

FT PARTNERS FINTECH INDUSTRY RESEARCH

October 19, 2017



ASSURANT®

**Assurant (NYSE:AIZ) Acquires The Warranty Group for
an Enterprise Value of \$2.5 billion**

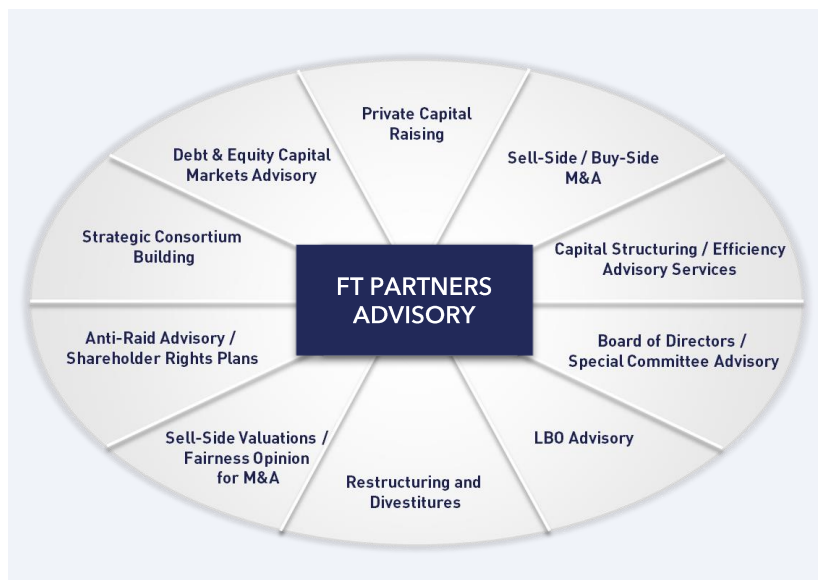


the warranty group

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

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Assurant Acquires The Warranty Group for \$2.5 billion

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Transaction Summary

Transaction Summary

- On October 18, 2017, Assurant (NYSE:AIZ) announced that it has agreed to acquire The Warranty Group, which is currently a portfolio company of TPG Capital
- The transaction values The Warranty Group at an equity value of \$1.9 billion, implying an enterprise value of \$2.5 billion
- Assurant shareholders will own 77% of the combined company, with TPG Capital and its affiliates owning the remaining 23%
- The acquisition will create a leading global provider of lifestyle protection products with significant synergies, economies of scale and highly diversified earnings streams
 - Enhances Assurant's presence in its vehicle protection, extended service contracts and financial services businesses
 - Deepens Assurant's global footprint and product offerings in key international markets such as Asia-Pacific
- The transaction is expected to be modestly accretive to Assurant's operating earnings per share in 2018 on a run-rate basis
 - Assurant expects to generate \$60 million of pre-tax operating synergies by the end of 2019 through the optimization of global operations

Transaction Multiples

Enterprise Value = \$2,500 mm

LTM Revenue = ~\$1,000 mm

Equity Value = \$1,900 mm

LTM Adj. Net Income = \$102 mm

2.5x

EV / LTM Revenue

18.6x

Price / Adjusted Earnings

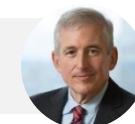
Transaction Commentary

"Assurant's acquisition of The Warranty Group advances our position as a leading global provider in the vehicle protection business and aligns well with our lifestyle market growth strategy helping consumers protect their appliances, autos, mobile devices, and electronics. Together, we believe we can deepen our global footprint and accelerate profitable growth in key markets already on Assurant's strategic roadmap, while realizing substantial operating synergies, generating more diversified and predictable earnings and furthering product innovation on a global scale."



ASSURANT®

Alan Colberg
President & CEO



"This transaction brings together two businesses with highly aligned expertise in markets across the world. We believe this combination enhances our ability to offer best-in-class products and services in addition to providing new opportunities to our clients, partners, employees and other key stakeholders."



the warranty group

Nelson Chai
President & CEO



This strategic partnership is an outstanding outcome for both Assurant and The Warranty Group, positioning the combined company for continued success. Since acquiring The Warranty Group, we have supported the company's management team as they have expanded their global service contract business by pursuing attractive pathways for growth. This combination builds on these initiatives, and we at TPG are excited by the future value creation that will stem from this.



TPG

Eric Leathers
Partner



Assurant Acquires The Warranty Group for \$2.5 billion

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The Warranty Group Overview

Company Overview




the warranty group

CEO: Nelson Chai
Headquarters: Chicago, IL
Founded: 1964

- The Warranty Group is a leading provider of vehicle service contracts, extended service contracts and financial protection products
 - Offers underwriting, claims administration and marketing expertise to leading manufacturers, distributors and retailers of consumers goods, in addition to specialty insurance products for financial institutions
- The company sells through complementary channels
- Recorded \$102 million of adjusted net income on approximately \$1 billion of total revenue for the last twelve months ended June 30, 2017 ⁽¹⁾
- Global presence with over 1,600 employees in 35 countries across the globe

Selected Acquisition History

Date	Size (\$ mm)	Target	Description
06/15/12	na		Provides TPA and claims management services to insurers and brokers

Products & Services Overview

Products	Automotive	<ul style="list-style-type: none">• Vehicle service contracts and ancillary F&I products• Training and consulting services for participating dealerships
	Appliance & Consumer Electronics	<ul style="list-style-type: none">• Consumer product and appliance service plans and extended warranties to manufacturers, distributors and retailers
	Financial Services & Specialty Products	<ul style="list-style-type: none">• Financial protection purchase and rebate warranties for travel, retail and auto rental companies
	Home Warranty	<ul style="list-style-type: none">• Extended warranty and home protection plans to homeowners
	Powersports	<ul style="list-style-type: none">• Warranty coverage for motorcycles, scooters, ATVs, snowmobiles and personal watercraft
Services	Marketing	<ul style="list-style-type: none">• Multi-channel marketing, sales administration and database management to increase customer retention and acquisition
	Warranty Self-Services	<ul style="list-style-type: none">• Services to create retail web sites that allow customers to manage service plans and submit claims
	Warranty Administration	<ul style="list-style-type: none">• Claims payable, administration, underwriting, marketing, logistics and compliance services

Source: Company website, Company press release

(1) Assurant investor presentation

Assurant Acquires The Warranty Group for \$2.5 billion

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the warranty group




Assurant Overview

Company Overview

CEO:  **ASSURANT®** Alan Colberg
Headquarters: New York, NY
Founded: 1969

- Assurant is a global provider of insurance and protection products and services
- The Company is focused on the specialty housing and lifestyle protection markets
 - The Company exited the health insurance market by selling its employee benefits division to Sun Life Assurance Company of Canada in September 2015
- The Company operates in North America, Latin America, Europe and Asia












Selected M&A Transactions

Date	Size (\$ mm)	Target	Description
07/06/16	\$45	 AMERICAN TITLE <small>An Assurant Company</small>	Provides title and valuation solutions
09/16/15	NA	 COAST TO COAST TRAILER SERVICES	Provides vehicle protection plans
10/01/13	55	 FIELD ASSET SERVICES	Provides property inspection, preservation and repair services

Assurant (NYSE: AIZ) Stock Chart



Product Overview

Global Housing		Global Lifestyle		Global Pre-Need
 Homeowners Insurance	 Manufactured Housing Insurance	 Mobile Device Protection	 Electronics & Appliance Protection	 Pre-Funded Funeral Insurance
 Flood Insurance	 Renters Insurance	 Vehicle Protection Services	 Credit Insurance	
 Field Services	 Valuation & Title Services			
Mortgage lenders, servicers and property management companies		Distributed by: Mobile carriers, OEMs, retailers, financial institutions and multiple system operators		Funeral homes, general agents and funeral home partners

FT Partners Research – Q3 InsurTech Insights

Q3 2017 InsurTech Insights



Click pictures to view report

Highlights of the report include:

- Q3 2017 and historical InsurTech financing volume and deal count statistics
- Largest InsurTech financing transactions so far in 2017
- Most active InsurTech investors
- Corporate VC activity and strategic investor participation
- Recent and historical trends in M&A

Q3 2017 INSURTECH INSIGHTS

Largest InsurTech Financings in 2017 Year-To-Date

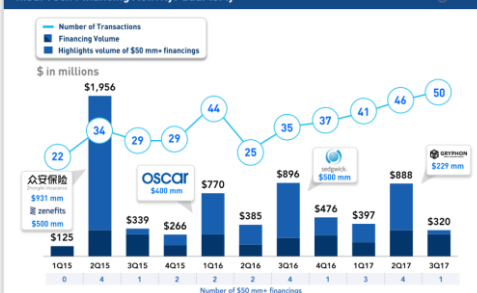
Announced Date	Company	Investor(s)	Amount (\$ in mil.)	Target Country
06/16/17	GREYHON	Pioneer SouthCo Group, Lend Lease Capital Partners	\$229	USA
06/01/17	bright	GreenSpring Associates, Greylock Partners, Redpoint Ventures, Cross Creek Advisors, New Enterprise Associates, Business Ventures Partners, First Capital Partners	160	USA
05/11/17	Clover	QI Asia Growth Ventures, Palo Alto Ventures, Western Technology Ventures, Greenleaf Capital Management, Sequoia Capital, First Round Capital	130	USA
03/08/17	Alignment Healthcare	Wellington Partners	115	USA
03/30/17	decisely	Edgewood Partners Insurance Center, Two Sigma Private Investments	60	USA
03/10/17	CompareAsia	Investment Partners Group, M&A Holdings, W&A Asia Equity, K&L&N Sachs Investment Partners, New Founders Capital, ACE & Co., River 65 Ventures	50	China
04/28/17	CompareAsia	IFSL, Credit China Holdings	50	China
01/05/17	Namely	Slate Ventures Partners, Allstate Capital, Sequoia Capital, Matrix Partners, Two Ventures, GreenSpring Associates, Two River Group	50	USA
04/04/17	trov	March 8x / H&B Ventures, Sango Holdings, Oak VC/FT, Suncoy, GoldenTree Software, Anderson Group	45	USA
09/16/17	the zebra	Aval Partners, Quantum Partners, PivotalGig, Bullitt Point Ventures, Omer Capital, Redpoint Ventures, Slack Capital Company	40	USA
05/03/17	next insurance	Nationwide, March 8x / H&B Ventures, Market Corp., American Express Ventures, Omer Capital, Sun Ventures, Two Ventures	35	USA
05/24/17	policygenius	Norwest Venture Partners, Revolution Ventures, Galco Ventures, Sun Ventures, Omer Capital, Sun Ventures, Tapscott Ventures, M&A Holdings	30	USA
09/07/17	CKX Group	# Capital Group, DDB Media	25	USA
08/30/17	Shuidi	Tencent, Bluebird Ventures, Innovation Ventures, Bergen Capital Partners, OTC Capital, Metacore, Tingsheng Foundation	24	China
08/22/17	Slide	# Prime Capital, Venrock, New Enterprise Associates, Portugal Ventures	24	Portugal

Source: FT Partners Proprietary Transaction Database

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Q3 2017 INSURTECH INSIGHTS

InsurTech Financing Activity: Quarterly



Source: FT Partners Proprietary Transaction Database

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Q3 2017 INSURTECH INSIGHTS

Most Active InsurTech Investors – Traditional Venture Capital (Selected)

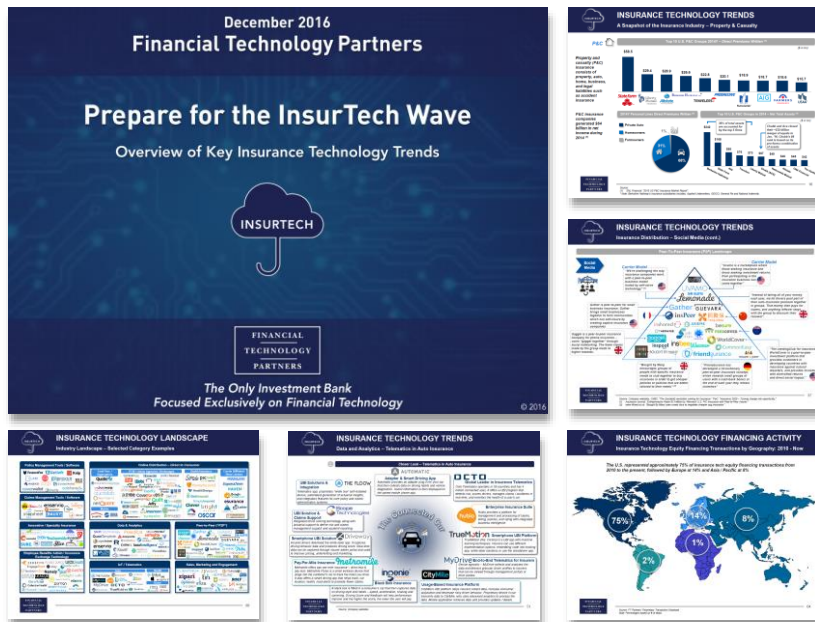


Source: FT Partners Proprietary Transaction Database

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FT Partners Research – InsurTech Industry Report

Prepare for the InsurTech Wave: Overview of Key InsurTech Trends



FT Partners' 268-page report provides an in-depth look at the major waves of innovation and disruption that are beginning to radically alter the insurance industry.

Additional highlights of the report include:

- An analysis of specific trends across: Insurance Distribution, Sales, Marketing and Engagement, Data and Analytics and Insurance Administration
- The responses of incumbents to date including the innovations, investments, partnerships and acquisitions being made to stay ahead of the game
- Proprietary InsurTech financing and M&A statistics and a comprehensive list of transactions in the space
- A detailed industry landscape of InsurTech providers as well as other innovative, tangential companies and profiles of 54 companies operating in the InsurTech ecosystem

Please visit our [website](#) for more proprietary FinTech Research & Follow FT Partners on [Twitter](#) and [LinkedIn](#) for real time updates on our Research Publications

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



SquareTrade's \$1.4 billion Sale
to Allstate



Automatic's \$115 million Sale to
SiriusXM



Guidewire Acquires Cyence for
\$275 million



ZhongAn Completes its IPO
Raising \$1,500 million



Verisk Analytics Acquires
Sequel for Approximately
\$322 million



Trov Raises \$45 million in Series
D Financing



Inflexion Private Equity Acquires
MyPolicy for \$50 million



Sapiens International Acquires
StoneRiver for \$102 million

[VIEW MORE FT PARTNERS RESEARCH](#)

Leading Advisor Across the InsurTech Landscape

Consumer Protection Plans

Financial Technology Partners LP
FTP Securities LLC

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



in its sale to



for total consideration of

\$ 1,400,000,000



The Only Investment Bank
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Telematics / Connected Car Solutions

Financial Technology Partners LP
FTP Securities LLC

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



AUTOMATIC

in its sale to



for total consideration of approximately

\$ 115,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Online Small Business Insurance

Financial Technology Partners LP
FTP Securities LLC

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



in its equity capital raise led by



for total consideration of

\$ 31,000,000



The Only Investment Bank
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Sales Automation Technology & Platform

Financial Technology Partners LP
FTP Securities LLC

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



**INSURANCE
TECHNOLOGIES**

in its sale to

MOELIS CAPITAL PARTNERS



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Focused Exclusively on Financial Technology

Largest Wholesale Brokerage in U.S.

Financial Technology Partners LP
FTP Securities LLC

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sole strategic and financial advisor to



in its growth recapitalization by



NEW MOUNTAIN CAPITAL LLC

valued at approximately

\$ 1,300,000,000



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Auto Finance and Insurance Solutions

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on its sale to an Affiliate of



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Agency Management / Marketing Technology

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in its sale of

Zywave Insurance Solutions

to



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Life & Annuity Technology Solutions

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We Simplify Selling Insurance

in its sale to



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Health Insurance Premium Billing & Payments

Financial Technology Partners LP
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in its sale to



for a total consideration of

\$ 80,000,000



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SaaS / Claims for Property & Contents

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in its sale to



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FT Partners Advises SquareTrade on its Sale to Allstate

Overview of Transaction

- On November 28, 2016, SquareTrade announced its \$1.4 billion all-cash strategic sale to the Allstate Corporation
- Headquartered in San Francisco, CA, SquareTrade offers top-rated protection plans trusted by millions of consumers for electronics and appliances
 - SquareTrade's branded products are sold through major retailers
- Allstate is the largest publicly held personal lines property and casualty insurer in America serving more than 16 million households nationwide
- More details available in Allstate's transaction [press release](#) and [investor presentation](#)

Significance of Transaction

- This transaction expands Allstate's protection offering to consumer electronics, connected devices and appliances
- SquareTrade substantially increases Allstate's customer relationships while providing both strong near-term and long-term growth opportunities

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to SquareTrade and its Board of Directors
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies
- FT Partners represented [SquareTrade in its \\$238 million strategic growth investment with Bain Capital and Bain Capital Ventures](#)
- FT Partners also recently represented Bain Capital Ventures' portfolio company [Enservio in its sale to Solera](#) demonstrating our long-term trusted relationship

Financial Technology Partners LP FTP Securities LLC

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



in its sale to



for total consideration of

\$ 1,400,000,000



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FT Partners Advises Automatic on its Sale to SiriusXM

Overview of Transaction

- On April 27, 2017, Automatic Labs (“Automatic” or the “Company”) announced that it has been acquired by SiriusXM (“Sirius”) for a purchase price of approximately \$115 million
- Automatic provides a data-driven platform that enables vehicle owners to be safer and drive smarter; The Company’s proprietary Automatic Pro and Automatic Lite connected car adapters provide vehicle diagnostic alerts, emergency services, fuel monitoring, access to parking information, vehicle location and much more
 - Automatic also works with insurance carriers to enable usage-based savings and teen driver coaching, and works with automotive dealers to provide tools that help manage their vehicle inventory and customer service relationships
- Headquartered in New York, NY, SiriusXM holds a unique position in the connected vehicle space, offering unparalleled audio entertainment and data services in vehicles from every major carmaker

Significance of Transaction

- The acquisition deepens and expands SiriusXM’s connected vehicle offerings for drivers nationwide and the industry’s leading carmakers
 - SiriusXM’s position will be further strengthened with data collection and analytical tools that will ultimately enrich key elements of the connected vehicle experience

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Automatic
- This transaction demonstrates FT Partners’ continued success advising the highest quality FinTech companies and achieving outstanding results in the InsurTech sector

Financial Technology Partners LP FTP Securities LLC

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AUTOMATIC

in its sale to



for total consideration of approximately

\$ 115,000,000

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FT Partners Advises Enservio on its Sale to Solera

Overview of Transaction

- On July 19, 2016 Enservio, Inc. (“Enservio” or the “Company”) announced it has entered into a definitive agreement to be acquired by Solera
- Headquartered in Needham, Massachusetts, Enservio is the largest U.S. provider of SaaS-based software and services to the property contents insurance marketplace
 - Existing investors include Bain Capital Ventures and Matrix Partners
- Solera Holdings (“Solera”) is a leading provider of digitally-enabled risk and asset management software and services to the automotive and property marketplace
 - Acquired by Vista Equity Partners for \$6.4bn in Sept. 2015

Significance of Transaction

- Enservio’s proprietary database of more than \$10 billion in property contents information will add another component to Solera’s Digital Home platform
- Move signals accelerated expansion of Solera’s asset management and risk protection technologies for life’s most important assets
- Acquisition leverages Solera’s unique Invent & Acquire (“I&A”) strategy
- Highly-attractive outcome for both Enservio and Solera

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Enservio and its Board of Directors
- Transaction demonstrates FT Partners’ continued success advising top-tier companies and achieving outstanding results within the Insurance IT and Services sector

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sole strategic and financial advisor to*

enservio

in its sale to

Solera

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FT Partners Advises Insureon on its \$31 million Financing

Overview of Transaction

- On October 21, 2015 Insureon (“Insureon” or the “Company”) announced a \$31mm Series B minority investment round
 - Investment round led by Oak HC/FT (“Oak”)
 - Existing investor Accretive LLC (“Accretive”) also participated
- Insureon is the leading insurance online marketplace for small and micro businesses
 - Serves retail clients directly and also supports banks, brokerages and insurance companies through a wholesale offering
 - Coverage provided for 175,000+ small businesses
- Oak HC/FT is a \$500mm venture capital fund focused on investing in healthcare and financial services technology companies
- Accretive is a leading private investment firm specializing in the creation of disruptive technology companies

Significance of Transaction

- Creates opportunity for Insureon to accelerate its growth in the small business insurance sector
- Enables Insureon to increase its investment in technology development, and enhance its sales and marketing capabilities

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Insureon and its Board of Directors
 - Follows FT Partners’ role advising Insureon on its 2014 acquisition of Insurance Noodle from Willis
- Transaction demonstrates FT Partners’ continued success advising top-tier companies and achieving outstanding results within the Insurance IT and Services sector

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is pleased to announce its exclusive role as



in its equity capital raise led by



for total consideration of

\$ 31,000,000



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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

- **Investment Banking Firm of the Year**
- **Cross Border Deal of the Year**

2015

- **Dealmaker of the Year**
- **Technology Deal of the Year**

2014

- **Equity Financing Deal of the Year**
- **Professional Services Deal of the Year, Above \$100mm**

2012

- **Dealmaker of the Year**
- **Professional Services Deal of the Year, Above \$100mm**

2011

- **Boutique Investment Bank of the Year**
- **Deal of the Decade**
- *10 Deal of the Year Nominations Across 9 Categories*

2010

- **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

- **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**



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

- **Equity Financing Dealmaker of the Year – Steve McLaughlin**
- **Information Technology Deal of the Year**
- **Financial Services Deal of the Year**

2006

- **Financing Professional of the Year – Steve McLaughlin**
- *Financing Deal of the Year - Equity*
- *Financing Deal of the Year - Debt*