

May 14, 2015

Financial Technology Partners LP FTP Securities LLC

Transaction Profile:



raises

\$50,000,000

in financing led by



Courtesy of:



***The Only Investment Bank
Focused Exclusively on Financial Technology***

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Robinhood Raises \$50 Million in Financing

Transaction Overview

Transaction Overview

- On May 7, 2015, mobile brokerage provider Robinhood announced it has raised \$50 million from a group of investors
 - The round was led by New Enterprise Associates (NEA) and also included participation from Vaizra Investments, Index Ventures, Ribbit Capital and Social Leverage
 - NEA Partner Krishna "Kittu" Kolluri will join Robinhood's board as part of the deal
- This financing round brings Robinhood's total capital raised to \$66 million in less than two years
- The Company plans to use this investment to increase and refine its features, expand globally and increase its staff from 30 to 60 by the end of the year ⁽¹⁾
 - According to the Robinhood website, the Company is also currently looking to push through its Android application, which may be entering beta testing soon
 - Founder Vlad Tenev has said that Robinhood will be rolled out country by country, with Australia targeted as its first expansion overseas
- Robinhood is targeting Millennials, a demographic that traditional brokerages may have challenges in attracting, by providing a cheaper, more convenient trading platform
 - According to the Wall Street Journal, the average age of Robinhood users is 26 and 25% of them are investing for the first time

Previous Financings

Date	Size (\$ mm)	Key Investors
09/23/14	\$13.0	Ribbit Capital, Google Ventures, socialleverage, ANDREESSEN HOROWITZ, Index Ventures
10/31/13	3.0	ANDREESSEN HOROWITZ, DFJ, Index Ventures, socialleverage, ROTHENBERG VENTURES

Robinhood Founders



Baiju Bhatt

Vladimir Tenev

Mr. Bhatt and Mr. Tenev are both Stanford graduates and they are not new to entrepreneurial endeavors; before founding Robinhood in 2013, the two founded multiple other start-ups including algorithmic trading and investment banking software providers

New Investors

NEA
New Enterprise Associates®








Existing Investors

Ribbit Capital
Nas Jared Leto
ANDREESSEN HOROWITZ
Google Ventures
Index Ventures
Snoop Dogg
socialleverage

Robinhood Raises \$50 Million in Financing

Robinhood Overview

Robinhood Overview		Upcoming Features	
Founders:	Vladimir Tenev, Baiju Bhatt	Margin Accounts	Robinhood is aiming to add both a new trading feature and a new source of revenue with its rollout of margin accounts; the platform is currently testing out a margin trading feature with a few select users and intends to make interest off these accounts in the future
Headquarters:	Palo Alto, CA		
Founded:	2013	Taxes	By removing trading fees entirely, Robinhood has made it more convenient for retail investors to trade with higher frequency; Robinhood is planning to integrate its platform with tax and accounting software such as Mint and TurboTax to make it easy to import extensive trade histories when doing taxes
<ul style="list-style-type: none">■ Robinhood provides a no-fee trading application for iPhone that allows users to trade for free■ The two major reasons that Robinhood is able to stay fee-free are:<ol style="list-style-type: none">1. The Company is able to generate revenue by investing its users' idle account money into low-risk investments2. Since the platform is entirely electronic, Robinhood's costs are much lower compared to traditional brokerages that must spend money on extensive ad campaigns, brick and mortar locations and more expansive employee-intensive infrastructures■ The Company says it already has hundreds of thousands of customers, and that over \$500 million has been traded on the platform, leading to user savings of an estimated \$12 million so far			
		Android & PC Platforms	As of now, Robinhood's user base potential is limited by the fact that it only offers an iOS platform; however, the Company is currently developing both an Android and a PC platform to access a larger amount of potential users

Robinhood vs. Competition					
Brokerage					
Per Trade Commission	\$0	\$7.99-\$9.99	\$8.95	\$7.00	\$9.99
Minimum Deposit	\$0	\$500	\$1,000	\$500	\$0

Source: Company websites, TechCrunch, Capital IQ.

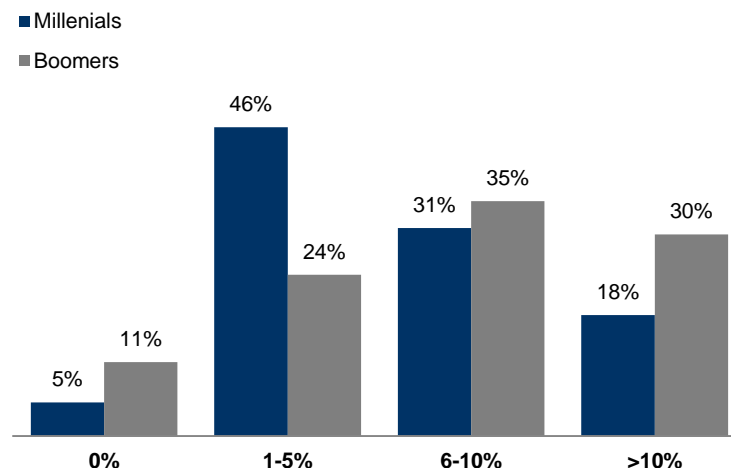
Robinhood Raises \$50 Million in Financing

The Millennial Market

Millennial Opportunity Overview

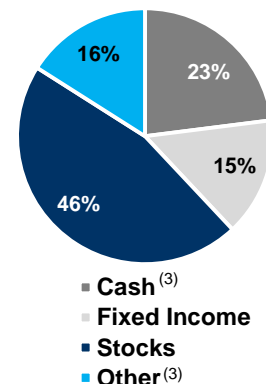
- Robinhood, along with many other tech-focused financial planning, investment and banking providers, is attempting to capitalize on Millennials, a largely untapped source of assets
- According to Accenture, Millennials are set to inherit approximately \$30 trillion from their baby boomer parents and grandparents
- However, 60% of Millennials say they distrust financial markets ⁽¹⁾
 - In fact, Millennials are saving very small percentages of their income ⁽⁴⁾
 - Cash is estimated to make up the majority of Millennials' assets while making up less than a quarter of non-Millennials' assets ⁽²⁾
 - This is generally attributed to the Dot-Com Bubble and the Great Recession playing a large role in their childhood and young adulthood ⁽¹⁾
- The result is a huge opportunity for firms to gain market share by appealing to the Millennial generation
- Firms are attempting to tackle this market in a multitude of ways:
 - Online trading fees are the lowest they've ever been, with platforms such as Robinhood even offering free trading
 - Mobile trading platforms, market analysis tools, robo-advisors and trading-based social networks are appealing to the Millennials' tech-savvy attitudes
 - Firms like LearnVest are offering a more holistic personal finance system that takes the focus off market risk and places it on financial planning

Percentage of Income Currently Saving ⁽⁴⁾

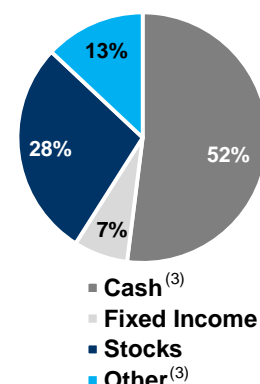


Selected Asset Allocation ⁽²⁾

Non-Millennials



Millennials



Robinhood Raises \$50 Million in Financing

Selected Investor Overview – New Enterprise Associates

Firm Overview

NEA Fund Info

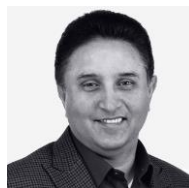
Fund Size: \$2.6 bn

Fund Raised: 2012

AUM: \$13+ bn



Scott Sandell
Managing Partner, Menlo Park



Krishnu 'Kittu' Kolluri
Lead Partner, Robinhood Deal

Location(s)

- Menlo Park, CA (HQ)
- Chevy Chase, MD
- Timonium, MD
- New York, NY
- Boston, MA
- Shanghai, China
- Beijing, China
- Bangalore, India
- Mumbai, India

About

- Founded in 1977, New Enterprise Associates (NEA) is one of the largest venture capital firms with an active portfolio of 300 businesses in the technology and healthcare sectors
- More than 200 of NEA's portfolio companies have gone public and over 320 have completed successful M&As
- Prefers high growth companies and will invest across all stages of a company's lifecycle

Select Recent Investments / Exits

Investments

Date	Company	Amount (mm)
04/07/15	Placester	\$15
03/18/15	Collective Health	38
01/22/15	Raise	56
01/16/15	Stride Health	2
01/14/15	BlockCypher	3
12/16/14	Mattermark	7
12/08/14	RezNext	5
11/04/14	Forter	15
09/18/14	Placemeter	6

Exits

Date	Company	Amount (mm)
03/26/15	LiveLoop (Microsoft)	NA
01/22/15	Box (IPO)	\$175
01/05/15	Wit.AI (Facebook)	NA
10/21/14	Firebase (Google)	NA
09/25/14	PatientKeeper (HCA Holdings)	NA
07/15/14	Freshplum (TellApart)	NA
01/24/14	Care.com (IPO)	91

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Selected Investor Overview - Snoop Dogg

Snoop Dogg








Name Calvin Broadus Jr.

Born 1971

Estimated Net Worth ⁽²⁾ \$135 million

- **Rapper turned investor Calvin Broadus Jr., better known by his stage name Snoop Dogg, also invested in Robinhood during its 2014 Series A round**
- **Mr. Dogg has made investments in a variety of companies since he began investing in 2013**
 - Investments range from stock trading platform Robinhood to Reddit to Philz Coffee
- **Snoop Dogg is even considering starting a venture fund himself that would specifically target companies in the marijuana industry in states that have legalized its recreational usage** ⁽¹⁾
 - According to TechCrunch, this fund will not be targeting cultivation and production, and will instead focus on the affiliated technologies that are emerging within the industry

Selected Investment History ⁽³⁾⁽⁴⁾

Date	Company	Company Description
04/14/15		Eaze provides an application for medical marijuana delivery
02/18/15		Philz is a coffee store chain and manufacturer based in California
09/30/14		Reddit is a forum for sharing links, info, and discussion about a variety of topics
09/23/14		Robinhood is a no-fee stock trading platform for iPhone
na		Ustream provides an online broadcasting platform

Commentary

“Really, really seriously, (he started investing) about a year ago... His reach is incredible. He's got 60 million social followers; his network is insane. I know for a fact, when you attach his name to your pitch decks or to your investment decks it opens up new opportunities.”

*-Nick Adler, Cashmere
Mr. Dogg's Investment Manager*

Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

FT Partners has advised on the most prominent transactions in the Securities and Capital Markets Technology sector

Financial Technology Partners LP
FTP Securities LLC
is pleased to announce its exclusive role as sole strategic and financial advisor to

ShareholderInSite

in its sale to

IPREO

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Alpha

in its acquisition by

TMX Maple Group

valued at approximately

\$ 175,000,000

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

THE MARKETS.com

in its sale to

Capital IQ

A Division of Standard & Poor's

for total consideration of approximately

\$ 300,000,000

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

INSTINET

in the sale of its stake in

CHIX EUROPE

to

BATS

for total consideration of approximately

\$ 305,000,000

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

WOMBAT
FINANCIAL SOFTWARE

in its sale to

NYSE Euronext

for total consideration of approximately

\$ 225,000,000

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MERGENT

In the sale of its 100% business to

NASDAQ OMX

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

TORA

TECHNOLOGY, TRADING, LIQUIDITY.™

In its minority capital raise with

Goldman Sachs Bank of America Merrill Lynch

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

liquidnet

in its financing for approximately

\$ 250,000,000

valued at approximately

\$ 1,800,000,000

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Financial Technology Partners LP
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is pleased to announce its exclusive role as sole strategic and financial advisor to

chi-x

In its sale of a minority stake to

Bank of America Merrill Lynch GETCO Morgan Stanley QUANTLIB FINANCIAL LLC

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Financial Technology Partners LP
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MarketAxess

In its minority capital raise with

TCV

for approximately

\$ 35,000,000

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TradingScreen
SIMPLIFYING GLOBAL MARKETS™

In its minority recapitalization for

\$ 110,000,000

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Financial Technology Partners LP
FTP Securities LLC
is pleased to announce its exclusive role as sole strategic and financial advisor to

ENVESTNET

in its

\$69,000,000 Initial Public Offering

valuing the equity at approximately

\$ 300,000,000

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PARTNERS

Overview of FT Partners

Award-Winning Investment Banking Franchise Focused on Superior Client Results

FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition



M&A Advisor Awards

- | | |
|------|--|
| 2014 | <ul style="list-style-type: none"> ■ Equity Financing Deal of the Year ■ Professional Services Deal of the Year, Above \$100mm |
| 2012 | <ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Professional Services Deal of the Year, Above \$100 mm |
| 2011 | <ul style="list-style-type: none"> ■ Boutique Investment Bank of the Year ■ Deal of the Decade ■ <i>10 Deal of the Year Nominations Across 9 Categories</i> |
| 2010 | <ul style="list-style-type: none"> ■ Upper Middle Market Deal of the Year, Above \$500 mm ■ IT Services Deal of the Year, Below \$500mm ■ Cross-Border Deal of the Year, Below \$500mm |
| 2007 | <ul style="list-style-type: none"> ■ Dealmaker of the Year – Steve McLaughlin ■ Business to Business Services Deal of the Year ■ Computer and Information Technology Deal of the Year, Above \$100mm ■ Financial Services Deal of the Year, Above \$100mm |



- | | |
|-----------|---|
| 2006-2008 | <ul style="list-style-type: none"> ■ Steve McLaughlin consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology |
|-----------|---|



Middle Market Financing Awards

- | | |
|------|--|
| 2008 | <ul style="list-style-type: none"> ■ Equity Financing Dealmaker of the Year – Steve McLaughlin ■ Information Technology Deal of the Year ■ Financial Services Deal of the Year |
| 2006 | <ul style="list-style-type: none"> ■ Financing Professional of the Year – Steve McLaughlin ■ <i>Financing Deal of the Year - Equity</i> ■ <i>Financing Deal of the Year - Debt</i> |

Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.