

September 26, 2016

# Financial Technology Partners

## FT Partners Research – Transaction Profile



# THOMSON REUTERS

*acquires*



*Courtesy of:*



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

[www.ftpartners.com](http://www.ftpartners.com)



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# Thomson Reuters Acquires REDI Holdings

## Transaction Summary

### Transaction Summary

- **On September 22, 2016, Thomson Reuters announced that it has agreed to acquire REDI Holdings**
  - This announcement comes as a bid to boost Thomson Reuters' buy-side offering
  - Terms of the agreement were not disclosed
  - The transaction is expected to close in the fourth quarter of 2016
- **This acquisition and subsequent incorporation of REDI's trading capabilities into Thomson Reuters' Eikon desktop and Elektron data and trading suite will enable institutional traders to efficiently move from pre-trade activities to trade execution on an integrated platform**
  - The acquisition represents a significant advance in Thomson Reuters' strategy to deliver a comprehensive workflow solution to buy-side traders
- **REDI Holdings was first reported to be in the market looking for a buyer in February of 2016**
  - A price tag of under \$200 mm was speculated at that time
- **The acquisition of REDI Holdings places Thomson Reuters in a position to compete with Bloomberg EMSX**
  - Thomson Reuters will now also compete with companies like Fidessa, FlexTrade and Tradair

### Transaction Commentary

*"Integrating REDI into Thomson Reuters solutions will enable us to transform Eikon into a world-class trading solution for the buy-side and further expand the breadth and depth of market data available to them via Elektron – helping our customers participate in the market with greater intelligence and efficiency. Like Thomson Reuters, REDI has a long commitment to innovation through its open technology platform that seamlessly integrates third-party data, applications and capabilities – a core tenet of Thomson Reuters' own strategy."*



**Michael Chin**  
Managing Director and Global Head of  
Equities



*"The buy-side continues to need truly open, broker-neutral trading systems. We made the decision to become part of the Thomson Reuters family so that our team could realize our ambitious product goals with access to the deep resources and technological infrastructure of a global leader in financial services. Our capabilities are extremely complementary to Thomson Reuters and will allow us to bring together an independent, end-to-end trading solution to market that is unique in the industry."*



**Rishi Nangalia**  
CEO



# Thomson Reuters Acquires REDI Holdings

## REDI Holdings Overview



### History of REDI

- REDI was launched in 1992 within Spear Leeds & Kellogg, who was later acquired by Goldman Sachs in 2000
- In 2013, through a LBO, Goldman Sachs sold REDI to a group of firms that included Bank of America Merrill Lynch, Barclays, BNP Paribas, Citadel and Lightyear Capital
- On September 22, 2016, REDI entered into a definitive agreement to be acquired by Thomson Reuters

### Company Overview

**CEO:** Rishi Nangalia

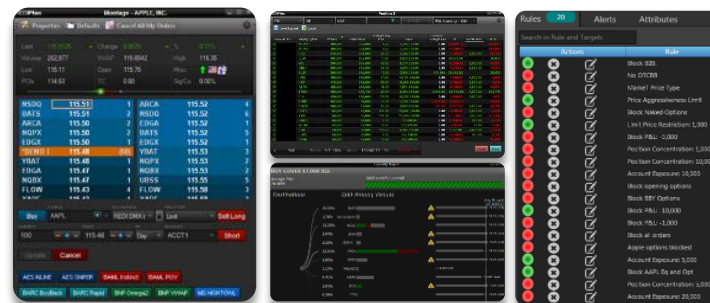
**Headquarters:** New York, NY

**Founded:** 1992

- REDI provides an end-to-end trade management platform, enabling users to execute various transactions, from simple stock trades to complex strategies that span across markets and asset classes
- Traders can access a growing network of almost 175 brokers through REDI's platform
- REDI is working to increase trading efficiency, transparency and openness by building an extensive community of investors, brokers, tech firms and content providers
- The Company built its revenue model on five guiding principles: mutual growth, fairness, flexibility, transparency, and straightforwardness

### Product / Service Overview

*Global, multi-broker, multi-asset platform providing an end-to-end solution for the entire trading lifecycle*



#### REDIPlus EMS

- Single Stock trading
- Portfolio trading
- Spread trading
- Options trading
- Futures trading

#### Middle Office Solutions

- Order & Ticket staging
- Position management
- Locate management
- Allocation tools
- End-of-day files

#### REDI Analytics

- Venue analysis
- Order analytics
- Real time monitoring

#### Compliance

- Risk manager
- Automatic order marking
- Anti crossing
- OATS reporting

# Thomson Reuters Acquires REDI Holdings

## Thomson Reuters Overview



THOMSON REUTERS

### Financial Metrics

**Ticker:** TSX:TRI

**Market Cap:** \$30.5 bn<sup>(1)</sup>

**LTM Revenue:** \$12.1 bn

**LTM EBITDA:** \$2.6 bn

**LTM Adj. Net Income:** \$1.3 bn

*LTM as of June 30, 2016*

### Company Overview

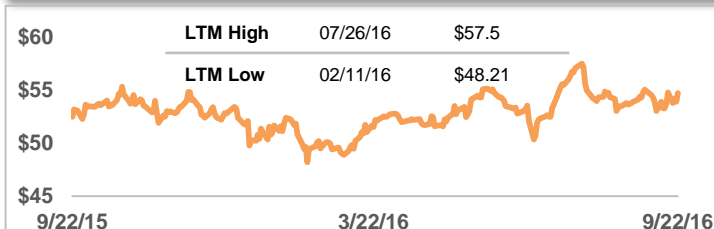
**CEO:** James C. Smith

**Headquarters:** New York, NY

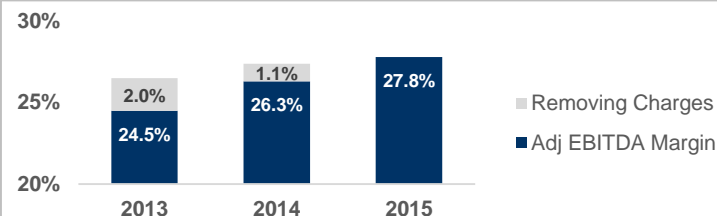
**Founded:** 1977

- Thomson Reuters is an information and technology solutions provider to the global financial industry
- The Company's product categories include financial, risk management, intellectual property, legal, pharm & life sciences, news, scholarly & scientific research and tax & accounting
- Thomson Reuters employs more than 50,000 professionals in over 100 countries
- The Company's core values are trust, innovation, partnership, and performance

### Stock Performance



### Adjusted EBITDA Margin



### Growth Strategy

*Thomson Reuters is focusing on three core areas to drive growth*



Accelerate organic growth

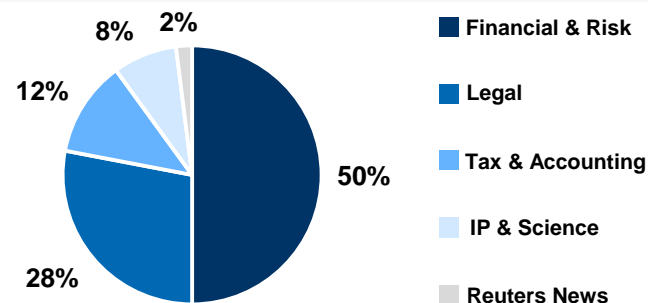


Improve profitability



Maintain a consistent capital structure

### 2015 Revenues by Business Unit



# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

### Wealth Management

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to*

**ENVESTNET**

*In its*

**\$69,000,000**  
**Initial Public Offering**

*valuing the equity at approximately*

**\$ 300,000,000**

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

**EISI**

*In its sale to*

**ZYWAVE**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its  
exclusive role as advisor to*

**BLACKROCK**

*in its 100% acquisition of*

**FutureAdvisor**

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### Data / Analytics

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

**Zephyr**  
ASSOCIATES, INC.

*In its sale to*

**informa**

*for total cash consideration of*

**\$ 62,000,000**

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

**THE MARKETS.com**

*in its sale to*

**Capital IQ**  
A Division of Standard & Poor's

*for total consideration of approximately*

**\$ 300,000,000**

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The Only Investment Bank  
Focused Exclusively on Financial Technology

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

**alphasense**

*in its financing from*

**SOROS**  
Series Fund Management

**Triangle Peak** **TVP**  
TRIUMPH VENTURE PARTNERS

**FINANCIAL TECHNOLOGY PARTNERS**  
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Focused Exclusively on Financial Technology

### High Frequency Trading

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

**ATD**  
Automated Trading Partners, LLC

*in its sale to*

**citi**

*for cash and stock consideration of  
approximately*

**\$ 700,000,000**

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

**QUANTHOUSE**  
Solutions for Trade Execution

*In its growth financing with*

**ViewPoint.**  
Capital Partners

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

**WOMBAT**  
FINANCIAL SOFTWARE

*in its sale to*

**NYSE Euronext**

*for total consideration of approximately*

**\$ 225,000,000**

**FINANCIAL TECHNOLOGY PARTNERS**  
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# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

### Trading Technology

Financial Technology Partners LP  
FTP Securities LLC

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

 **ITG** INVESTMENT  
TECHNOLOGY  
GROUP

In its acquisition of

 **macgregor**

for cash consideration of approximately

**\$ 230,000,000**

 **FINANCIAL  
TECHNOLOGY  
PARTNERS**

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Financial Technology Partners LP  
FTP Securities LLC

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

**TORA** 

TECHNOLOGY. TRADING. LIQUIDITY.™

In its minority capital raise with


 **Goldman  
Sachs**  **Bank of America  
Merrill Lynch**

 **FINANCIAL  
TECHNOLOGY  
PARTNERS**

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Focused Exclusively on Financial Technology


Financial Technology Partners LP  
FTP Securities LLC

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

 **TradingScreen**  
SIMPLIFYING GLOBAL MARKETS®

In its minority recapitalization for

**\$ 110,000,000**

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TECHNOLOGY  
PARTNERS**

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Focused Exclusively on Financial Technology

### Other Capital Markets Technology

Financial Technology Partners LP  
FTP Securities LLC

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

 **MajesticResearch**

In its sale to

 **ITG** INVESTMENT  
TECHNOLOGY  
GROUP

for total consideration of approximately

**\$ 56,000,000**

 **FINANCIAL  
TECHNOLOGY  
PARTNERS**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**chi-x**

In its sale of a minority stake to

 **Bank of America  
Merrill Lynch**  **GETCO**  **Goldman  
Sachs**

 **Morgan Stanley**  **QUANTLIB FINANCIAL, LLC**

 **FINANCIAL  
TECHNOLOGY  
PARTNERS**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

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

**INSTINET**

In the sale of its stake in

**CHIXEUROPE**  
to

 **BATS**  
Trading Markets Better

for total consideration of approximately

**\$ 305,000,000**

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# Overview of FT Partners

## Selected FT Partners' Research (click to view)



Research Report: Innovations in Capital Markets Technology



PENSICO Trust Company's Sale to Opus Bank



BlackRock's acquisition of FutureAdvisor



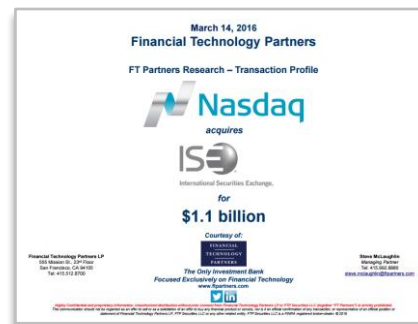
AlphaSense's \$33 mm growth financing



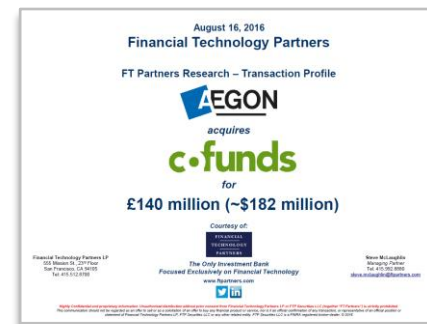
BATS files for its IPO



IHS and Markit agree to merge



Nasdaq's acquisition of ISE for \$1.1 billion



Aegon Acquires Cofunds

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 13 years of exclusive focus on Financial Technology. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.

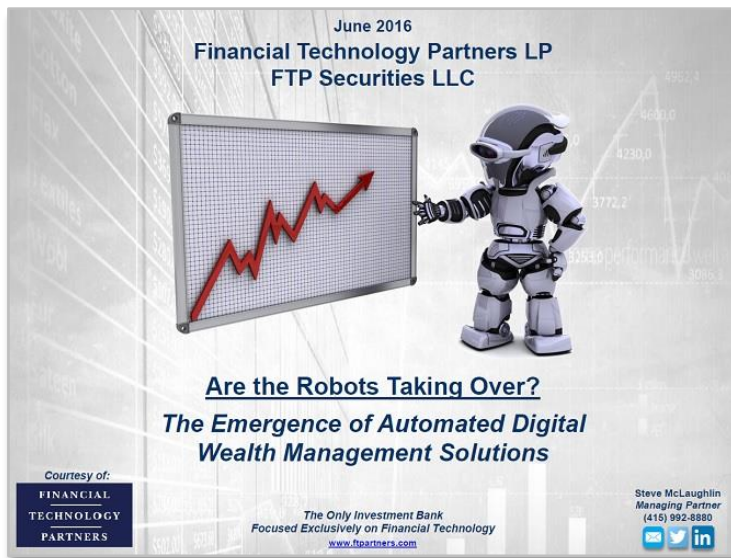
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# Overview of FT Partners

## Selected FT Partners Research – Digital Wealth Management ([click to view](#))

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### *Are the Robots Taking Over? The Emergence of Automated Digital Wealth Management Solutions*



FT Partners' 140-page report provides a comprehensive overview of key industry trends driving innovation in the wealth management space and how the industry is reacting to the emergence of Robo Advisors and other Digital Wealth Management disruptors.

#### ***Additional highlights of the report include:***

- A discussion of the different Automated Digital Wealth Management platforms and business models
- The responses of incumbents in the wealth management space, including the innovations, partnerships and acquisitions being made to stay ahead of the game
- Interviews with eight CEOs of leading Digital Wealth pioneers including Betterment, Link Pacific Advisors, MyVest, NextCapital, Nutmeg, Riskalyze, SigFig and Vanare
- A detailed industry landscape of Digital Wealth Management providers as well as other innovative, tangential companies, profiles of 28 companies and a comprehensive list of private equity financing and M&A transactions in the space

*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 13 years of exclusive focus on Financial Technology. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.*



# 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

2016	<ul style="list-style-type: none"> <li>■ <b>Investment Banking Firm of the Year</b></li> <li>■ <b>Cross Border Deal of the Year</b></li> </ul>
2015	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Technology Deal of the Year</b></li> </ul>
2014	<ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2012	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2011	<ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ <b>Deal of the Decade</b></li> <li>■ <i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>
2010	<ul style="list-style-type: none"> <li>■ <b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li>■ <b>IT Services Deal of the Year, Below \$500mm</b></li> <li>■ <b>Cross-Border Deal of the Year, Below \$500mm</b></li> </ul>
2007	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Business to Business Services Deal of the Year</b></li> <li>■ <b>Computer and Information Technology Deal of the Year, Above \$100mm</b></li> <li>■ <b>Financial Services Deal of the Year, Above \$100mm</b></li> </ul>



Institutional Investor Annual Ranking

2015	■ Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006-2008	■ Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology









Middle Market Financing Awards

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

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

# Overview of FT Partners

## 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>	<b>21</b>
<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>	<b>21</b>
<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 DST, ENV, FISV, FIS, WU, EEFT, V, MA, GPN &amp; HPY among others</li> </ul>	<b>20</b>
<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>	<b>18</b>
<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 beginning in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>14</b>
<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>	<b>10</b>