

# FT PARTNERS FINTECH INDUSTRY RESEARCH

September 29, 2017

**Hellman & Friedman**

**Hellman & Friedman Acquires Nets (CPSE: NETS) for  
Approximately DKK 33.1 billion (\$5.3 billion)**



## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research

**FINTECH RESEARCH & INSIGHTS**

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



**The Information**

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

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## Transaction Summary

### Transaction Summary

- On September 25, 2017, a consortium of investors led by Hellman & Friedman announced a voluntary conditional public takeover offer to acquire Nets (CPSE: NETS) for DKK 165 per share valuing the entire issued capital of the Company at DKK 33.1bn (\$5.3 bn)
  - The offer price represents a 35% premium to the VWAP during the six months ended 30th June 2017
- Shareholders representing 46% of the share capital have agreed to accept the offer
  - This includes the largest shareholders Advent International and Bain Capital with a combined stake of 39.9%
- Nets was taken public a year ago and was valued at DKK 30 billion crowns (DKK 150 per share), double what Advent International, Bain Capital and ATP had paid for it two years earlier <sup>(1)</sup>
- Nets' Board of Directors has decided to recommend the offer, following careful consideration of all expressions of interest in the company
- Nets' sale to Hellman & Friedman will become the largest largest public-to-private transaction in the Nordic region since the financial crisis <sup>(2)</sup>

### Consortium's Proposed Ownership



### Transaction Commentary - Buyer

"At Hellman & Friedman we are highly experienced in investing in dynamic and fast-moving industries. Our flexible and long-term capital, growth focus and sector expertise are assets that we believe will help Nets remain competitive in this increasingly challenging and consolidating environment. Our all-cash offer represents an attractive premium for Nets shareholders at a time when the business is facing uncertainties which will require significant investments better addressed in a private environment. We are delighted that the Board of Directors has agreed to recommend our Offer"

Hellman & Friedman

Stefan Gotz  
Managing Director



"We believe the offer represents attractive value to Nets' shareholders. Hellman & Friedman approached us in June, following which we received a number of other expressions of interest and held discussions with selected parties. Having considered all options available to us, including continuing as a listed company, we are satisfied that the cash offer of DKK 165 per share to all shareholders is the most attractive alternative available. We believe Hellman & Friedman is a responsible, growth oriented owner who will be able to take a long-term strategic approach to the development of Nets to the benefit of our stakeholders."



Inge Hansen  
Chairman



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## Transaction Rationale & Overview

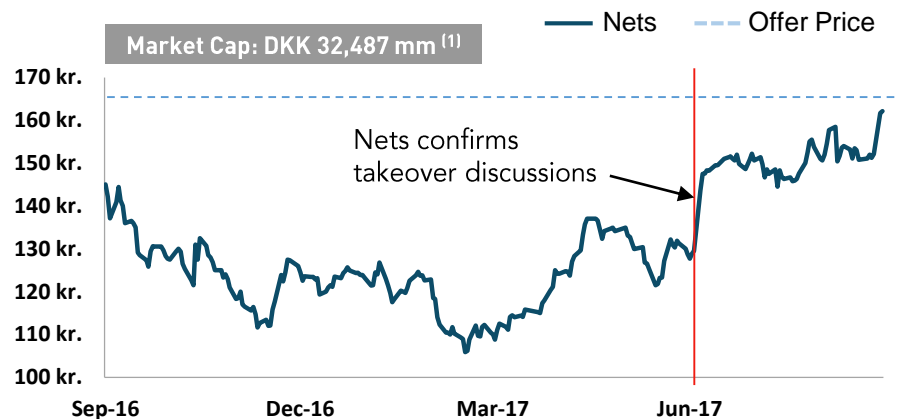
### Transaction Multiples

Equity Value = \$ 5.3 bn

Implied EV = \$6.4 bn

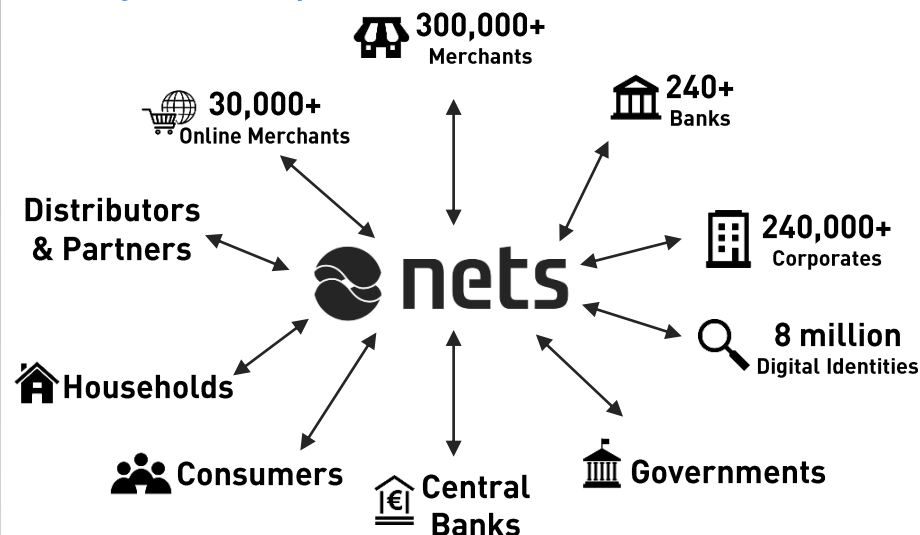
<b>5.3x</b>	<b>5.2x</b>	<b>5.0x</b>
EV / LTM Rev	EV / 2017E Rev	EV / 2018E Rev
<b>14.9x</b>	<b>14.3x</b>	<b>13.3x</b>
EV / LTM EBITDA	EV / 2017E EBITDA	EV / 2018E EBITDA
<b>24.0x</b>	<b>19.5x</b>	<b>18.1x</b>
LTM P / E	2017E P / E	2018E P / E

### Stock Performance (CPH: NETS)



Source: Company press release, investor presentation, Cap IQ

### Strong Nordic Footprint



### Next Steps

- ✓ Offeror will publish Offer Document within next 4 weeks
- ✓ Nets will issue Board of Directors statement containing formal recommendation
- ✓ The offer-period is expected to be 10 weeks
- ✓ Requires offer acceptance from more than 90% of the shares and voting rights outstanding
- ✓ Final takeover subject to approval from authorities and regulators
- ✓ Upon approval, completion of the offer is expected to be in Q1 2018

## Nets Overview



*Nets is a leading provider of digital payment services and related technology solutions that connect banks, businesses, the public sector, merchants and consumers*

- Headquartered in Copenhagen, Nets' influence, service and products reach across the Nordic region and the Company has a growing presence in the Baltic states
- Nets introduced and runs NemID, the public identity network in Denmark, and BankID, a leading identity network in Norway, among other products and services that have helped transform and develop a modern payment infrastructure
- The Company provides a wide range of standard and customized end-to-end IT solutions and a broad range of services within payment cards, bank account services and payment solutions for merchants that support efficient commerce
  - These services focus on security, reliability and stability and include real-time clearing, developments in fraud prevention, improved e-commerce offerings, support for contactless payment cards and mobile solutions
- Nets also handles merchant agreements for local and international cards and offers add-on products for the merchant agreement
- In 2016, the Company processed approximately 5.2 billion card transactions through its business relationships with more than 300,000 merchants and 240 banks
  - Nets also has contracts with more than 240,000 corporate customers and manages over 8 million digital identities
- In July 2014, Nets was acquired by Advent International, Bain Capital and ATP for approximately \$3.1 billion from a group of 186 shareholders, primarily Danish and Norwegian, banks
  - Advent, Bain and ATP emphasized different strategic initiatives, including an increased emphasis and organizational focus on customers, enhancing the Merchant Services business, focusing on strategic investments in technology platforms and promoting significant recurring cost savings and operational efficiencies to transform Nets for the development of the Company and to support future growth

# Hellman & Friedman Acquires Nets for \$5.3 billion

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## Products & Services Overview



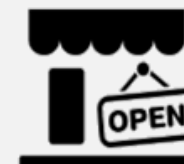
### Corporate Services

- **Provider of account-to-account services**
  - Payment platform for recurring bills and credit transfers for corporates
  - Solutions for real-time clearing and settlement, to provide instant payments from account to account
  - National digital identity solutions in Denmark and Norway and other value-added digitalization services
- **More than 240,000 corporate customers, mainly in Denmark and Norway**



### Financial and Network Services

- **Provider of outsourced processing services for over 240 issuers of payment cards and banks**
- **Operates and processes the national debit card systems Dankort in Denmark and BankAxept in Norway**
  - Delivery and rapid adoption of contactless payment functionality for Dankort
  - Recently launched mobile contactless functionality as well
- **Complementary services, including card management systems, fraud and dispute solutions and mobile wallet technology**



### Merchant Services

- **Provider of in-store, online and mobile payment acceptance solutions**
  - Enable merchants to accept payments, receive the settlement in a bank account and get detailed reconciliation information and statistics
- **Reach merchants through a broad set of distribution channels, including indirect partner relationships and a direct sales force**
- **Customer base of more than 300,000 merchants, from large corporate chains to SME's and micro merchants**
  - Includes 30,000 online merchants

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## Nets Overview (cont.)

### Management Team



**Bo Nilsson**  
Group Chief Executive Officer



**Klaus Pedersen**  
CFO, Group Executive Vice  
President, Finance & Risk  
Management



**Susanne Bronnum**  
Group Executive Vice  
President, Financial & Network  
Services



**Frode Asheim**  
Group Executive Vice  
President, Corporate Services





**Asger Hattel**  
Group Executive Vice  
President, Merchant Services








**Pia Jorgensen**  
Group Executive Vice  
President, Technology

### Selected Nets Transactions

Announce Date	Transaction Type	Buyer(s)	Amount (\$ in mm)	Research Profile
09/25/17	M&A	Hellman & Friedman	\$5,300	
09/23/17	IPO	NA	2,370	<a href="#">VIEW</a>
03/24/17	M&A	 	3,100	

### Selected Nets Acquisitions

Announce Date	Target	Amount (\$ in mm)	Research Profile
04/05/17	 OP-Pohjola Merchant Acquiring Business	\$32	
06/15/15	 Nordea Merchant Acquiring Business	259	<a href="#">VIEW</a>
12/3/14	 Paytrail	NA	
10/29/14	 DIBS Payments made easy	108	
08/12/14	 payzone Nordic	NA	

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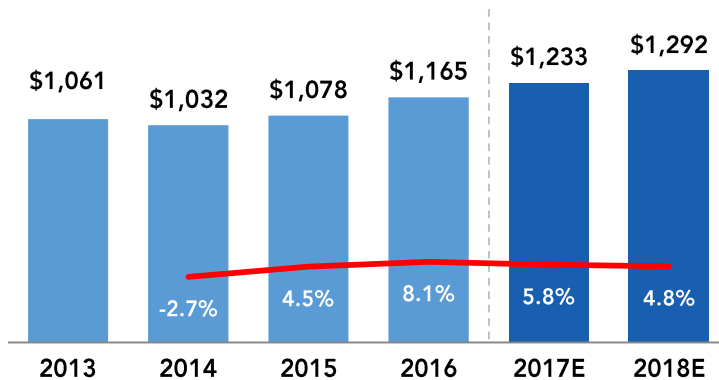
## Nets Financial Overview



Financials converted to USD as of 9/27/17;  
Conversion rate equals approximately 0.16 USD

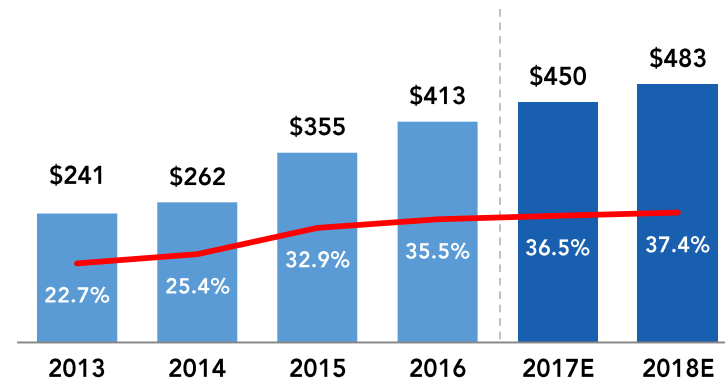
### Revenue / % Growth

(\$ in mm)



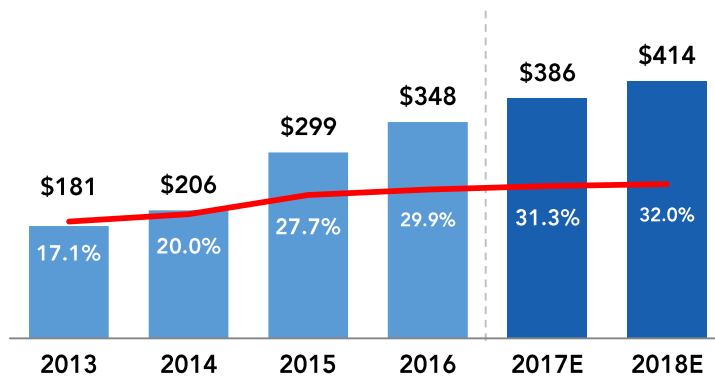
### EBITDA / % Margin

(\$ in mm)



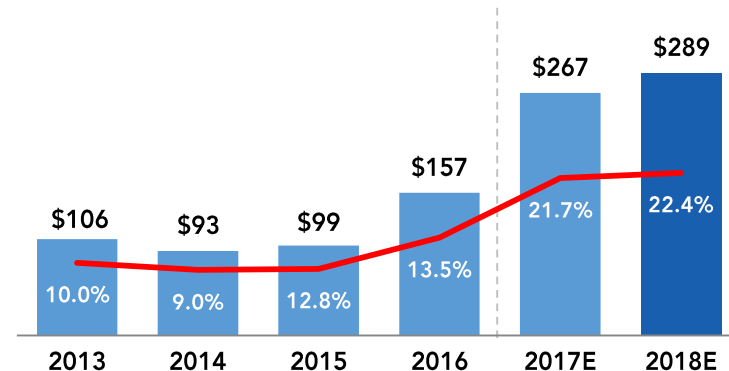
### EBIT / % Margin

(\$ in mm)



### Net Income / % Margin

(\$ in mm)



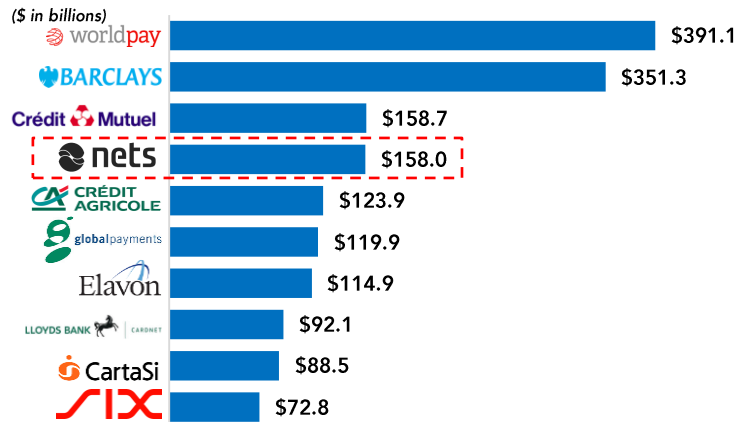
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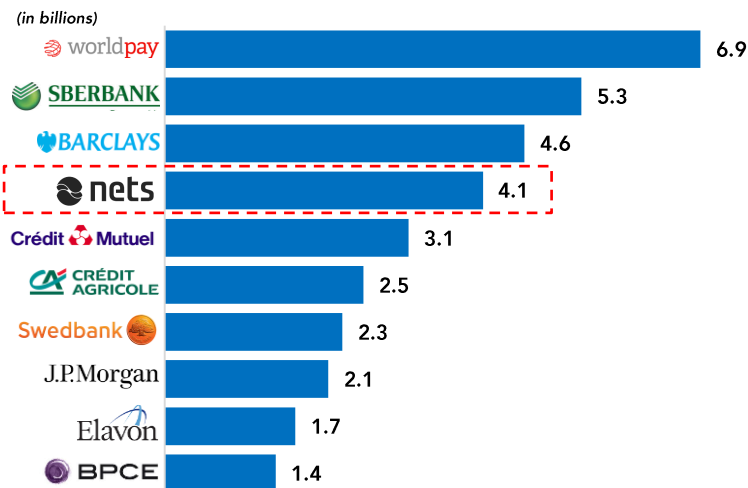


## Industry Trends – European Merchant Acquirer Volumes

Top European Acquirers by Volume (2015)



Top European Acquirers by Transactions (2015)



Merchant Acquirers in Europe Ranked by Visa / MasterCard Transactions

Rank '15	Rank '14	Company	Volume (\$ mm)	Change (%)	# of Trans. (mm)
1	1	Worldpay	\$ 389,509.4	5%	6,834.6
2	3	Sberbank	53,169.3	42%	5,326.4
3	2	Barclays	350,118.8	19%	4,582.1
4	4	Credit Mutuel CIC	158,722.3	7%	3,116.4
5	5	Credit Agricole	122,991.4	8%	2,535.8
6	6	Swedbank	66,294.9	16%	2,272.7
7	-	JP Morgan Commerce Solutions	57,818.2	-	1,932.2
8	7	Elavon	114,384.0	-10%	1,671.9
9	8	BPCE	71,384.5	2%	1,420.0
10	-	<b>Nets Group</b>	49,291.8	-	1,377.4
11	10	CartaSi	88,476.9	6%	1,358.7
12	9	Global Payments	119,334.0	19%	1,195.4
13	12	Six Payment Services	70,654.6	7%	1,098.5
14	11	BNP Paribas	66,469.8	8%	1,097.8
15	14	EVO Payments International	30,794.6	0%	1,036.7
16	15	Lloyds Cardnet Merchant Services	91,689.7	14%	998.0
17	13	Societe Generale	64,959.6	5%	997.4
18	17	UniCredit	33,331.5	13%	993.6
19	16	Comercia	69,445.6	18%	949.9
20	18	Garanti Bank	35,399.7	17%	709.3

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## Hellman & Friedman Overview

### Overview

#### Hellman & Friedman



**Patrick Healy**  
Deputy CEO  
(London)



**Stefan Goetz**  
Managing  
Director (London)



**David Tunnell**  
Managing  
Director



**Benjamin Farkas**  
Managing  
Director



**Blake Kleinman**  
Managing  
Director



**Allen Thorpe**  
Managing  
Director

### Locations

- San Francisco, CA (HQ)
- New York, NY
- London, UK

### About

- Founded in 1984, Hellman & Friedman has raised over \$25 bn in committed capital and invested in over 75 companies
- Hellman & Friedman focuses on a long-term investment strategy to support portfolio companies in reaching financial and strategic goals
- Looks for companies with strong management, defensible positions in a growing market, predictable revenue and earnings growth and high levels of free cash flow
- Comfortable taking a majority stake or an influential minority position

### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$10,950 mm
<b>Fund Raised:</b>	2014
<b>Investment Range:</b>	\$50 – 1,200 mm
<b>Revenue:</b>	NA
<b>EBITDA:</b>	NA

#### General Preferences <sup>1</sup>

<b>Control:</b>	Majority, Minority
<b>Geography:</b>	North America, Europe, Australia
<b>Transaction Type:</b>	Growth, Buyout, MBO, Recapitalization
<b>Industry Focus:</b>	Financial Services, Healthcare, Energy, Industrials, Insurance, Internet & Digital Media, Business, Marketing, Information Services, Software, Retail, Consumer

### Selected Recent Investments / Exits

#### FinTech / Financial Services Investments <sup>2</sup>

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
03/17	Allfunds Bank (Buyout)	\$1,900	NA	CapMkts
05/16	MultiPlan (Secondary)	7,500	NA	HCIT
12/15	TeamSystem (Buyout)	1,280	NA	FMS
10/15	Edelman Financial Services (Buyout)	800	NA	CapMkts
01/15	MMZ Associates (Buyout)	NA	NA	Ins
07/14	Free Market Insurance (Buyout)	NA	NA	Ins
01/14	Applied Systems (Stone Point Capital)*	1,800	David Tunnell, Robert Henske, Sameer Narang	Ins
10/13	HUB International (Buyout)	4,400	Paul Emery, Hunter Philbrick, David Tunnell	Ins
09/11	OpenLink (Buyout)	NA	David Tunnell, Robert Henske	CapMkts
05/10	Sedgwick CMS (KKR)*	1,100	NA	Ins
09/08	SSP Holdings (LDC)*	357	NA	Ins
01/07	Paris Re (Buyout)**	158	David Tunnell	Ins
12/06	PartnerRe (Stone Point)*	NA	NA	CapMkts
05/06	Artisan Partners (PE Growth)**	500	NA	CapMkts
12/05	LPL Financial (Buyout)**	1,500	NA	Ins
11/05	GeoVera (Flexpoint Ford, New Capital Partners)*	NA	NA	Ins
11/04	Vertafore (TPG Capital)*	400	NA	Ins

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

2) \* denotes M&A exit; \*\* denotes IPO exit

3) Deal Amount in mm

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## Consolidation and Financing Activity in the European Payments Industry





**Completes its IPO raising  
DKK 15.75 billion (~\$2.37 billion)**

# Nets Raises Approximately \$2.37 bn in its IPO

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## Nets IPO Overview

### Key IPO Statistics

<b>Description:</b>	Nets is a leading provider of digital payment services and related technology solutions across the Nordic region. Nets forms the backbone of the Nordic payments ecosystem.		
<b>Use of Proceeds:</b>	The Company intends to use the proceeds to repay existing debt facilities		
<b>Founder &amp; CEO:</b>	Bo Einar Lohmann Nilsson		
<b>Headquarters:</b>	Ballerup, Denmark		
<b>Founded:</b>	1968		
<b>Employees:</b>	2,400		
<b>Initial Filing Date:</b>	9/13/2016		
<b>Trading Date:</b>	9/23/2016		
<b>Ticker:</b>	NETS		
<b>Initial Filing Range:</b>	DKK 130 – 160		
<b>Offer Price:</b>	DKK 150		
<b>Shares Offered:</b>	105,000,000		
<b>Capital Raised for Company:</b>	DKK 5.5 bn		
<b>Capital Raised for Existing Shareholders:</b>	DKK 10.25 bn		

### Nasdaq Copenhagen

## Filing

Nets Holding A/S



Lautrupbjerg 10  
DK-2750 Ballerup  
Denmark

Deutsche Bank



Morgan Stanley

Nordea



Danske Bank



SpareBank  
MARKETS 1



J.P.Morgan



Sydbank LAZARD

# Nets Raises Approximately \$2.37 bn in its IPO

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## How The 2016 Nets IPO Compared to other FinTech IPOs

Date	Size (\$ mm)	Company	Date	Size (\$ mm)	Company
10/13/15	\$3,340	worldpay	04/16/15	\$314	VIRTU FINANCIAL
07/30/14	2,900	synchrony FINANCIAL	04/15/16	253	Bats
10/14/15	2,560	First Data™	11/19/15	243	Square
09/23/16	2,370	nets	03/26/14	240	TriNet Ambitions Realized™
06/18/14	1,300	markit™	05/25/16	238	Cotiviti
06/19/14	1,200	EURONEXT	12/16/14	200	OnDeck
12/10/14	870	LendingClub	06/10/15	196	evolent HEALTH
06/24/15	627	TransUnion™	03/14/14	178	CASTLIGHT HEALTH
02/11/15	600	inovalon™ healthcare empowered	03/07/14	168	Quotient
07/09/15	579	FLOW TRADERS	03/24/14	138	paylocity
10/27/15	475	EQUINITI	10/09/15	138	cpi card group
05/19/15	441	BLACK KNIGHT™ FINANCIAL SERVICES	05/20/15	131	shopify



**BainCapital**



**Advent International, ATP and Bain Capital  
Acquire Nets Group for \$3.14 billion**





## Transaction Overview

### Transaction Summary

- On March 24, 2014, Advent International, ATP and Bain Capital (The Consortium) agreed to acquire 100% of NETS Group in cash from existing shareholders – a group of 186 primarily Danish and Norwegian banks
- The transaction which closed in Q3 2014, was one of the largest private equity-backed buyout in Europe that year
- The acquirers paid \$17.06 per share and a dividend of \$0.40 per share for 2013

### Rationale

- The Consortium anticipates that there will be no changes to customers relationships
- The Consortium is committed to investing in and supporting the service lines of the NETS Group and is open to a future listing of the company's shares on a Nordic exchange
- The group of investors has a long-term perspective and expects to hold NETS Group for at least 5 years
- NETS Group Chairman, Pete Lybecker, said, "NETS needs a new owner with expertise, commitment and financial resources to develop the business in a rapidly changing payments industry."

### Buyers Overview



- Advent International is a venture capital form that specializes in growth equity, growth buyouts, acquisitions, management buyouts and recapitalizations
- Advent International mainly invests in companies based in Western Europe, Central Eastern Europe, Latin America and the Asia Pacific
- Advent has invested in more than 280 buyout transactions in 39 countries



- ATP is a privately-owned asset management company that provides pension, hedging, investment and insurance services
- The Company manages over \$109 bn in pension savings for over 4.8 mn people and is one of Europe's large pension investors

### BainCapital

- Bain Capital has provided funding to multiple companies within the payment processing space
- Bain Capital has more than \$68 bn of assets under management

## Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Heartland's Sale to Global Payments



Adyen's Rise to One of the Most Valuable Payments Companies



CardConnect's \$750 million to First Data



Central Payment's Strategic Investment from TSYS



Marqeta's \$25 million Financing Led by Visa



NMI's Majority Investment From Francisco Partners



Coinbase Raises \$100 million in Series D Financing from IVP



Toast Raises \$101 million in Financing



TNG Raises \$115 million in Series A Financing



Blackstone and CVC Capital Partners Acquire Paysafe for \$3.8 billion

[VIEW MORE FT PARTNERS RESEARCH](#)

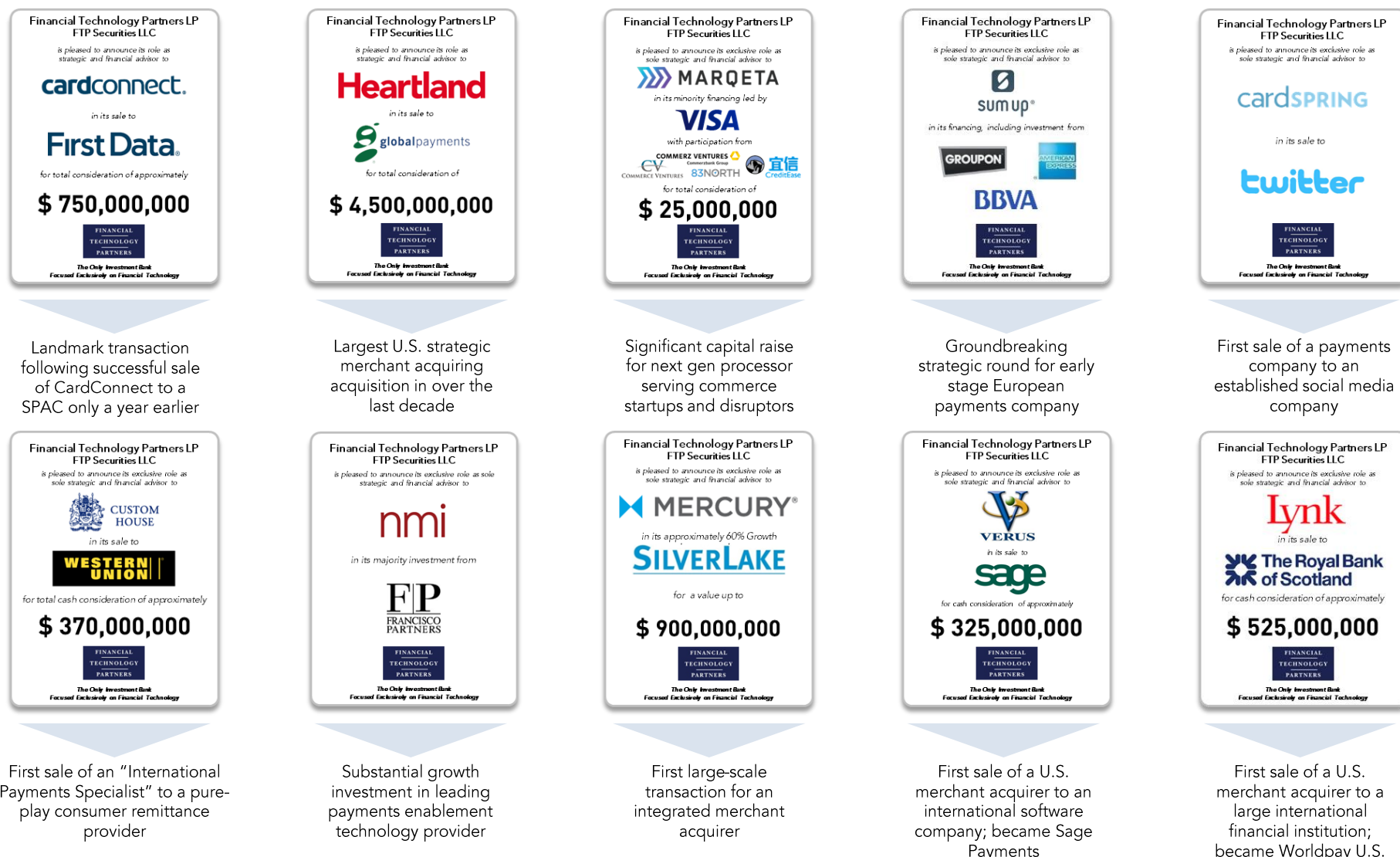
# FT Partners – Focused Exclusively on FinTech

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## Strong Domain Expertise in Payments Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>Heartland</b></p> <p>in its sale to</p> <p><b>globalpayments</b></p> <p>for total consideration of</p> <p><b>\$ 4,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>MERCURY®</b></p> <p>in its cash sale to</p> <p><b>vantiv™</b></p> <p>for total consideration of</p> <p><b>\$ 1,650,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>TRANSFIRST™</b></p> <p>in its sale to</p> <p><b>Vista Equity Partners</b> from <b>WCAS</b></p> <p>for total consideration of</p> <p><b>\$ 1,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>GiftCards.com</b></p> <p>in its sale to</p> <p><b>BLACKHAWK NETWORK</b></p> <p>for total consideration of</p> <p><b>\$ 120,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>CAYAN®</b></p> <p>in its Significant Growth Recapitalization by</p> <p><b>PARthenon CAPITAL PARTNERS</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>MERCURY®</b></p> <p>in its approximately 60% Growth</p> <p><b>SILVERLAKE</b></p> <p>for a value up to</p> <p><b>\$ 900,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>cardsPRING</b></p> <p>in its sale to</p> <p><b>twitter</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p><b>CARDINAL® COMMERCE</b></p> <p>in its sale to</p> <p><b>VISA</b></p> <p>for total consideration of</p> <p><b>\$ 300,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>MARQETA</b></p> <p>in its Series C minority financing from</p> <p><b>COMMERZ VENTURES</b> Commerzbank Group</p> <p><b>83NORTH</b> EV CAPITAL GROUP</p> <p>for total consideration of</p> <p><b>\$ 25,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>YAPSTONE®</b> ePayments as a Service</p> <p>in its minority investment led by</p> <p><b>ACCEL PARTNERS</b></p> <p>for total consideration of approximately</p> <p><b>\$ 50,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>VERUS</b></p> <p>in its sale to</p> <p><b>sage</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 325,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>SOLVERAS</b> PAYMENT SOLUTIONS™</p> <p>in its sale to</p> <p><b>TRANSFIRST™</b></p> <p>for total consideration of approximately</p> <p><b>\$ 51,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>Lynk</b></p> <p>in its sale to</p> <p><b>The Royal Bank of Scotland</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 525,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>PROPAY™</b></p> <p>in its sale to</p> <p><b>TSYS®</b></p> <p>for total consideration of approximately</p> <p><b>\$ 135,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p><b>nmi</b></p> <p>in its growth investment by</p> <p><b>Bregal</b> Sagemount</p> <p>for total consideration of approximately</p> <p><b>\$ 200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

## Ground-Breaking Payments Transactions Pioneered by FT Partners



## FT Partners Advises Heartland Payment Systems on its \$4,500,000,000 Sale

### Overview of Transaction

- FT Partners served as strategic and financial advisor to Heartland Payment Systems (NYSE: HPY) in its landmark \$4.5 billion sale to Global Payments (NYSE: GPN) for a combination of cash and stock
- Global Payments acquired Heartland for \$100 per share, representing a total transaction value of approximately \$4.5 billion at the closing of the deal
- Consideration for the transaction consisted of 0.6687 shares of Global Payments stock and \$53.28 for each share of Heartland stock at closing
- This transaction creates the leading global provider of integrated payments technology solutions
- This deal represents the largest U.S. strategic merchant acquiring acquisition in over a decade
- Also represents the single largest U.S. strategic payment processing deal in the last 8 years
- This transaction underscores FT Partners' continued leadership position as "advisor of choice" to the highest-quality companies in the FinTech space

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
strategic and financial advisor to*

# Heartland

*in its sale to*



*for total consideration of*

# \$ 4,500,000,000

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TECHNOLOGY  
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## FT Partners Advises on the Sale of TransFirst to Vista Equity Partners

### Overview of Transaction

- On October 13, 2014, Vista Equity Partners announced that it will acquire TransFirst, a leading provider of secure transaction processing services, from Welsh, Carson, Anderson & Stowe (“WCAS”)
- Similar to the May 2014 acquisition of Mercury by Vantiv, TransFirst had filed for an IPO prior to the transaction
- Vista Equity Partners is a U.S.-based private equity firm with over \$13.5 bn in cumulative capital commitments that focuses on software, data and technology-enabled businesses
- WCAS originally acquired TransFirst in June 2007

### Significance of Transaction

- Vista’s acquisition of TransFirst is one of the largest private equity-lead LBO’s in the merchant acquiring space
- With over 200,000 merchants and more than 1,300 partners, the acquisition will allow TransFirst to solidify its position as a leading provider of payment processing solutions in the SMB space
- TransFirst intends to leverage Vista Equity Partners’ expertise in helping its portfolio companies achieve operational, product and customer service excellence by contributing professional expertise and proven best practices

### FT Partners’ Role

- FT Partners served as strategic and financial advisor to TransFirst in its sale process
- FT Partners has previously worked with TransFirst, including the Company’s \$675 mm debt recap transaction in 2012

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
strategic and financial advisor to*



*in its sale to*



Vista Equity Partners

*from*



**\$ 1,500,000,000**



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## FT Partners Advises on Strategic Sale of Mercury for \$1,650,000,000

### Overview of Transaction

- Mercury announced its sale to Vantiv for \$1.65 billion in cash on May 12, 2014
- Vantiv will fund the acquisition with committed financing
- This transaction is Vantiv's largest acquisition to-date (~5x larger than its acquisition of Litle) and one of the largest strategic merchant acquiring M&A transactions consummated in over a decade

### Significance of Transaction

- Vantiv's acquisition of Mercury accelerates the Company's growth in the integrated payment space by significantly expanding distribution channels and technology capabilities
- Expands Vantiv's reach into the SMB segment through Mercury's distribution network, complementary verticals and ability to design integrated, value-added POS innovations
- Enhances Vantiv's competitive position in the payments sector broadly on the basis of technology differentiation, leading processing scale and omni-channel presence while increasing penetration into high growth channels
- Expected to add one to two percentage points to Vantiv's net revenue growth per year while being modestly accretive to Vantiv's non-GAAP earnings per share in 2014 with accelerating accretion in 2015

### FT Partners' Role

- FT Partners served as advisor to Mercury
- FT Partners was also Mercury's advisor in the Company's 60% sale to Silver Lake in April of 2010 at a \$700mm valuation

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*



*in its cash sale to*

**vantiv**<sup>TM</sup>

*for total consideration of*

**\$ 1,650,000,000**



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## FT Partners Advises CardConnect on its \$750,000,000 Sale to First Data

### Overview of Transaction

- On May 29, 2017, CardConnect (NASDAQ: CCN) announced that it has entered into a definitive agreement to be acquired by First Data (NYSE: FDC) for \$15.00 per share in cash, for an aggregate transaction value of approximately \$750 million
  - The transaction is expected to close in 3Q17, subject to customary closing conditions
- Headquartered in King of Prussia, PA, CardConnect is an innovative provider of payment processing and technology solutions
  - CardConnect processes approximately \$26 billion of volume annually from 67,000 merchant customers
- First Data is a global leader in commerce-enabling technology and solutions
- FT Partners also represented [CardConnect on its sale to FinTech Acquisition Corp for \\$438 million](#), which closed in July 2016

### Significance of Transaction

- The CardConnect transaction is consistent with First Data's strategy of integrating and scaling innovative technologies across its distribution footprint; CardConnect is one of First Data's largest distribution partners
- CardConnect brings First Data innovative partner management technology, accelerates the Company's integrated solutions initiative and provides it with an ERP-integrated payment solution set

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardConnect and its board of directors
- This transaction highlights FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and its leadership position as the "advisor of choice" to the highest quality FinTech Companies

### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its role as  
strategic and financial advisor to*

**cardconnect.**

*in its sale to*

**First Data.**

*for total consideration of approximately*

**\$ 750,000,000**

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## FT Partners Advises Pivotal Payments on its Strategic Investment

### Overview of Transaction

- On September 26, 2017, Pivotal Payments announced that it has received a strategic investment from Novacap and Caisse de Depot et Placement du Quebec (CDPQ) which values the Company at approximately C\$525 million
- Founded in 2003 and headquartered in Montreal, Canada, Pivotal Payments is a leading provider of technology-driven, end-to-end payment processing solutions
  - With operations throughout North America and Europe, Pivotal serves more than 50,000 merchants and enables over \$14 billion in transactions on its various platforms every year
- Novacap is a leading Canadian private equity firm with \$2.26 billion of assets under management
- Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans

### Significance of Transaction

- The new shareholders, who have extensive expertise in international business expansion, will enable Pivotal to pursue its plan to acquire new payment and FinTech solutions and expand into new markets
- Pivotal Payments represents the second transaction completed between FT Partners and CDPQ in 2017 and represents CDPQ's ongoing investment in tech-enabled businesses

### FT Partners' Role

- FT Partners has served as the exclusive strategic and financial advisor to Pivotal Payments and its board of directors for over eight years, advising the Company through several acquisitions and other financial processes
- This transaction further supports FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and highlights the long-term nature of many of the Firm's advisory relationships

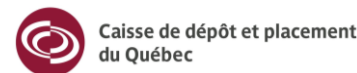
### Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role  
as sole strategic and financial advisor to*



*in its strategic investment from*

NOVACAP



*valuing the company at approximately*

**C \$525,000,000**

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## 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



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> <li>Investment Banking Firm of the Year</li> <li>Cross Border Deal of the Year</li> </ul>
2015	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Technology Deal of the Year</li> </ul>
2014	<ul style="list-style-type: none"> <li>Equity Financing Deal of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2012	<ul style="list-style-type: none"> <li>Dealmaker of the Year</li> <li>Professional Services Deal of the Year, Above \$100mm</li> </ul>
2011	<ul style="list-style-type: none"> <li>Boutique Investment Bank of the Year</li> <li>Deal of the Decade</li> <li>10 Deal of the Year Nominations Across 9 Categories</li> </ul>
2010	<ul style="list-style-type: none"> <li>Upper Middle Market Deal of the Year, Above \$500 mm</li> <li>IT Services Deal of the Year, Below \$500mm</li> <li>Cross-Border Deal of the Year, Below \$500mm</li> </ul>
2007	<ul style="list-style-type: none"> <li>Dealmaker of the Year – Steve McLaughlin</li> <li>Business to Business Services Deal of the Year</li> <li>Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>Financial Services Deal of the Year, Above \$100mm</li> </ul>
2015	<ul style="list-style-type: none"> <li>Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List</li> </ul>
2006 - 2008	<ul style="list-style-type: none"> <li>Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul>
2008	<ul style="list-style-type: none"> <li>Equity Financing Dealmaker of the Year – Steve McLaughlin</li> <li>Information Technology Deal of the Year</li> <li>Financial Services Deal of the Year</li> </ul>
2006	<ul style="list-style-type: none"> <li>Financing Professional of the Year – Steve McLaughlin</li> <li>Financing Deal of the Year - Equity</li> <li>Financing Deal of the Year - Debt</li> </ul>

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	22
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	22
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	21
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Former Managing Director / Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> <li>LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA)</li> </ul>	20
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Former Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking</li> <li>Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank</li> </ul>	19
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	15
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>	14
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	11