

# FT PARTNERS FINTECH INDUSTRY RESEARCH

January 31, 2017



a Subsidiary of



## Ebates Acquires Cartera Commerce



## 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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# Ebates Acquires Cartera Commerce

## Transaction Summary

### Transaction Summary

- On January 27, 2017, Ebates announced that it has acquired Cartera Commerce
- The acquisition will strengthen Ebates' existing portfolio of loyalty and marketing offerings
  - Ebates will be able to provide new programs to customers by leveraging Cartera Commerce's established platform
- After the acquisition, Cartera Commerce will continue to operate out of Lexington, MA
  - Tom Beecher, the current CEO, will continue to serve as the CEO of Cartera Commerce within Ebates

### Cartera Management Team



**Tom Beecher**  
President, CEO



**Karen Cambray**  
CFO



**Brian Michon**  
CTO



**Marc Mazzone**  
SVP of Partnerships



**MaryBeth Bell**  
VP of Relationship Management



**Erin Warren**  
SVP of Marketing

### Transaction Commentary

*"Ebates has demonstrated success as a leading independent loyalty marketer and has built its brand around providing the best service to retailers and consumers. We are excited to leverage Ebates' expertise and solutions to enhance the loyalty marketing services we provide to our clients – and to work together on new and exciting offerings for our customers."*



**Tom Beecher**  
CEO



*"Ebates is thrilled to join forces with an industry leader like Cartera to provide even richer opportunities to our customers. We are both working on similar opportunities and together we will be able to provide ever more compelling rewards and offers to consumers as well as more effective marketing programs to our clients."*



**Kevin Johnson**  
CEO



### Ownership History



Was acquired by Rakuten in 2014 and remains a subsidiary of the Japan-based eCommerce company



Previous investors include, Comvest Partners, Dace Ventures, Flybridge Capital Partners and USAA

# Ebates Acquires Cartera Commerce

## Cartera Commerce Overview



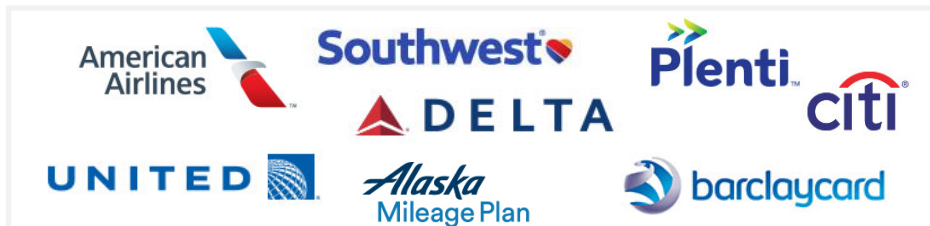
### Company Overview



CEO: Tom Beecher  
Headquarters: Lexington, MA  
Founded: 2005

- Cartera Commerce provides a comprehensive, performance based offer platform for merchants, card issuers, airline frequent flyer programs and loyalty programs
- The Company does so by partnering with leading companies to offer loyalty programs through Cartera-run, partner-branded websites
  - Currently partnered with 5 banks and 5 airlines in the U.S.
- Cartera has awarded 20 billion points and miles since its inception, which can be used at over 900 stores
- The Company was formerly called Mall Networks and changed its name to Cartera Commerce in 2010

### Selected Partners



### Products & Services Overview

Shop online through the partner's website  
(powered by Cartera) to earn miles and points

#### How it Works:



1. Cartera partners with an airline or bank
2. Consumer visits partner's shopping website and goes to whatever store she wants
3. Consumer buys products and earns miles or points

#### Features:



Shop sites anywhere, whether through mobile or web



Market-services technologies to engage customers and prospects



Deals from over 900 stores using easy to implement APIs



Benefit Driven Analytics to reward customers more and focus on what's best for partners



Rewards delivered with industry leading accuracy



Retail friendly technology for an optimized retailer experience

# Ebates Acquires Cartera Commerce

FT PARTNERS RESEARCH

## Ebates Overview



### Company Overview



**CEO:** Kevin Johnson  
**Headquarters:** San Francisco, CA  
**Founded:** 1998

- Ebates is a leading loyalty marketplace where consumers are able to buy products and earn cash back
- Ebates' platform offers millions of products from over 2,000 major retailers
- Since it was founded, members have earned almost a billion in rewards and saved billions more by taking advantage of offered promotions
- The Company has over 20 million users globally using its platform and offers, both online and in-store
- Ebates was acquired by Rakuten in 2014 for \$1 billion in cash

### Top Stores



### Products & Services Overview

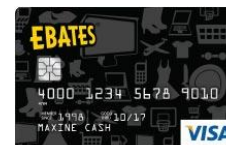


**Cash Back Button:** get notifications when shopping directly on store website to activate cash back

#### It Pays to Share

Refer a friend to Ebates:  
you'll get \$25 and they'll get \$10!

**Refer-A-Friend:** receive bonuses when referring people who then sign up



**Credit Card:** get an extra 3% cash back on all purchases through Ebates and 1% everywhere else

### Selected Recent Acquisitions

Announce Date	Target	Amount (\$ in mm)
04/04/16	<i>influenster</i>	\$8
03/24/16	<i>shopular</i>	na
03/17/14	<i>Extrabux</i> .com	na

# Ebates Acquires Cartera Commerce



## Rakuten Overview

### Company Overview










CEO: Hiroshi Mikitani  
Headquarters: Tokyo, Japan  
Founded: 1997

- Rakuten is the third largest eCommerce marketplace used by consumers worldwide
  - The Company provides a variety of consumer and business focused services, including banking, securities, marketing, travel, credit card and sports services
- Rakuten has operations throughout Asia, Western Europe and the Americas and is continuing to expand globally
- For 2015, Rakuten's revenues were JPY 713.5 billion (approximately \$6.2 billion)

### Stock Performance (TSE:4755)



### Selected Recent Transaction Activity

Announce Date	\$ in mm	Type	Target
08/18/16	na	M&A	 Bitnet IP Assets
12/24/15	\$1,000	Financing	
06/23/15	18	Financing	 Currencycloud
05/20/15	40	Financing	
09/09/14	1,000	M&A	
08/12/14	na	M&A	
02/14/14	905	M&A	



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



Transaction Security



Global Money Transfer



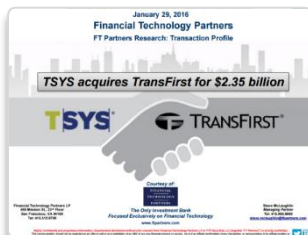
PayPal Spin-off Overview



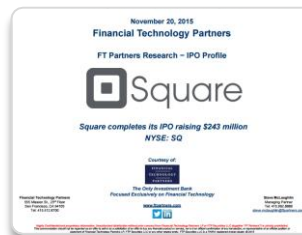
Apple Unveils Apple Pay



Heartland's Sale to Global Payments



TransFirst's Sale to TSYS



Square Completes its IPO



First Data: Post Quiet Period Review



Edenred Acquires a Majority Stake in UTA



Concardis Sells to Advent International and Bain Capital



Magento Raises \$250 million in Financing



Flexpoint Ford Acquires Purchasing Power

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# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## FT Partners is the Leader in FinTech 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>Vista Equity Partners from <b>WCAS</b></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 <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 strategic and financial advisor to</p> <p><b>century PAYMENTS</b></p> <p>in its sale to</p> <p><b>WorldPay</b> a portfolio company of <b>Advent International</b> / <b>BainCapital</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> CommerceBank Group</p> <p><b>83NORTH</b> / <b>CV</b> SACAPITAL GROUP / COMMERCE VENTURES</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>BregalSagemount</b></p> <p><b>\$ 200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

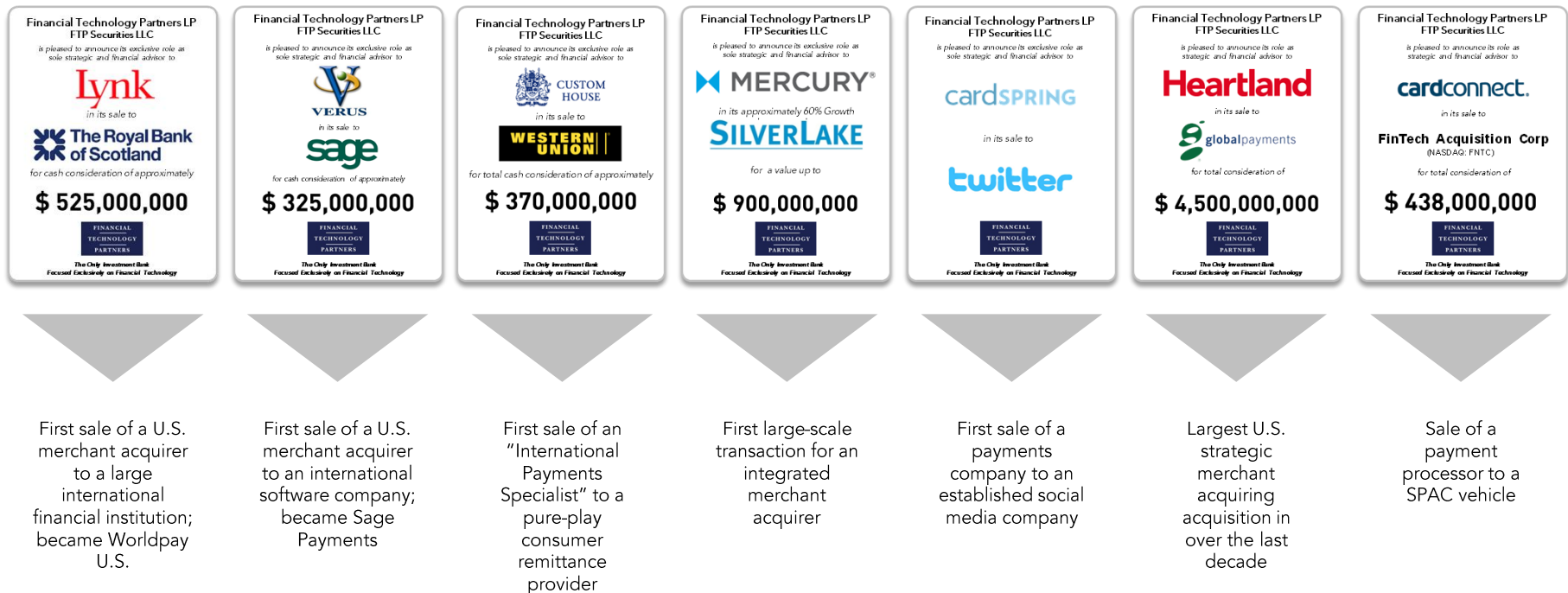
*Unparalleled experience in FinTech across the entire spectrum of transaction types and dynamics, with extremely strong execution and outcomes*



***FT Partners has a history of executing on some of the most ground-breaking FinTech transactions in the last decade+***



## Ground-Breaking Transactions Pioneered by FT Partners



*Transactions demonstrate success breaking new ground across the FinTech sector*

## 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**



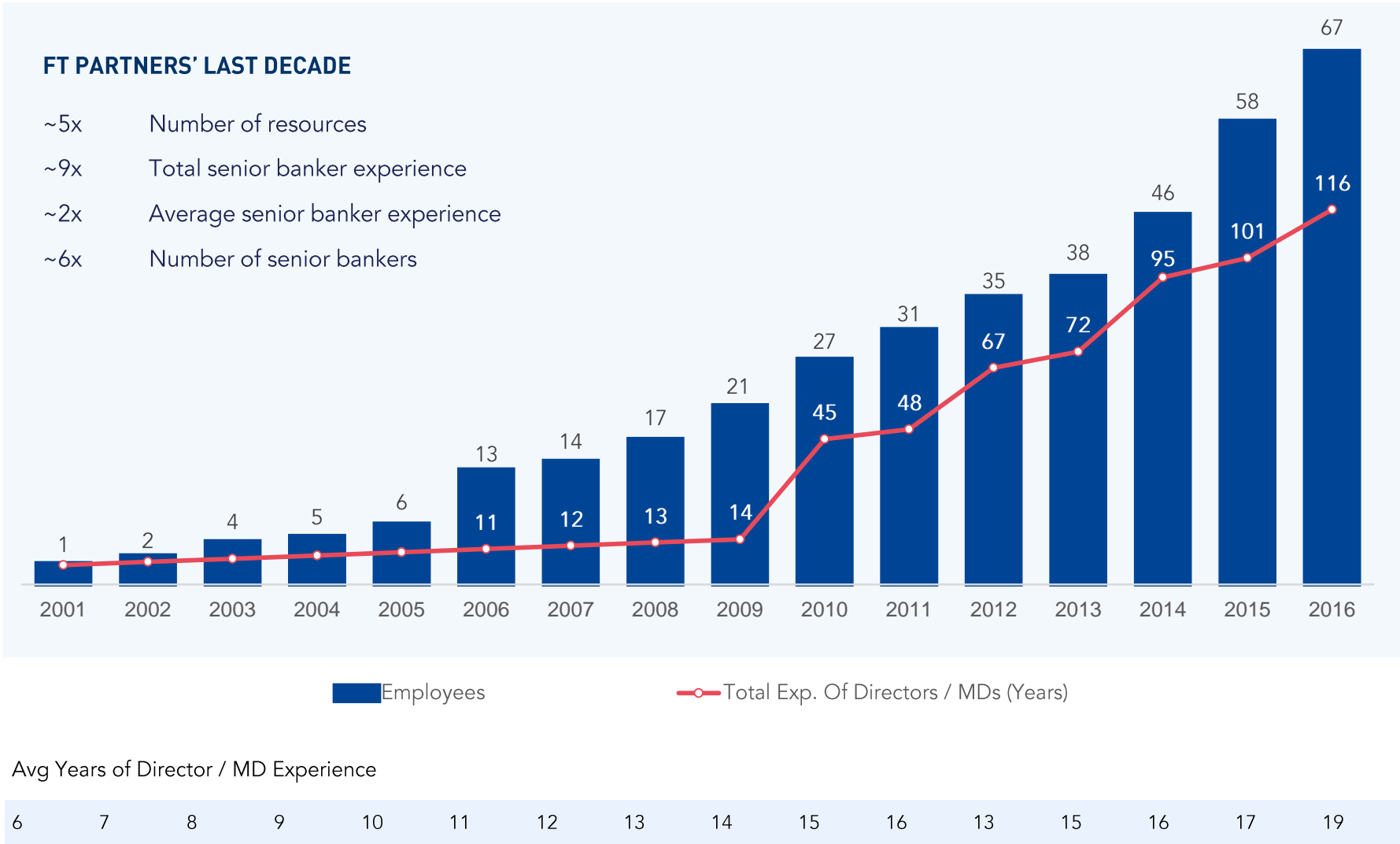
M&A Advisor Awards



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>

## Platform of Choice for Clients and Bankers Alike



## 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>Formerly 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 / Sterne Agee</li> <li>Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU &amp; EEFT among others</li> </ul>	21
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with J.P. Morgan and UBS</li> <li>Formerly Global Head of Strategy at First Data</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>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