

October 19, 2015

Financial Technology Partners

FT Partners Research – Transaction Profile

BLUCORA™

acquires

HD VEST
FINANCIAL SERVICES®

for \$580 million

Courtesy of:

FINANCIAL
TECHNOLOGY
PARTNERS

*The Only Investment Bank
Focused Exclusively on Financial Technology*

Financial Technology Partners
555 Mission St., 23rd Floor
San Francisco, CA 94105
Tel: 415.512.8700

www.ftpartners.com



Steve McLaughlin
Managing Partner
Tel: 415.992.8880
steve.mclaughlin@ftpartners.com

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Blucora Acquires HD Vest for \$580 Million

Transaction Overview



Transaction Overview

- On October 14, 2015, Blucora reported that it had signed a definitive agreement to acquire HD Vest Financial Services (HD Vest) for approximately \$580 million
- HD Vest is an independent broker-dealer that provides tax and wealth management solutions / advisory services specifically catered to tax professionals
- Under the agreement, HD Vest will become a part of Blucora, operating as a stand-alone entity, keeping its management team and product platform
- Since 2011, HD Vest had been owned by an investor group led by Parthenon Capital
- The transaction is expected to close in the fourth quarter of 2015 or early 2016

Transaction Rationale

- The acquisition will further bolster Blucora's tax offerings by combining the largest US tax independent broker / dealer product (HD Vest) with Blucora's consumer-oriented product, TaxAct
- HD Vest will also provide Blucora with an additional source of stable cash flow and synergy / cross-selling opportunities

HD Vest Commentary

"We are excited to become part of Blucora... Through this transaction, HD Vest is entering the next phase of its evolution under a parent company that understands our distinct vision of empowering independent financial advisors with a tax professional background. Through our business model we deliver a comprehensive approach to the financial well-being of their clients. With Blucora, we have found a partner who recognizes the value-creating potential in our size, scale and robust growth prospects, and who will provide HD Vest the advantages of operating within a financially strong parent company and a strategically aligned business in TaxACT."

- Roger Ochs, President & CEO of HD Vest

Blucora Commentary

"This is a transformative acquisition for Blucora – HD Vest is a well-run company that leads its market. HD Vest and TaxACT operate in adjacent markets with complementary solutions. This transaction allows us to focus strategically, streamline our portfolio, and meaningfully reduce corporate overhead in the coming months. Effective for these moves, Blucora will be well positioned in growing markets. Our company will generate substantial free cash flow that will be returned to shareholders systematically starting in 2017."

- Bill Ruckelshaus, President & CEO of Blucora

Source: Company press release, Company investor presentation.

Blucora Acquires HD Vest for \$580 Million

HD Vest Overview

HD Vest Overview

CEO: Roger Ochs
Headquarters: Irving, TX
Founded: 1983

- HD Vest provides tax and wealth management solutions to businesses and individuals, predominantly in the United States
- The Company covers the additional areas of debt management, cash flow management, investment risk, family finance risk, college planning, retirement planning, estate planning, as well as miscellaneous banking solutions

1040 Analyst Overview

- 1040 Analyst is an automated tax companion tool that allows an advisor to integrate client tax information from a Form 1040 into the client's portfolio to identify certain financial opportunities not being optimized by a client
- A number of leading tax software programs are compatible with the platform including Lacerte, ProSeries, UltraTax, Drake and ATX
- Platform is scalable from an individual customer all the way to an entire organization or entire client base and allows for the creation of a customized report that can be distributed to all clients

VestAdvisor Overview

Flexibility	<ul style="list-style-type: none"> ■ Solution allows wealth management advisors to simultaneously manage multiple investment types for a single account, including stocks, ETFs, bonds and mutual funds
Broad Coverage	<ul style="list-style-type: none"> ■ Solution offers over 1,200 various ETS and over 3,000 mutual funds for advisors to choose from
Analytics	<ul style="list-style-type: none"> ■ Integrated analytics platform allows for continuous portfolio monitoring

VestAdvisor Select Overview

Discretionary Mode	<ul style="list-style-type: none"> ■ Allows secure management of client portfolios from a home office
More Selective Investments	<ul style="list-style-type: none"> ■ Focus on approved ETFs and mutual funds
Portfolio Automation	<ul style="list-style-type: none"> ■ Automatic portfolio balancing eliminates manual balancing by portfolio managers
Automated Diversification	<ul style="list-style-type: none"> ■ Over-concentration in a single asset prevented by asset class offering
Revolutionary Platform	<ul style="list-style-type: none"> ■ Dual-discretion platform

Source: Company website.

Blucora Acquires HD Vest for \$580 Million

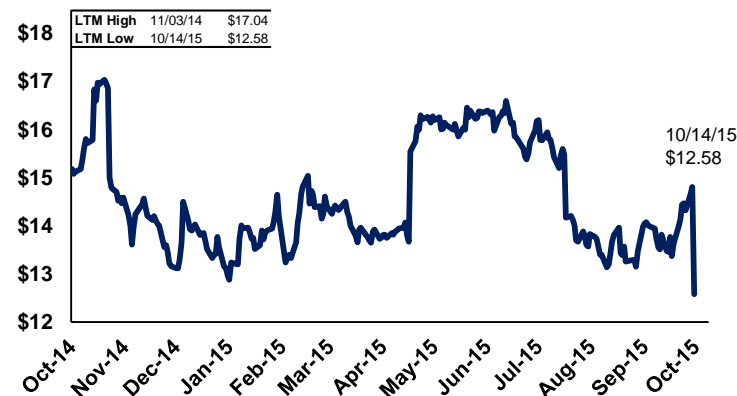
Blucora Overview

CEO:	William Ruckelshaus
Market Cap:	\$515 mm
Headquarters:	Bellevue, WA
Founded:	1996
<ul style="list-style-type: none"> ■ Blucora is a holding company that offers a portfolio of internet-based solutions / products to companies and consumers in the United States and internationally ■ The Company's solutions cover three segments: Search and Content, Tax Preparation, and E-Commerce <ul style="list-style-type: none"> – Search and Content: Covers search-related advertising solutions to users through the Company's partners' web properties and internet service providers – Tax Preparation Solution: Is a tax prep service for individuals and professional tax preparers – E-Commerce: This segment operates as an online retailer offering electronics and accessories to businesses and consumers via the website monoprice.com 	

Selected Acquisition History

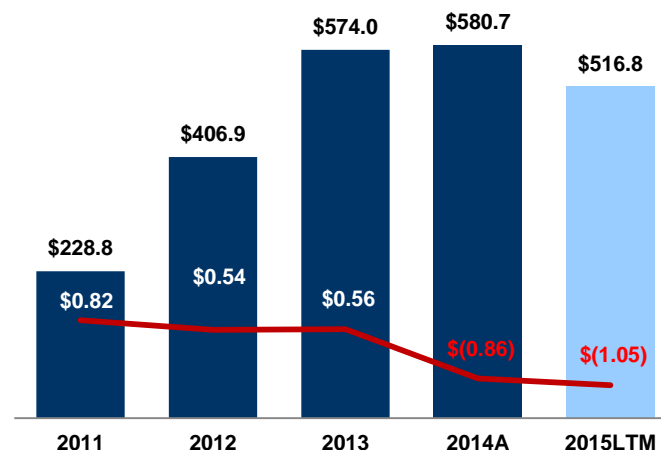
Date	Size	Target
08/01/13	\$180.0	MONOPRICE™
05/06/10	\$35.3	TaxACT

Stock Price Chart – NasdaqGS:BCOR



Blucora Revenue & EPS

(\$ in mm)



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Blucora Businesses Overview



TaxAct Overview

- TaxAct is an online tax solution for both professional and individual tax preparation
- The Company was founded in 1998 and was added to the Blucora platform in 2010 following TaxAct's acquisition by Blucora
- TaxAct was a pioneer in the online tax filing industry and has facilitated the filing of over 50 million federal tax filings since its inception
- Solution is available over the web, mobile devices or downloadable to CD and has both a free or deluxe paid version with additional features



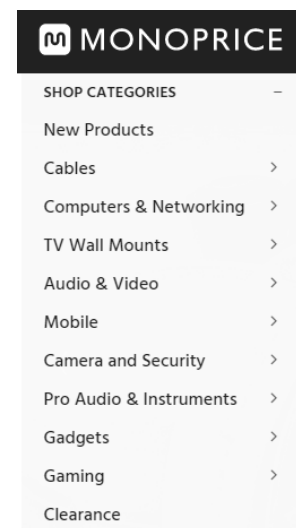
Infospace Overview

- Infospace is a provider of label search and monetization solutions for a network of over 100 web publishers globally
- Core search solutions revolve around monetizing a viewing audience with search-based advertising
- Infospace's technology aggregates and prioritizes top search marketplaces to provide a better partner-branded search solution
- Infospace has long-standing agreements with major search engines, such as Google and Yahoo!, allowing it to leverage these platform's popularity to increase the effectiveness of its search monetization solutions



Monoprice Overview

- Monoprice is an online e-commerce platform that specializes in the sale of high-quality, but discounted, consumer electronics and accessories
- The e-commerce website, started in 2002, offers over 6,000 of its own branded products available for purchase and covers a number of electronic categories



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 |

Institutional Investor
Institutional Investor
Annual Ranking

- | | |
|-----------|---|
| 2006-2008 | ■ 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.

FINANCIAL
TECHNOLOGY
PARTNERS

Overview of FT Partners

FT Partners is the Leader in Financial Technology Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as financial advisor to</p>  <p>In its minority investment from</p>  <p>TPG</p> <p>for total consideration of</p> <p>\$ 300,000,000</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>In its Series E minority financing from</p>  <p>TPG KeyBank nyca</p> <p>for total consideration of</p> <p>\$ 225,000,000</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>In its Series D investment from</p>  <p>for total consideration of approximately</p> <p>\$ 100,000,000</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>In the sale of its stake in</p>  <p>for total consideration of approximately</p> <p>\$ 305,000,000</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 advisor to</p>  <p>In its 100% acquisition of</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 advisor to</p>  <p>In its Series E minority financing led by</p>  <p>Scotiabank</p> <p>for total consideration of</p> <p>\$ 135,000,000</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>In its cash sale to</p>  <p>for total consideration of approximately</p> <p>\$1,650,000,000</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>In its sale to</p>  <p>for cash and stock consideration of approximately</p> <p>\$ 700,000,000</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>In its sale to</p>  <p>A Division of Standard & Poor's</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</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>In its 80% majority sale to</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>In its sale to</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>In its sale to</p>  <p>for a total consideration of</p> <p>\$310,000,000+</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>In its sale to</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 Capital Markets & IPO Advisor to</p>  <p>In its</p> <p>\$69,000,000</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 300,000,000</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>In its recapitalization by</p>  <p>NEW MOUNTAIN CAPITAL LLC</p> <p>valued at approximately</p> <p>\$ 1,300,000,000</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 advisor to</p>  <p>In its lead investment in</p>  <p>with additional participation from</p>  <p>for approximately</p> <p>\$ 85,000,000</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>In its sale to</p>  <p>for total consideration of approximately</p> <p>\$ 225,000,000</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>In its cash sale to</p>  <p>for total consideration of approximately</p> <p>\$ 369,000,000</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>In its minority investment led by</p>  <p>for total consideration of approximately</p> <p>\$ 50,000,000</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>In its</p> <p>\$138,000,000</p> <p>Initial Public Offering</p> <p>valuing the equity at approximately</p> <p>\$ 1,200,000,000</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>In its sale to</p>  <p>for cash consideration of approximately</p> <p>\$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>