

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 26, 2018

PAYCHEX[®]

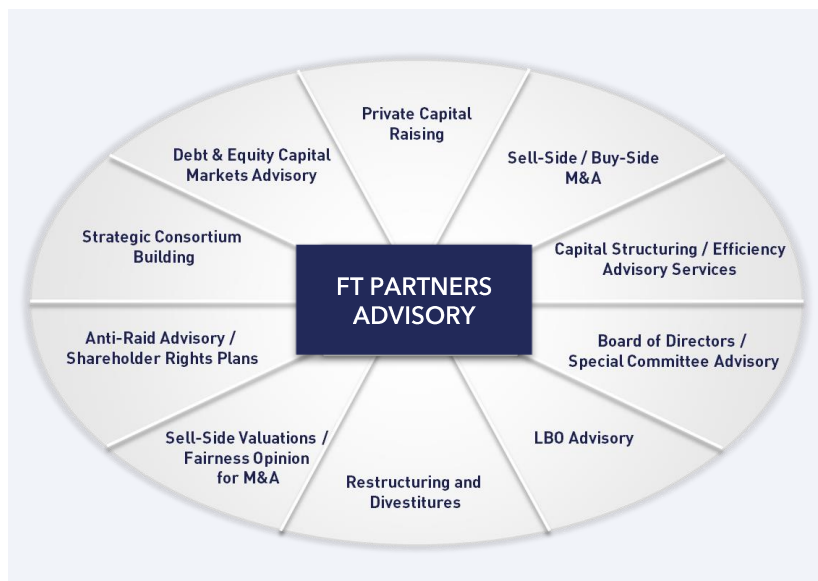
Paychex (NASDAQ: PAYX) Acquires Oasis Outsourcing for \$1.2 billion



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 17 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 #1 Most Influential Person in all of FinTech in Institutional Investors "FinTech Finance 40"



THE M&A ADVISOR

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

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Paychex Acquires Oasis Outsourcing for \$1.2 billion

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Transaction Summary

Transaction Summary

- On November 26, 2018, Paychex agreed to acquire Oasis Outsourcing Acquisition Corporation, the nation's largest privately-owned professional employer organization (PEO) for \$1.2 billion
 - Oasis provides human resources outsourcing services to more than 8,400 clients across all 50 states
- The acquisition advances Paychex's leadership position in HR outsourcing, leveraging the scope of the Company's technology platform and providing new clients access to Paychex's products and technology-enabled services
 - Paychex will now serve more than 1.4 million worksite employees through its HR outsourcing services
- Paychex will experience a number of revenue and cost synergies as a result of this transaction
 - The acquisition will accelerate top-line growth, increase scale for new products with Paychex insurance carrier partners, and expand Paychex's current client base
 - Excluding transaction costs, the acquisition is expected to have minimal impact on fiscal year 2019 EPS
- This acquisition will address the needs of small and mid-sized businesses given the increasing number of regulations around issues involving human resources, such as paid family leave, healthcare, and anti-harassment training requirements
- Paychex and Oasis will be operating independently as they work together to complete this acquisition

Transaction Commentary

"This acquisition will strengthen our PEO growth strategy, gain scale for new products with our insurance carrier partners, provide a new client base to offer Paychex retirement and time and attendance products, and augment our experienced management team."

PAYCHEX

Martin Mucci
President & CEO



"We are delighted to announce our agreement to join forces with Paychex. Our combined company will have enhanced capacity to develop and deliver critical human resources and payroll solutions for the clients and employees we have the privilege to serve." (1)

OASIS
OUTSOURCING

Mark Perlberg
President & CEO



Oasis Management Team



Mark Perlberg
President & CEO



Terry Mayotte
Executive VP, CFO



Dolores Calicchio
Executive VP, Chief
HR Officer



Kelley Castell
COO



Mike Viola
Chief Sales Officer

Paychex Acquires Oasis Outsourcing for \$1.2 billion

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Oasis Outsourcing Overview

Company Overview



CEO: Mark Perlberg

Headquarters: West Palm Beach, FL

Founded: 1996

- Oasis Outsourcing, Inc. provides human resources, staffing, payroll and tax administration, employee benefits, workers' compensation, and risk management services to small- and medium-sized enterprises in the United States
- Oasis is a professional employer organization (PEO), which is an outsourcing firm that provides services to SMEs
- Oasis Outsourcing has over 8,400 clients across all 50 states, making it the largest privately held outsourcing firm in the country

Industry Overview

- Architecture
- Banking
- Country Clubs
- Education
- Financial Services
- Franchisees
- Franchisors
- Hotels
- Information Technology
- Law
- Light Manufacturing
- Mortgage Lending
- Property Management
- Private Equity
- Restaurants
- Retail

Products & Services Overview



Human Resources

Manage workforce costs and keep track of complex human resource laws and payroll administration



Payroll

Utilize a team of experts to ensure that employees are paid correctly and on time



PEO

Professional employer service that outsources administrative tasks to allow managers to spend more time focusing on the core business



Employee Benefits

Provides employee benefits management services that adjust to changing healthcare reform



Risk Management

Assists in creating and maintaining a safe work environment while bearing full responsibility for workers compensation

Select Transaction History

Announce Date	Transaction Type	Buyer / Investor	Amount (\$ in mm)
11/26/18	M&A	Paychex	\$1,200
21/31/14	Buyout / LBO	Stone Point Capital	NA
10/21/11	PE Growth / Expansion	Altaris Capital Partners	NA
02/21/06	Buyout / LBO	Nautic Partners	53
02/18/03	Buyout / LBO	H.I.G Capital	30

Paychex Acquires Oasis Outsourcing for \$1.2 billion

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Paychex Overview

Company Overview



Headquarters: Rochester, NY

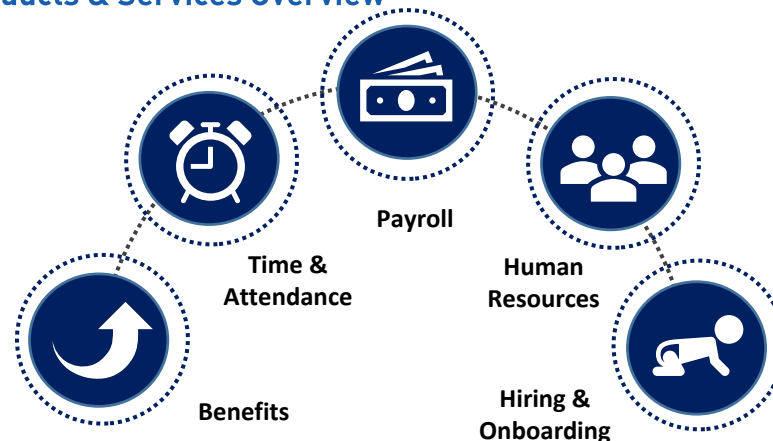
Founded: 1971

- Paychex (NASDAQ: PAYX) is a provider of payroll, human resource, and benefits outsourcing solutions for small to medium-sized businesses
- Paychex has approximately 14,500 employees and more than 650,000 payroll clients ⁽¹⁾
- The Paychex platform offers various solutions according to the size of the business, while also catering to different roles within the company

Stock Chart (NASDAQ:PAYX)



Products & Services Overview



Selected Recent M&A Activity

Announce Date	Target	Amount (\$ in mm)
11/26/18	OASIS OUTSOURCING	\$1,200
02/28/18	lessor group	NA
08/21/18	HROI A PAYCHEX COMPANY	NA
12/22/15	advance PARTNERS Funding Growth for Staffing Firms	350
06/17/14	nettime solutions cloud-based time and attendance	309
12/03/12	ExpenseWire	NA
12/31/11	ICON TIME SYSTEMS	NA

Source: Company website, S&P Capital IQ

(1) Wall Street Journal. "Paychex to Buy Human-Resources Firm Oasis for \$1.2 Billion"

(2) As of 11/27/18

FT Partners – Focused Exclusively on FinTech

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Selected FT Partners' Research (click to view)



AvidXchange's \$300 million Series F Financing Led by Mastercard



Billtrust's \$50 million Minority Financing



ContaAzul's \$30 million Series D Financing



Feedzai's Series C Financing



Anaplan Completes its IPO Raising \$264 million



UiPath Raises \$225 million in Series C Financing



Tresata Raises \$50 million in Financing



Workday Acquires Adaptive Insights for \$1.55 billion

[VIEW MORE FT PARTNERS RESEARCH](#)

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Leading Advisor Across the FinTech Ecosystem

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>Heartland</p> <p>in its sale to</p> <p>globalpayments</p> <p>for total consideration of</p> <p>\$ 4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 strategic and financial advisor to</p> <p>MERCURY®</p> <p>in its cash sale to</p> <p>vantiv™</p> <p>for total consideration of</p> <p>\$ 1,650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>MERCURY®</p> <p>in its approximately 60% Growth</p> <p>SILVERLAKE</p> <p>for a value up to</p> <p>\$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>AmWINS Group, Inc.</p> <p>in its growth recapitalization by</p> <p>NMC NEW MOUNTAIN CAPITAL LLC</p> <p>valued at approximately</p> <p>\$ 1,300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 Capital Markets & IPO Advisor to</p> <p>R1</p> <p>in its</p> <p>\$138,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 1,200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 Financial, Strategic and IPO Advisor to</p> <p>ORX</p> <p>in its</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>A\$ 480,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 IPO Advisor to</p> <p>GreenSky™</p> <p>in its</p> <p>\$1,010,000,000 Initial Public Offering</p> <p>for a total enterprise value of</p> <p>\$4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>Cambridge Global Payments</p> <p>in its sale to</p> <p>FLEETCOR®</p> <p>for total consideration of</p> <p>C \$ 900,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>square trade</p> <p>in its sale to</p> <p>Allstate.</p> <p>for total consideration of</p> <p>\$ 1,400,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>CAYAN</p> <p>in its 100% cash sale to</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$1,050,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 sole strategic and financial advisor to</p> <p>cardconnect.</p> <p>in its sale to</p> <p>First Data®</p> <p>for total consideration of approximately</p> <p>\$ 750,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 sole strategic and financial advisor to</p> <p>avidexchange</p> <p>in its Series F minority financing from</p> <p>mastercard TEMASEK THIEL</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>TRANSFIRST</p> <p>in its sale to</p> <p>Vista Equity Partners from WCAS</p> <p>\$ 1,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 debt capital advisor to</p> <p>jack henry & ASSOCIATES INC.</p> <p>in its acquisition of</p> <p>iPayTechnologies</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>CentralPayment™</p> <p>in the sale of its remaining stake to</p> <p>TSYS®</p> <p>for a total valuation of</p> <p>\$ 840,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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 Capital Markets & IPO Advisor to</p> <p>Verifone®</p> <p>in its</p> <p>\$177,000,000 Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 650,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>PROSPER</p> <p>in its loan purchase agreement with a consortium of institutional investors</p> <p>Affiliates of NEW RESIDENTIAL Jefferies</p> <p>THIRD POINT</p> <p>for up to</p> <p>\$ 5,000,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS 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>lynk</p> <p>in its sale to</p> <p>The Royal Bank of Scotland</p> <p>for cash consideration of approximately</p> <p>\$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>

Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2017 Steve McLaughlin Ranked #1 Most Influential Executive on Institutional Investor's FinTech 40 List

2015 & 2016 Ranked Top 5 on Institutional Investor's FinTech 35 List

2006 – 2008 Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"



The Information

2016 Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2018 Corporate / Strategic Deal of the Year

2018 Cross Border Deal of the Year

2017 Investment Banker of the Year

2016 Investment Banking Firm of the Year

2016 Cross Border Deal of the Year

2015 Dealmaker of the Year

2015 Technology Deal of the Year

2014 Equity Financing Deal of the Year

2014 Professional Services Deal of the Year, \$100 mm+

2012 Dealmaker of the Year

2012 Professional Services Deal of the Year, \$100 mm+

2011 Boutique Investment Bank of the Year

2011 Deal of the Decade

2010 Upper Middle Market Deal of the Year, \$500 mm+

2010 IT Services Deal of the Year, Below \$500 mm

2010 Cross-Border Deal of the Year, Below \$500 mm

2007 Dealmaker of the Year – Steve McLaughlin

2007 Business to Business Services Deal of the Year

2007 Computer & Information Tech Deal of the Year, \$100 mm+

2007 Financial Services Deal of the Year, \$100 mm+

2004 Investment Bank of the Year

The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman Sachs in New York and San Francisco from 1995-2002 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	23
Kate Crespo <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Raymond James' Technology & Services investment banking 12+ years of FinTech transaction execution experience Dartmouth M.B.A. 	16
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004 Wharton M.B.A. 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly Managing Director and Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> 20+ years experience executing / implementing financial and operational strategy Formerly with Deloitte Consulting 	12
Mike Nelson <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly head of FinTech M&A at SunTrust Robinson Humphrey Kellogg M.B.A. 	18
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch, J.P. Morgan and Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Practice Former Equity Research Analyst on #1 ranked team at UBS Former Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman Sachs from 2000-2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16