED STOCK AGREEMENT

AS AMENDED MARCH 30, 2004
(REPLACES AGREEMENT DATED FEBRUARY 19, 2004)

Shares of Performance-Based Restricted Stock are hereby awarded by Viad Corp (Corporation), a Delaware corporation, effective January 1, 2004, to _________ (Employee) in accordance with the following restrictions, terms and conditions:

1. SHARE AWARD. The Corporation hereby awards the Employee _____ Shares (Shares) of Common Stock, par value $1.50 per share (Common Stock) of the Corporation pursuant to the Viad Corp 1997 Omnibus Incentive Plan (Plan), and upon the terms and conditions, and subject to the restrictions therein and hereinafter set forth.

2. RESTRICTIONS ON TRANSFER AND RESTRICTION PERIOD. During the period commencing on the date hereof (Commencement Date) and terminating as set forth below (Restriction Period), the Shares may not be sold, assigned, transferred, pledged, or otherwise encumbered by the Employee, except as hereinafter provided. The Restriction Period shall lapse as follows:

a) One third of Earned Shares, effective as of January 1 of the first year following the year of grant, subject to final determination of achievement of Management Incentive Plan (MIP) performance targets;

b) One third of Earned Shares on January 1 of the second year following the year of grant; and

c) The remaining one third of Earned Shares on January 1 of the third year following the year of grant.

Shares will be earned, subject to forfeiture pursuant to paragraph 3, based upon the level of achievement of MIP performance targets in the year of grant (Earned Shares). No Shares will be earned if overall achievement of MIP performance targets is below 80% of target, and 25% of Shares will be earned if overall achievement of MIP performance targets is at 80% of target, with Shares above that level earned ratably at the same percentage as MIP awards, up to but not exceeding 100% of target achievement.

Full ownership of Earned Shares will enure to the benefit of the Employee at the expiration of the Restriction Period with respect thereto, subject to forfeiture pursuant to paragraph 3. The Board of Directors (Board) shall have the authority, in its discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Earned Shares, prior to the expiration of the Restriction Period with respect thereto, or to remove any or all of such restrictions, whenever the Board may determine that such action is appropriate by reason of change in applicable tax or other law, or any other change in circumstances.

3. FORFEITURE AND REPAYMENT PROVISIONS.

(a) TERMINATION OF EMPLOYMENT. Except as provided in this paragraph 3(a) and in paragraph 8 below, if the Employee ceases to be an Employee of the Corporation or any of its Affiliates (as defined in the Plan) for any reason, all Shares or Earned Shares which at the time of such termination of employment are subject to the restrictions imposed by paragraph 2 above shall upon such termination of employment be forfeited and returned to the Corporation.

Except as otherwise specifically determined by the Human Resources Committee in its absolute discretion on a case by case basis, if the Employee is terminated by the Corporation or any of its Affiliates for any reason, (other than for Cause, as defined in the Plan, or for failure to meet performance expectations, as determined by the Chief Executive Officer of the Corporation), or if the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of death or total or partial disability, full ownership of the Earned Shares will occur, upon lapse of the applicable Restriction Periods as set forth in paragraph 2.

If the Employee ceases to be an employee of the Corporation or any of its Affiliates by reason of normal or early retirement, full ownership of the Earned Shares will occur upon lapse of the applicable Restriction Periods as set forth in paragraph 2 and dividends will be paid through such period, in each case on a pro rata basis, calculated based on the percentage of time Employee was employed during the year in which the award was granted.

(b) NON-COMPETE. Unless a Change of Control (as defined in the Plan) shall have occurred after the date hereof:

(i) In order to better protect the goodwill of the Corporation and its Affiliates and to prevent the disclosure of the Corporation's or its Affiliates' trade secrets and confidential information and thereby help insure the long-term success of the business, Employee, without prior written consent of the Corporation, will not engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, agent, consultant, owner of more than five (5) percent of any enterprise or otherwise, for a period of two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, in connection with the manufacture, development, advertising, promotion, design, or sale of any service or product which is the same as or similar to or competitive with any services or products of the Corporation or its Affiliates (including both existing services or products as well as services or products known to the Employee, as a consequence of Employee's employment with the Corporation or one of its Affiliates, to be in development):

(1) with respect to which Employee's work has been directly concerned at any time during the two (2) years preceding termination of employment with the Corporation or one of its Affiliates, or

(2) with respect to which during that period of time Employee, as a consequence of Employee's job performance and duties, acquired knowledge of trade secrets or other confidential information of the Corporation or its Affiliates.

(ii) For purposes of the provisions of paragraph 3(b), it shall be conclusively presumed that Employee has knowledge of information he or she was directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.

(iii) All Shares subject to the restrictions imposed by paragraph 2 above shall be forfeited and returned to the Corporation, if Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b) at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates.

(iv) If, at any time within two (2) years following the date of Employee's termination of employment with the Corporation or any of its Affiliates, Employee engages in any conduct agreed to be avoided pursuant to the provisions of paragraph 3(b), then all consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of all Earned Shares earned within two (2) years prior to termination of employment shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation. Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(c) MISCONDUCT. Unless a Change of Control shall have occurred after the date hereof:

(i) All consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of the Earned Shares shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation, if the Corporation reasonably determines that during Employee's employment with the Corporation or any of its Affiliates:

(1) Employee knowingly participated in misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation; or

(2) Employee was aware of and failed to report, as required by any code of ethics of the Corporation applicable to Employee or by the Always Honest compliance program or similar program of the Corporation, misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material knowing violation of any code of ethics of the Corporation applicable to Employee or of the Always Honest compliance program or similar program of the Corporation.

(ii) Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(d) ACTS CONTRARY TO CORPORATION. Unless a Change of Control shall have occurred after the date hereof, if the Corporation reasonably determines that at any time within two (2) years after the lapse of the last Restriction Period Employee has acted significantly contrary to the best interests of the Corporation, including, but not limited to, any direct or indirect intentional disparagement of the Corporation, then all consideration (without regard to tax effects) received directly or indirectly by Employee from the sale or other disposition of all Earned Shares earned during the two (2) year period prior to the Corporation's determination shall be paid by Employee to the Corporation, or such Earned Shares shall be returned to the Corporation. Employee consents to the deduction from any amounts the Corporation or any of its Affiliates owes to Employee to the extent of the amounts Employee owes the Corporation hereunder.

(e) The Corporation's reasonable determination required under Sections 3(c)(i) and 3(d) shall be made by the Human Resources Committee of the Corporation's Board of Directors, in the case of executive officers of the Corporation, and by the Chief Executive Officer and Corporate Compliance Officer of the Corporation, in the case of all other officers and employees.

4. CERTIFICATES FOR THE SHARES. The Corporation shall issue a certificate in respect of the aggregate number of Shares in the name of the Employee, which shall equal the amount of the award specified herein. The Corporation shall hold all certificates on deposit for the account of the Employee until expiration of the first restriction period set forth in paragraph 2 above, as applicable, with respect to the Shares granted, at which time new certificates shall be issued which shall be commensurate with the installment periods set forth in paragraph 2 above. Each certificate for restricted Shares shall bear the following legend:

The transferability of this certificate and the Shares of stock represented hereby are subject to the terms and conditions (including forfeiture) contained in the Viad Corp 1997 Omnibus Incentive Plan and an Agreement entered into between the registered owner and Viad Corp. Copies of such Plan and Agreement are on file with the Vice President-General Counsel of Viad Corp, Viad Tower, Phoenix, Arizona 85077-1012.

The Employee further agrees that simultaneously with his or her acceptance of this Agreement, he or she shall from time to time execute a stock power covering such award endorsed in blank and that he or she shall promptly deliver such stock power to the Corporation.

5. EMPLOYEE'S RIGHTS. Except as otherwise provided herein, the Employee, as owner of the Shares, shall have all rights of a shareholder, including, but not limited to, the right to receive all dividends paid on the Shares and the right to vote the Shares.

6. EXPIRATION OF RESTRICTION PERIOD. Upon the lapse or expiration of the Restriction Period with respect to any Earned Shares, the Corporation shall deliver or redeliver to the Employee the certificate in respect of such Shares and the related stock power held by the Corporation pursuant to paragraph 4 above. The Earned Shares as to which the Restriction Period shall have lapsed or expired and which are represented by such certificate shall be free of the restrictions referred to in paragraph 2 above and such certificate shall not bear thereafter the legend provided for in paragraph 4 above.

To the extent permissible under applicable tax, securities, and other laws, the Corporation may, in its sole discretion, permit Employee to satisfy a tax withholding requirement by directing the Corporation to apply Shares to which Employee is entitled as a result of termination of the Restricted Period with respect to any Shares of Restricted Stock, in such manner as the Corporation shall choose in its discretion to satisfy such requirement.

7. ADJUSTMENTS FOR CHANGES IN CAPITALIZATION OF CORPORATION. In the event of a change in the Common Stock through stock dividends, stock splits, recapitalization or other changes in the corporate structure of the Corporation during the Restriction Period, the number of Shares of Common Stock subject to restrictions as set forth herein shall be appropriately adjusted and the determination of the Board of Directors of the Corporation as to any such adjustments shall be final, conclusive and binding upon the Employee. Any Shares of Common Stock or other securities received, as a result of the foregoing, by the

Employee with respect to Shares subject to the restrictions contained in paragraph 2 above also shall be subject to such restrictions and the certificate(s) or other instruments representing or evidencing such Shares or securities shall be legended and deposited with the Corporation, along with an executed stock power, in the manner provided in paragraph 4 above.

8. EFFECT OF CHANGE IN CONTROL. In the event of a Change in Control (as defined in the Plan), the restrictions applicable to any Shares awarded hereby shall lapse, and such Shares shall be free of all restrictions and become fully vested and transferable to the full extent of the original grant.

9. PLAN AND PLAN INTERPRETATIONS AS CONTROLLING. The Shares hereby awarded and the terms and conditions herein set forth are subject in all respects to the terms and conditions of the Plan, which are controlling. The Plan provides that the Corporation's Board of Directors may from time to time make changes therein, interpret it and establish regulations for the administration thereof. The Employee, by acceptance of this Agreement, agrees to be bound by said Plan and such Board actions.

Shares may not be issued hereunder, or redelivered, whenever such issuance or redelivery would be contrary to law or the regulations of any governmental authority having jurisdiction.

IN WITNESS WHEREOF, the parties have caused this Performance-Based Restricted Stock Agreement to be duly executed.

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Dated: March 30, 2004                VIAD CORP

                                     By:______________________________________
                                        ROBERT H. BOHANNON
                                        Chairman, President and
                                        Chief Executive Officer

ATTEST:

______________________________________
General Counsel or Assistant Secretary
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THIS PERFORMANCE-BASED RESTRICTED STOCK AGREEMENT SHALL BE EFFECTIVE ONLY UPON EXECUTION BY EMPLOYEE AND DELIVERY TO AND RECEIPT BY THE CORPORATION.

ACCEPTED:

Employee

EXHIBIT 10.B

VIAD CORP

MANAGEMENT INCENTIVE PLAN

PURSUANT TO THE 1997 VIAD CORP OMNIBUS INCENTIVE PLAN

AS AMENDED MARCH 30, 2004

I. PURPOSE:

The purpose of the Viad Corp Management Incentive Plan (Plan) is to provide key executives of Viad Corp (Viad) and its subsidiaries with an incentive to achieve goals as set forth under this Plan for each calendar year (Plan Year) for their respective companies and to provide effective management and leadership to that end.

II. PHILOSOPHY:

The Plan will provide key executives incentive bonuses based upon appropriately weighted pre-defined income and other performance measurements.

III. SUBSIDIARIES, SUBSIDIARY GROUPS AND DIVISIONS:

A. Each subsidiary, subsidiary group, line of business or division listed below is a "Company" for the purposes of this Plan:

Name of Company

Brewster Transport Company Limited/Brewster Tours group Exhibitgroup/Giltspur group
GES Exposition Services, Inc. group Glacier Park, Inc.
Travelers Express Company, Inc. group

Viad may, by action of its Board of Directors or its Human Resources Committee, add or remove business units on the list of participant companies from time to time.

B. FUNDING LIMIT:

A "funding limit" shall be established annually for each Company participant who has been designated an Executive Officer as defined under Section 16(b) of the Securities Exchange Act. The funding limit shall be an amount not to exceed $750,000 in the case of a President of any Operating Company. The executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the Committee based on the Performance Goals set forth below and other such factors which the Committee may consider.

C. PERFORMANCE GOALS:

1. OPERATING OR PRE-TAX INCOME (as calculated for external reporting purposes):

An appropriate "operating income" or "pre-tax income" target for the plan year for each Company may be recommended by the Chief Executive Officer of Viad to the Committee for approval taking into account overall corporate objectives, historical income and Plan Year financial plan income (on the same basis as determined below) and, if appropriate, other circumstances.

Operating or pre-tax income to be used in calculating the bonus pool of each Company shall mean operating income before minority interest, interest expense and taxes, after deduction of corporate overhead, or pre-tax income after minority interest, in each case adjusted to appropriately exclude the effects of gains and losses from the sale or other disposition of capital assets other than vehicles. In addition, an adjustment to actual operating or pre-tax income will be made for any increase or decrease in cost to a subsidiary in connection with a change in the actual formula allocation of corporate overhead over amounts included in the Plan for the year.

Special treatment of any other significant unusual or non-recurring items (for purposes of determining actual or target operating or pre-tax income) arising after a Company's targets are set may be recommended by the Chief Executive Officer of Viad to the Committee for approval, including, for example, appropriate adjustment of operating or pre-tax income target or actuals to reflect planned effects of an acquisition approved after target has been set. Other examples include unusual items or effects of a change in accounting principle.

Incentives to be paid under this Plan must be deducted from the subsidiary corporation's earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

2. Value Added Measurement:

An appropriate "Value Added" target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares net operating income to the return required on capital invested in the business.

In calculating the bonus pool of each applicable Company, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital.

3. CASH FLOW:

An appropriate "Cash Flow" target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on delivering available cash to Viad.

Operating Cash Flow is defined as the net change in cash resulting from the operations of the Company. Cash flows from operations exclude the impact of investing activities (acquiring and disposing of investments and productive long-lived assets) and financing activities (borrowing and repaying debt, payment of dividends, and treasury stock repurchases).

4. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than operating or pre-tax income, VVA, and cash flow may be established for each Company, to place increased emphasis on areas of importance to achieving overall corporate objectives, with the Chief Executive Officer of Viad to recommend to the Committee the measures to be used and, at the end of the year, the level of achievement against each.

5. REVENUE:

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum), depending on the achievement against the revenue target.

6. ESTABLISHING TARGETS:

The targets for revenue, operating or pre-tax income, VVA, cash flow and for the categories of discretionary performance measurements to be employed will be established by the Committee no later than 90 days after the beginning of the Plan Year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

D. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under
Section 16(b) of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as designated by each Company President or Chief Executive Officer and recommended to the Chief Executive Officer of Viad Corp for approval, limited only to those executives who occupy a position in which they can significantly affect operating results as pre-defined by appropriate and consistent criteria, i.e., base salary not less than $49,000 per year, or base salary not less than 50% of the Company's Chief Executive Officer, or position not more than the third organizational level below the Company Chief Executive Officer or another applicable criteria.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the Company President or Chief Executive Officer, and approved by the Chief Executive Officer of Viad Corp.

E. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary paid during the year. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the net income goal. Awards will also be capped when stretch performance levels are achieved.

Subsidiary Positions*	Threshold**	Target	Cap
	As a Percentage of Salary		
Chief Executive Officer/President	27.5%	55.0%	110.0%
	25.0%	50.0%	100.0%
Executive Vice President-Senior Vice President, and Other Operating Executives	22.5%	45.0%	90.0%
	20.0%	40.0%	80.0%
Vice Presidents	17.5%	35.0%	70.0%
	15.0%	30.0%	60.0%
Key Management Reporting to Officers	12.5%	25.0%	50.0%
	10.0%	20.0%	40.0%
Staff Professionals	7.5%	15.0%	30.0%
	5.0%	10.0%	20.0%

* Target Bonus, as determined by the Committee, is dependent upon organization reporting relationships.

** Reflects minimum achievement of all performance targets. Threshold could be lower if minimum achievement of only one performance target is met.

F. BONUS POOL TARGET:

1. The "Bonus Pool Target" will be initially established no later than 90 days after the beginning of the Plan Year and will be adjusted to equal the sum of the target bonuses of all designated participants in each Company based upon actual Plan Year salaries, as outlined in paragraph D above, plus 15% for Special Achievement Awards.

2. The bonus pool will accrue in accordance with the Bonus Pool Accrual Formula recommended by the Chief Executive Officer of Viad Corp and approved by the Committee.

3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

G. INDIVIDUAL BONUS AWARDS:

1. Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph F above times the individual's actual base salary earnings during the Plan Year, subject to adjustments as follows:

a) discretionary upwards or downward adjustment of formula bonus awards by the Committee after considering the recommendation of the Company President or Chief Executive Officer with the approval of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code, and

b) discretionary downward adjustment of awards by the Committee for those Executive Officers affected by Section 162(m) of the Internal Revenue Code, and

c) no individual award may exceed the individual's capped target award or the funding limit with respect to Executive Officers, and the aggregate recommended bonuses may not exceed the bonus pool accrued for other than Special Achievement Awards.

2. Bonuses awarded to the participating management staff of subsidiary groups may be paid from funds accrued based upon the target bonus for such participant(s) times the weighted average performance of the Companies in the subsidiary group, subject to adjustments as above.

IV. VIAD CORP CORPORATE STAFF:

A. FUNDING LIMIT:

A "funding limit" shall be established annually for each Corporate participant who has been designated an Executive Officer as defined under Section 16(b) of the Securities Exchange Act. The funding limit will be an amount not to exceed in the case of (i) the Company's Chief Executive Officer, $1.5 million; and (ii) all other Executive Officers of the Company individually, $500,000. The executive cannot be paid a larger bonus than the funding limit provided by this clause, but may be paid less in the discretion of the Committee based on the Performance Goals set forth below and such other factors which the Committee may consider.

B. PERFORMANCE GOALS:

1. INCOME PER SHARE:

An appropriate "income per share" from continuing operations target for Viad Corp may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval after considering historical income per share from continuing operations, Plan Year financial plan income, overall corporate objectives, and, if appropriate, other circumstances.

Income per share from continuing operations is determined before unusual or extraordinary items, effects of changes in accounting principles or a change in federal income tax rates after the target has been set. Reclassification of a major business unit to discontinued operations status after targets have been set would also require adjustment because of the effect on continuing operations results. While gains on disposition of a business would normally not be included in determining actual Plan Year net income or income per share, in the event of the sale of a subsidiary or major business unit, a portion of gain would be included equal to the difference between the sold unit's planned net income for the year and actual results to date of sale plus calculated interest savings on proceeds for the balance of the year, so that actual results are not penalized for selling a business.

Incentives to be paid under this Plan must be deducted from Viad's earnings by the end of the year. Goals must be achieved after deducting from actual results all incentive compensation applicable to the year, including those incentives earned under this Plan.

2. OPERATING INCOME:

An appropriate "operating income" may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval.

Operating income is defined as operating income before minority interest, interest expense, interest income, and taxes, excluding unallocated corporate overhead expenses, unusual, non-cash charges (such as goodwill impairments and restructuring charges), and spin-off related costs.

3. VALUE ADDED MEASUREMENT:

An appropriate "Value Added" target for the plan year for Corporate may be recommended by the Chief Executive Officer of Viad for approval by the Human Resources Committee. This measurement is intended to place increased emphasis on securing an adequate return to Viad on all capital employed in the business. Viad Value Added (VVA) compares operating income to the return required on capital invested in the business.

In calculating the bonus pool for Corporate, VVA shall mean Net Operating Profit After Taxes (NOPAT is defined as sales minus operating expenses minus taxes) minus a Capital Charge calculated by multiplying a Cost of Capital times the actual Capital (Capital is defined as total assets less current and other liabilities exclusive of debt). Certain adjustments are necessary to determine NOPAT and Capital.

4. CASH FLOW:

An appropriate "Cash Flow" target for the plan year for certain companies may be recommended by the Chief Executive Officer of Viad Corp to the Committee for approval. This measurement is intended to place increased emphasis on delivering available cash to Viad.

Operating Cash Flow is defined as the net change in cash resulting from the operations of the Company. Cash flows from operations exclude the impact of investing activities (acquiring and disposing of investments and productive long-lived assets) and financing activities (borrowing and repaying debt, payment of dividends, and treasury stock repurchases).

5. OTHER PERFORMANCE MEASUREMENTS:

An appropriate number of performance measurements other than income per share will be established for Corporate, with the Chief Executive

Officer of Viad to recommend to the Committee the level of achievement against each of the measures.

6. REVENUE:

The bonus pool earned will be subject to a further calculation whereby the total bonus pool otherwise accruable will be adjusted by 95% (threshold) up to 105% (maximum) depending on the achievement against the revenue target.

7. ESTABLISHING TARGETS:

The actual targets for revenue, income per share, cash flow, operating income, VVA and for the performance measurements to be used will be established by the Committee no later than 90 days after the beginning of the Plan Year after receiving the recommendations of the Chief Executive Officer of Viad Corp.

C. PARTICIPANT ELIGIBILITY:

The Committee will select the Executive Officers as defined under
Section 16(b) of the Securities Exchange Act eligible for participation no later than 90 days after the beginning of the Plan Year. Other personnel will be eligible for participation as recommended by the appropriate staff Vice President and as approved by the Chief Executive Officer of Viad Corp, limited only to those executives who occupy a position in which they can significantly affect operating results as defined by the following criteria:

a) Salary grade 25 and above; and

b) Not more than Organizational Level Four below the Chief Executive Officer.

NOTE: Individuals not qualifying under the criteria established for the Plan Year who were included in the previous year will be grandfathered (continue as qualified participants until retirement, reassignment, or termination of employment) if designated by the appropriate Vice President and approved by the Chief Executive Officer of Viad Corp.

D. TARGET BONUSES:

Target bonuses will be approved by the Committee for each Executive Officer in writing within the following parameters no later than 90 days after the beginning of the Plan Year and will be expressed as a percentage of salary. Target bonuses for other eligible personnel will be established in writing within the following parameters subject to approval by the Chief Executive Officer of Viad Corp.

Actual bonus awards will be dependent on Company performance versus the targets established. A threshold performance will be required before any bonus award is earned under the income per share goal. Awards also will be capped when stretch performance levels are achieved.

Corporate Positions	As a Percentage of Salary Threshold**	Target	Cap
Chairman, President & Chief Executive Officer	45.0%	90.0%	180.0%
Senior Advisory Group	27.5%	55.0%	110.0%
	25.0%	50.0%	100.0%
	22.5%	45.0%	90.0%
Corporate Staff Officers	20.0%	40.0%	80.0%
Staff Directors*	17.5%	35.0%	70.0%
	15.0%	30.0%	60.0%
	12.5%	25.0%	50.0%
Staff Professionals*	10.0%	20.0%	40.0%
	7.5%	15.0%	30.0%

* Target Bonus, as determined by the Committee, is dependent upon organization reporting relationships.

** Reflects minimum of achievement of all performance targets. Threshold could be lower if minimum achievement of only one performance target is met.

E. BONUS POOL TARGET:

1. The "Bonus Pool Target" will be established no later than 90 days after the beginning of the Plan Year and will be adjusted to equal the sum of the target bonuses of all qualified participants based upon actual Plan Year base salaries, as outlined in paragraph C above, plus 15% for Special Achievement Awards.

2. The bonus pool will accrue in accordance with the Bonus Pool Accrual Formula recommended by the Chief Executive Officer of Viad Corp and approved by the Committee.

3. Bonus pool accruals not paid out shall not be carried forward to any succeeding year.

F. INDIVIDUAL BONUS AWARDS:

Indicated bonus awards will be equal to the product of the target bonus percentage times the weighted average percentage of bonus pool accrued as determined in paragraph D above times the individual's actual Plan Year base salary earnings, subject to adjustments as follows:

a) discretionary upward or downward adjustment of formula awards by the Committee after considering the recommendations of the Chief Executive Officer of Viad Corp for those executives not affected by Section 162(m) of the Internal Revenue Code,

b) discretionary downward adjustment of awards by the Committee for those Executive Officers affected by Section 162(m) of the Internal Revenue Code, and

c) no individual award may exceed the individual's capped target award or the funding limit with respect to Executive Officers and the aggregate recommended bonuses may not exceed the bonus pool for other than Special Achievement Awards.

V. REPAYMENT PROVISIONS:

A. NON-COMPETE:

Unless a Change of Control (as defined in the Viad Corp Omnibus Incentive Plan, as amended) shall have occurred after the date hereof:

1. In order to better protect the goodwill of Viad and its Affiliates (as defined in the Plan) and to prevent the disclosure of Viad's or its Affiliates' trade secrets and confidential information and thereby help insure the long-term success of the business, each participant in this Plan, without prior written consent of Viad, will not engage in any activity or provide any services, whether as a director, manager, supervisor, employee, adviser, agent, consultant, owner of more than five (5) percent of any enterprise or otherwise, for a period of two (2) years following the date of such participant's termination of employment with Viad or any of its Affiliates, in connection with the manufacture, development, advertising, promotion, design, or sale of any service or product which is the same as or similar to or competitive with any services or products of Viad or its Affiliates (including both existing services or products as well as services or products known to such participant, as a consequence of such participant's employment with Viad or one of its Affiliates, to be in development):

a) with respect to which such participant's work has been directly concerned at any time during the two (2) years preceding termination of employment with Viad or one of its Affiliates, or

b) with respect to which during that period of time such participant, as a consequence of participant's job performance and duties, acquired knowledge of trade secrets or other confidential information of Viad or its Affiliates.

2. For purposes of the provisions of paragraph V A, it shall be conclusively presumed that a participant in this Plan has knowledge of information he or she was directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.

3. If, at any time within two (2) years following the date of a participant's termination of employment with Viad or any of its Affiliates, such participant engages in any conduct agreed to be avoided in accordance with paragraph V A, then all bonuses paid under this Plan to such participant during the last 12 months of employment shall be returned or otherwise repaid by such participant to Viad. Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

B. MISCONDUCT:

Unless a Change of Control shall have occurred after the date hereof, all bonuses paid for 2003 and thereafter under this Plan to any participant shall be returned or otherwise repaid by such participant to Viad, if Viad reasonably determines that during a participant's employment with Viad or any of its Affiliates:

a) such participant knowingly participated in misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material violation of any code of ethics of Viad applicable to such participant or of the Always Honest compliance program or similar program of Viad; or

b) such participant was aware of and failed to report, as required by any code of ethics of Viad applicable to such participant or by the Always Honest compliance program or similar program of Viad, misconduct that causes a misstatement of the financial statements of Viad or any of its Affiliates or misconduct which represents a material knowing violation of any code of ethics of Viad applicable to such participant or of the Always Honest compliance program or similar program of Viad.

Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

C. ACTS CONTRARY TO VIAD:

Unless a Change of Control shall have occurred after the date hereof, if Viad reasonably determines that at any time within two (2) years after the award of any bonus under this Plan to a participant that such participant has acted significantly contrary to the best interests of Viad, including, but not limited to, any direct or indirect intentional disparagement of Viad, then any bonus paid under this Plan to such participant during the prior 2-year period shall be returned or otherwise repaid by the participant to Viad. Participants in this Plan consent to the deduction from any amounts Viad or any of its Affiliates owes to such participants to the extent of the amounts such participants owe Viad hereunder.

D. The Corporation's reasonable determination required under paragraphs V B and V C shall be made by the Human Resources Committee of the Corporation's Board of Directors, in the case of executive officers of the Corporation, and by the Chief Executive Officer and Corporate Compliance Officer of the Corporation, in the case of all other officers and employees.

VI. SPECIAL ACHIEVEMENT AWARDS:

Special bonuses of up to 15% of base salary for exceptional performance to employees (primarily exempt employees) who are not participants in this Plan, including newly hired employees, may be recommended at the discretion of the Chief Executive Officer to the Committee from the separate funds for discretionary awards provided for under paragraphs III F and IV E.

VII. APPROVAL AND DISTRIBUTION:

The individual incentive bonus amounts and the terms of payment thereof will be fixed following the close of the Plan Year by the Committee. Any award made under this Plan is subject to the approval of this Plan by the stockholders of Viad Corp.

VIII. COMPENSATION ADVISORY COMMITTEE:

The Compensation Advisory Committee is appointed by the Chief Executive Officer of Viad Corp to assist the Committee in the implementation and administration of this Plan. The Compensation Advisory Committee shall propose administrative guidelines to the Committee to govern interpretations of this Plan and to resolve ambiguities, if any, but the Compensation Advisory Committee will not have the power to terminate, alter, amend, or modify this Plan or any actions hereunder in any way at any time.

IX. SPECIAL COMPENSATION STATUS:

All bonuses paid under this Plan shall be deemed to be special compensation and, therefore, unless otherwise provided for in another plan or agreement, will not be included in determining the earnings of the recipients for the purposes of any pension, group insurance or other plan or agreement of a Company or of Viad Corp. Participants in this Plan shall not be eligible for any contractual or other short-term (sales, productivity, etc.) incentive plan except in those cases where participation is weighted between this Plan and any such other short-term incentive plan.

X. DEFERRALS:

Participants subject to taxation of income by the United States may submit to the Committee, prior to November 15 of the year in which the bonus is being earned a written request that all or a portion, but not less than a specified minimum, of their bonus awards to be determined, if any, be irrevocably deferred substantially in accordance with the terms and conditions of a deferred compensation plan approved by the Board of Directors of Viad Corp or, if applicable, one of its subsidiaries. Participants subject to taxation of income by other jurisdictions may submit to the Committee a written request that all or a portion of their bonus awards be deferred in accordance with the terms and conditions of a plan which is adopted by the Board of Directors of a participant's Company. Upon the receipt of any such request, the Committee thereunder shall determine whether such request should be honored in whole or part and shall forthwith advise each participant of its determination on such request.

XI. PLAN TERMINATION:

This Plan shall continue in effect until such time as it may be canceled or otherwise terminated by action of the Board of Directors of Viad Corp and will not become effective with respect to any Company unless and until its Board of Directors adopts a specific plan for such Company. While it is contemplated that incentive awards from the Plan will be made, the Board of Directors of Viad Corp, or any other Company hereunder, may terminate, amend, alter, or modify this Plan at any time and from time to time. Participation in the Plan shall create no right to participate in any future year's Plan.

XII. EMPLOYEE RIGHTS:

No participant in this Plan shall be deemed to have a right to any part or share of this Plan, except as provided in Paragraph XIII. This Plan does not create for any employee or participant any right to be retained in service by any Company, nor affect the right of any such Company to discharge any employee or participant from employment. Except as provided for in administrative guidelines, a participant who is not an employee of Viad Corp or one of its subsidiaries on the date bonuses are paid will not receive a bonus payment.

XIII. EFFECT OF CHANGE OF CONTROL:

Notwithstanding anything to the contrary in this Plan, in the event of a Change of Control (as defined in the 1997 Viad Corp Omnibus Incentive Plan) each participant in the Plan shall be entitled to a prorata bonus award calculated on the basis of achievement of performance goals through the date of the Change of Control.

XIV. EFFECTIVE DATE:

The Plan shall be effective January 1, 1997, provided however, that any award made under this Plan is subject to the approval of the 1997 Viad Corp Omnibus Incentive Plan by the stockholders of Viad Corp.

EXHIBIT 10.C

AMENDMENT 2 TO THE VIAD CORP SUPPLEMENTAL PENSION PLAN

WHEREAS, the Viad Corp Supplemental Pension Plan (the "Plan") was amended and restated on January 1, 2001; and

WHEREAS, the Plan was amended on May 8, 2003 to clarify the administration of the Plan; and

WHEREAS, the Plan needs to be amended to carry out certain terms of a proposed spin-off of Viad Corp's global payment services business and to update the plan for the freeze of the Viad Corp Retirement Income Plan;

NOW, THEREFORE, the Plan is hereby amended as follows:

1. The Plan is hereby amended, effective with the execution of and to carry out those provisions of the Employee Benefits Agreement by and among Viad Corp ("Viad" or the "Company"), MoneyGram International, Inc. ("MoneyGram") and Travelers Express Company, Inc. ("TECI") relating to the Plan and to provide that all benefits accrued through the date on which the distribution of shares of MoneyGram is made will vest in full notwithstanding any provision in the Plan regarding future amendments or modifications to the Plan terms, by adding a new Article 18:

ARTICLE 18. EFFECT OF MONEYGRAM SPIN-OFF

This Article 18 shall give effect to those provisions of that certain Employee Benefits Agreement by and among Viad Corp ("Viad" or the "Company"), MoneyGram International, Inc. ("MoneyGram") and Travelers Express Company, Inc. ("TECI") entered into pursuant to that certain Separation and Distribution Agreement, whereby Viad, MoneyGram and TECI have agreed to enter into such Employee Benefits Agreement in order to allocate assets, liabilities and responsibilities with respect to certain employee compensation and benefit plans and programs among them. Capitalized terms not defined in this Article or the Plan shall have the meaning as defined in the Employee Benefits Agreement.

Effective as of the Distribution Date, all Viad Employees and beneficiaries thereof shall be vested in their benefit under the Plan accrued through the Distribution Date notwithstanding anything to the contrary in this Plan, including, without limitation, any provision regarding future amendments or modifications to the Plan terms subject to the condition that the rights of an Eligible Employee are those of a general creditor only.

2. The Plan is hereby amended to clarify the effect of the freeze as to participation and benefits of the Viad Corp Retirement income Plan ("VCRIP") effective as of December 31, 2003 (the "Freeze"). Consistent with the Freeze of the VCRIP, Schedule E, which provides for a Restoration Benefit for VCRIP participants, whose benefit is limited by Internal Revenue Code Section 417 and 415, shall be frozen concurrently. Schedule E shall be amended by adding the following sentence to the first paragraph under General Rules:

"Effective December 31, 2003 and forward, this Schedule E shall be frozen as to participation and benefits consistent with the freeze of VCRIP."

Approved this ___day of March, 2004.

By:____________________________

Exhibit 31.1

CERTIFICATION

I, Robert H. Bohannon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Viad Corp;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2004

By /s/ Robert H. Bohannon

Robert H. Bohannon
Chairman of the Board, President
and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Ellen M. Ingersoll, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Viad Corp;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2004

By /s/ Ellen M. Ingersoll

Ellen M. Ingersoll
Chief Financial Officer

Exhibit 32.1

Certification Pursuant To
18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002

I, Robert H. Bohannon, Chief Executive Officer of Viad Corp, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the quarterly report on Form 10-Q of Viad Corp for the fiscal quarter ended March 31, 2004 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Viad Corp.

Dated: May 7, 2004

By /s/ Robert H. Bohannon

Robert H. Bohannon
Chief Executive Officer

Exhibit 32.2

Certification Pursuant To
18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 of the Sarbanes-Oxley Act of 2002

I, Ellen M. Ingersoll, Chief Financial Officer of Viad Corp, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. the quarterly report on Form 10-Q of Viad Corp for the fiscal quarter ended March 31, 2004 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Viad Corp.

Dated: May 7, 2004

By /s/ Ellen M. Ingersoll

Ellen M. Ingersoll
Chief Financial Officer