

June 3, 2016

# Financial Technology Partners

## FT Partners Research – Transaction Profile

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THE CARLYLE GROUP

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*acquires a minority stake in*



*for*

***\$400 million***

*Courtesy of:*



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

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



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# The Carlyle Group Acquires a Minority Stake in ION for \$400 mm

## Transaction Summary

- On May 31, 2016, The Carlyle Group announced that it had made an approximately \$400 mm minority investment in ION Investment Group, a global provider of software to financial institutions and corporations focused on trading, risk management and treasury management solutions
  - Equity from this transaction came primarily from Carlyle Partners VI, a \$13 bn fund that is part of Carlyle's Corporate Private Equity segment
- Carlyle's investment in ION is a continuation of Carlyle's long-term global commitment to Technology, Media and Telecom (TMT)
  - Carlyle has invested more than \$22 bn of equity in the TMT space since inception
- Following this transaction, Carlyle's Renee James and Cam Dyer will join ION's board of directors
- Carlyle's Corporate Private Equity Segments has assets under management of \$61 bn, 279 investment professionals, 32 active funds worldwide and more than 275 active investments as of March 31, 2016

## Transaction Commentary



*"We are excited to partner with Carlyle to support our next phase of growth. Carlyle will bring significant value through its global network, M&A experience and capital, as well as its software and financial technology industry expertise."*

**Andrea Pignataro**  
Chief Executive Officer  
ION

### THE CARLYLE GROUP

*"We are delighted to partner with ION, a global leader in financial technology with over €300 million in EBITDA, which is uniquely positioned to drive consolidation and innovation in the sector and has demonstrated a consistent track record of value creation with a long-term approach to both organic investments and acquisitions."*

**Cam Dyer**  
Managing Director  
Carlyle Global TMT



*"I look forward to working with ION's world-class management team to help large enterprises digitize and automate their critical business processes through ION's integrated and unified next generation technology architecture."*

**Renee James**  
Operating Executive  
The Carlyle Group





# The Carlyle Group Acquires a Minority Stake in ION for \$400 mm

## ION Investment Group Overview



### Company Overview







**CEO:** Andrea Pignataro  
**Headquarters:** Dublin, Ireland  
**Founded:** 1999

- ION Investment Group is a holding company formed to acquire and consolidate financial technology companies
  - ION Investment Group's subsidiaries focus on trading, risk management and treasury management solutions
- ION Trading is the Company's original business, which is a leading provider of electric trading solutions across multiple asset classes



**Trading:** Multi-Market Interface, Automated Trading Tools, Market-Making, Straight Through Processing, Market Connectivity, Auto-Negotiation, Flow Analysis, Virtual Market  
**Pricing:** Pricing Engine, Performance, User Interface, Supported Products  
**Position / Risk Mgmt:** Position Keeping, Trade Entry, Enterprise Risk Management, Risk Management, P&L Calculation, Supported Products

### Selected Acquisitions

Date	Company	Description	Amount
07/13	 TRIPLE POINT	Provider of commodity trading and risk management solutions	\$900
02/13	 FFastFill	SaaS provider to the global derivatives community	165
01/13	 Financial Software Systems <small>Brilliant Performance in Financial Technology</small>	Financial risk management software and consulting firm	na
11/11	 patsystems <small>powers trades, builds exchanges, manages risk</small>	Provider of trading and exchange systems to the derivatives community	32
04/11	 WALLSTREET SYSTEMS	Provider of FX trade processing and treasury solutions	na
Previous Investor			
06/04	 TA ASSOCIATES	Private Equity firm that invests in private companies within select industries	\$44



# The Carlyle Group Acquires a Minority Stake in ION for \$400 mm

## The Carlyle Group

### Overview

#### THE CARLYLE GROUP



**Olivier Sarkozy**  
Head of Global  
Financial Services



**Campbell Dyer**  
Managing Director



**Stephen Bailey**  
Managing Director



**James Burr**  
Managing Director

### Selected Location(s)

- Washington, DC (HQ)
- Los Angeles, CA
- Tokyo, Japan
- London, UK
- New York, NY
- Sydney, Australia
- Beijing, China
- Sao Paulo, Brazil

### About

- Founded in 1987, The Carlyle Group is a global private equity and global alternative asset manager with over \$194 bn in assets under management
- The Carlyle Group has 700 investment professionals and a global portfolio of over 200 companies
- Takes an active role in its portfolio companies, usually through board representation
- Comfortable making both equity and debt investments through its various funds

FINANCIAL  
TECHNOLOGY  
PARTNERS

### Investment Preferences

#### Investment Criteria

<b>Fund Size:</b>	\$13,000mm
<b>Fund Raised:</b>	2013
<b>Investment Range:</b>	NA
<b>Revenue:</b>	NA
<b>EBITDA:</b>	NA

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

<b>Control:</b>	Majority, Minority
<b>Geography:</b>	Global
<b>Transaction Type:</b>	Growth, Buyout, LBO, Spin-offs, PIPE, Secondary
<b>Industry Focus:</b>	Aerospace, Defense, Government, Commodities, Consumer, Retail, Energy, Financial Services, Healthcare, Industrial, Infrastructure, Real Estate, Business Services, Transportation, TMT

### Select Recent Investments / Exits

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

Date	Company	Deal Amt. <sup>3</sup>	Board Rep.	Sector
09/15	<b>Prospa Advance</b> (Series B)	\$60	NA	Bnkg
09/15	<b>Innovation Group</b> (Buyout)	777	NA	Ins
08/15	<b>Hermes Peru</b> (Buyout)	NA	Marco Peschiera	BPO
06/15	<b>JIC Leasing</b> (PE Growth)	117	Sean Lu	Bnkg
06/15	<b>NCR</b> (Buyout)	9,000	NA	Pymts
05/15	<b>Conifer Financial Services</b> (Buyout)	NA	Olivier Sarkozy	CapMkts
03/15	<b>Barbon Insurance</b> (Buyout)	NA	Olivier Sarkozy	Ins
03/15	<b>Payzone</b> (Buyout)	NA	Peter Garvey	Pymts
03/15	<b>DBRS</b> (MBO)	NA	Olivier Sarkozy	Bnkg
02/15	<b>PNB Housing Finance</b> (Secondary)	250	NA	Bnkg
01/15	<b>Esanda</b> (Buyout)	6,714	NA	Bnkg
01/15	<b>rapid!</b> (Buyout)	NA	NA	Pymts
12/14	<b>Dealogic</b> (Buyout)	700	Campbell Dyer	CapMkts
08/14	<b>SBI Mortgage</b> (Buyout)	407	NA	Bnkg
03/14	<b>SunGard</b> (FIS)*	2,000	NA	CapMkts
11/13	<b>EPIC</b> (Buyout)	NA	Olivier Sarkozy	Ins
02/13	<b>TCW</b> (MBO)	862	Pierre Sarkozy	CapMkts
11/12	<b>Ozforex</b> (PE Growth)**	70	William Allen	Pymts
09/13	<b>Kyobo Life</b> (Secondary)	1,070	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.

# 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**

**FINANCIAL TECHNOLOGY PARTNERS**  
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*

**EISI**

*In its sale to*

**ZYWAVE**

**FINANCIAL TECHNOLOGY PARTNERS**  
The Only Investment Bank  
Focused Exclusively on Financial Technology

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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The Only Investment Bank  
Focused Exclusively on Financial Technology

### 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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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*

**THE MARKETS.com**

*in its sale to*

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

*for total consideration of approximately*

**\$ 300,000,000**

**FINANCIAL TECHNOLOGY PARTNERS**  
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**  
TRIESTE VENTURE PARTNERS

**FINANCIAL TECHNOLOGY PARTNERS**  
The Only Investment Bank  
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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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*

**QUANTHOUSE**  
Solutions for Trade Execution

*In its growth financing with*

**ViewPoint.**  
Capital Partners

**FINANCIAL TECHNOLOGY PARTNERS**  
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*

**WOMBAT**  
FINANCIAL SOFTWARE

*in its sale to*

**NYSE Euronext**

*for total consideration of approximately*

**\$ 225,000,000**

**FINANCIAL TECHNOLOGY PARTNERS**  
The Only Investment Bank  
Focused Exclusively on Financial Technology

# 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**

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

**TORA** 

TECHNOLOGY. TRADING. LIQUIDITY.®

In its minority capital raise with

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

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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**

The Only Investment Bank  
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**

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

**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**

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

**INSTINET**

In the sale of its stake in

**CHIXEUROPE**  
to

 **BATS**  
Trading Markets Better

for total consideration of approximately

**\$ 305,000,000**

 **FINANCIAL  
TECHNOLOGY  
PARTNERS**

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Focused Exclusively on Financial Technology



# 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



Ally's acquisition of TradeKing for \$275 mm



IHS & Markit Agree to Merge



LSE & Deutsche Borse Agree to Merge



Nasdaq's acquisition of ISE for \$1.1 bn

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>