

FT PARTNERS FINTECH INDUSTRY RESEARCH

June 28, 2019

CHANGE HEALTHCARE

**Change Healthcare Completes its IPO
Raising ~\$557 million
(NASDAQ:CHNG)**

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"

Highly proprietary information. Unauthorized distribution without prior consent from Financial Technology Partners LP, FTP Securities LLC or FinTech Partners Limited (together "FT Partners") is strictly prohibited. The information in this report relies upon a variety of public sources, the accuracy of which cannot be guaranteed. No persons or entities should use the information in decision making without independent investigation or professional advice. This communication should not be regarded as an offer to sell or as a solicitation of an offer to buy any financial product or service, nor is it an official confirmation of any transaction, or representative of an official position or statement of Financial Technology Partners LP, FTP Securities LLC or any other related entity. FTP Securities LLC is a FINRA registered broker-dealer and FinTech Partners Limited is an FCA appointed representative. © 2019

SUBSCRIBE



Change Healthcare Completes its IPO

FT PARTNERS RESEARCH

CHANGE
HEALTHCARE

IPO Overview

Key IPO Statistics

CEO:	Neil De Crescenzo
Headquarters:	Nashville, TN
Founded:	1986
Employees:	15,000
<hr/>	
Prospectus File Date:	March 15, 2019
Ticker:	NASDAQ:CHNG
Gross Proceeds:	\$557.1 million
Shares:	42,857,142
Filing Range:	\$16.00 – 19.00
Listing Date:	06/28/19
Offer Price:	\$13.00

Use of Proceeds

The Company plans to use all of the net proceeds from this offering to purchase a number of newly issued LLC Units from the Joint Venture that is equivalent to the number of shares of common stock that are offered and sold in this offering. The Joint Venture, in turn, expects to use those proceeds to repay outstanding indebtedness under the Term Loan Facility under the Senior Secured Credit Facilities.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Form S-1

Change Healthcare

CHANGE
HEALTHCARE

(NASDAQ:CHNG)

Neil De Crescenzo
President & Chief Executive Officer
3055 Lebanon Pike
Nashville, TN 37214

Change Healthcare Completes its IPO

Change Healthcare Overview

Company Overview



President & CEO: Neil De Crescenzo

Headquarters: Nashville, TN

Founded: 1986

- **Change Healthcare is a healthcare technology platform that provides data and analytics solutions to improve clinical, financial, and network solutions that help drive improved results for healthcare payers and providers**
 - Change Healthcare was formed through the merger of McKesson Technology Solutions and Change Healthcare (originally Emdeon and founded in 1987) in 2017
- **The Company's solutions are designed to improve decision making, simplify billing, collection and payment processes, and enable a better patient experience**
- **Change works with clients to analyze workflows before, during, and after care has been delivered to patients to design and commercialize innovative solutions for different points in the care delivery timeline**
- **The solutions are designed to help healthcare system constituents including:**
 - Patients / Members
 - Providers
 - Health Plan Administrators
- **Change empowers decision making and helps enhance transparency between payers and providers**

Products and Services

Change Healthcare partners with customers to reduce costs, create efficiencies, and effectively manage complex workflows

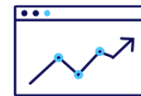
Connecting the Care Continuum

Occupies a position of service at the center of healthcare, serving providers, payers, and consumers

Reducing Cost Burden

Leverage expertise, data, and technology to help meet goals

Featured Solutions



Healthcare Data & Analytics Solutions



Enterprise Medical Imaging Solutions



Payment Accuracy Solutions



Provider Contract Optimization Solutions



Patient Access & Eligibility Verification Solutions



Revenue Improvement Solutions



Value-Based Care Enablement Solutions

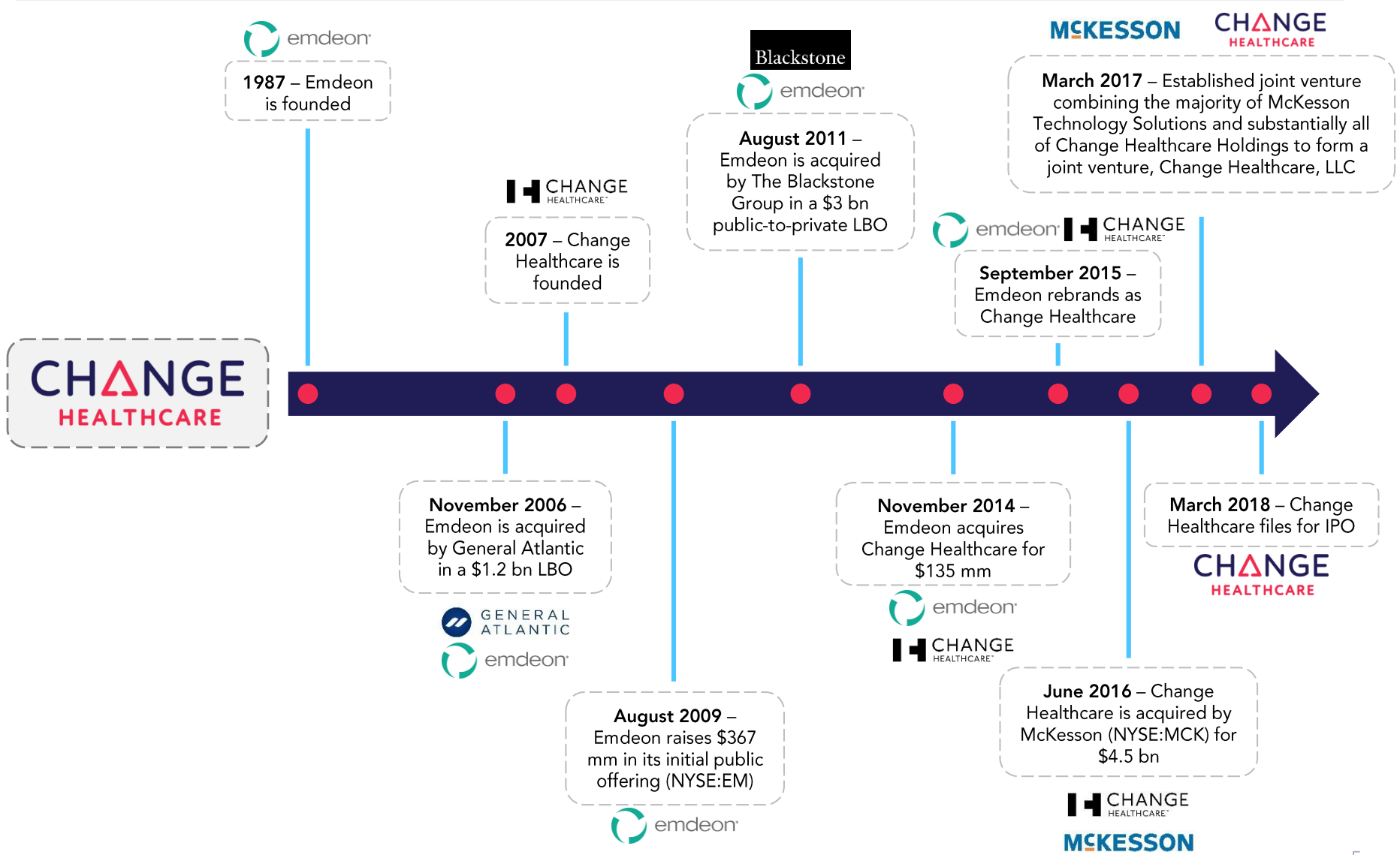


Risk Adjusted Analytics Solutions

Change Healthcare Completes its IPO

Company History

FT PARTNERS RESEARCH



Source: Company prospectus, FT Partners' Proprietary Transaction Database

Healthcare Industry Overview – Key Trends

Wasteful Spending & Rising Costs

- According to the National Academy of Medicine, approximately 30% of healthcare spending is wasteful, which translates to \$1 trillion+ of waste in 2018
- Wasteful spending can be due to:
 - Failure to adhere to best practices, lack of care coordination
 - Cost and quality variation among providers of similar care
 - Overtreatment, testing and care that is not medically beneficial

U.S. Healthcare Spending is expected to grow from \$3.6tn in 2018 to \$6.0tn in 2027, or from 18% to 19% of GDP

Growing Higher Risk Populations

U.S. population expected to increase 7% from 2017 – 2027

- Specifically, U.S. population ages 65+ is expected to increase 34% from 2017 – 2027:
 - Seniors have the highest prevalence of chronic conditions, with annual healthcare spending ~3x higher than working adults
 - Enrollment in Medicare Advantage will increase to 41% of eligible lives by 2027 according to the Congressional Budget Office
- Dual eligibles are not benefitting from integrated care

Alternative Payment Models

- In order to incentivize value and quality, there is a shift towards new value-based care and reimbursement models
- The new models require additional documentation, large quantities of data, payment attribution capabilities, and extensive analytics for compliance reasons

Greater Patient Responsibility

- Increasing adoption of high-deductible health plans (HDHP) shifts costs to employees from employers and health plans
- Patients are paying more out of pocket, so demand price transparency and decision support
- More consumer-oriented care processes require more dynamic solutions

Proliferation of Healthcare Data

- New technology has increased the amount of healthcare data available (expected to grow to more than 2,300 exabytes by 2020), though it is often siloed, unstructured, and untimely
- Advancements in ML and AI help utilize data more effectively by identifying actionable insights
- The National Coordinator for Health Information Technology says the U.S. has funded ~\$40 bn of incentive payments to providers between 2011 – 2017 to adopt EHR systems

80% of physicians and 96% of hospitals in the U.S. have EHR systems as of 2017

Key Strengths

Change Healthcare's competitive advantages are based on the following key strengths:

Embedded in customers' end-to-end, mission-critical, daily workflows

Solutions are embedded into customer's core business functions, including member enrollment, patient access, treatment, documentation, reimbursement and payment, claims and financial management, and post-payment and communications

Data stewardship and security

As the amount of data in healthcare grows and the ability to use that data becomes more essential to effective delivery, management and administration, data security is expected to become increasingly important for customers; the Company already has multiple certifications and security procedures

Scale and reach make the Company well positioned and a preferred technology partner

The pervasive nature of its solutions and network of more than 30,000 customers and its breadth of industry relationships position the Company to introduce best-in-class technologies to the healthcare industry at scale

Predictable revenue profile and attractive, scalable model

Attractive operating profile given predictable, recurring nature of a significant portion of the Company's revenue combined with scalable financial model

Leading healthcare-specific technology infrastructure

Has developed industry-leading data & analytics franchises and utilizes efficient processes such as blockchain and an open API-driven functionality

Modular and flexible solution design to serve diverse, extensive customer base

Deploys solutions through complementary software and analytics, technology-enabled services, and a network delivery model with the power to target broad organizational needs

Proven ability to serve the evolving needs of customers with industry-leading solution franchises

During the first half of fiscal 2019, the Company has added a number of new solutions to its business platform through new product development

Change Healthcare has the following growth strategies:

Develop, Augment, and Commercialize Capabilities at Scale

- Work closely with customers to integrate offerings into workflows and business processes
- Develop new products and services, partner with industry-leading companies and selectively acquire complementary technologies and businesses to enhance offerings

Deliver Comprehensive, End-to-End and Modular Solutions to Customers

- Solutions are comprehensive in that they meet a significant portion of customer clinical and administration needs and are integrated to improve functionality and usability
- The ability to be comprehensive and integrated, yet flexible, will be increasingly attractive as customers seek to consolidate outside vendor relationships and improve ROI

Maximize Wallet Share with Customers Through Cross Selling

- Expand the suite of services that customers purchase through focused cross selling
- Focus on improving products and services offering while also expanding scope and depth of customer relationships

Use Large and Growing Data Assets to Deliver Tangible Value to Customers

- Continue to develop data-driven solutions that can drive tangible returns for customers
- Use pervasive network connectivity and position as a trusted partner to create clinical and administrative solutions that leverage a multiparty, independent, longitudinal perspective and integrated technology and service assets

Continue to Capitalize on the Benefits of the Company's Transformational Joint Venture

- In March 2017, Change completed the establishment of the Joint Venture by combining Core MTS (McKesson Technology Solutions) and Legacy CHC (Change Healthcare)
- The transaction positions the Company to capitalize on an expanded customer value proposition with the combination of analytics franchises and a comprehensive suite of solutions to create growth opportunities

Management Team

Neil De Crescenzo

President & Chief Executive Officer



- Mr. De Crescenzo serves as President and CEO of Change Healthcare, leading teams working across multiple healthcare segments that help customers accelerate efforts to improve healthcare
- Previously, he served as SVP and General Manager of Oracle's Global Health Sciences business and spent a decade at IBM

Fredrik Eliasson

EVP & Chief Financial Officer



- Mr. Eliasson joined Change as EVP & Chief Financial Officer in March of 2018
- Previously, he served as Chief Sales and Marketing Officer at CSX Corporation as well as CFO before that

August Calhoun

EVP & President, Sales and Operations



- Mr. Calhoun started as Change's EVP & President of Sales and Operations in 2018
- He joined from Siemens, where he was SVP and General Manager of Services

Loretta Cecil

EVP, General Counsel



- Ms. Cecil has served as Change's EVP & General Counsel since March 2017
- She previously held the position of SVP, Governance Relations and General Counsel at McKesson Technology Solutions

Alex Choy

EVP, R&D & Chief Information Officer



- Mr. Choy has served as Change's EVP, R&D & Chief Information Officer since January 2018
- He was previously Global Vice President, Product Development at Oracle Corporation

Kris Joshi, Ph.D.

EVP & President, Network Solutions



- Dr. Joshi has served as Change's EVP & President of Network Solutions since March 2017
- Before Change, he was Global Vice President for Healthcare Product Strategy for the Healthcare Sciences Global Business Unit of the Oracle Corporation

Management Team (cont.)

Thomas Laur

EVP & President, Technology
Enabled Services



- Mr. Laur joined Change Healthcare as EVP & President of Technology Enabled Services in March 2018
- Before joining Change, he was President of the Health Sciences Division at SAP

W. Thomas McEnergy

EVP & Chief Marketing Officer



- Mr. McEnergy has served as EVP & Chief Marketing Officer since October 2014
- Previously, he worked as Chief Marketing Officer of Optum

Rod O'Reilly

EVP & President, Software &
Analytics



- Mr. O'Reilly has served as EVP & President of Software & Analytics since March 2017
- Previously, he was President of McKesson Health Solutions

Linda Whitley-Taylor

EVP, Chief People Officer



- Ms. Whitley-Taylor has served as EVP, Chief People Officer for Change since December 2013
- She previously served as EVP and Chief Human Resources Officer at Amerigroup corporation

Nick Giannasi, Ph.D.

Chief AI Officer



- Mr. Giannasi has served as Change's Chief AI Officer since July 2018
- He previously worked as Chief Data Officer and SVP of Data Sciences and Product Management Consumer Payment for the Company

Daniel Bise

SVP, Head of Corporate
Development



- Mr. Bise has served as SVP of Corporate Development since October 2017
- He previously worked as a VP in Corporate Development at Change as well as a Private Equity Associate at Harvest Partners and Tailwind Capital before joining the Company

Key Metrics

△ Change Healthcare’s Intelligent Healthcare Network was created to facilitate the transfer of data among participants and is one of the largest clinical and financial healthcare networks in the United States. In the fiscal year ended March 31, 2018, the Company facilitated:

14 billion
Healthcare
Transactions

\$1 trillion
In Adjudicated
Claims

1/3
Of all US Healthcare
Expenditures

△ The Company serves the vast majority of US payers and providers. Customer base includes:

2,200
Government &
Commercial Payer
Connections

900,000
Physicians

118,000
Dentists

33,000
Pharmacies

5,500
Hospitals

600
Laboratories

△ Change’s network transacts clinical records for over 112 million unique patients, more than one-third of the estimated total US population

△ Customer retention rate for top 50 provider and top 50 payer customers for fiscal year ended March 31, 2018 was 100%

Change Healthcare Completes its IPO

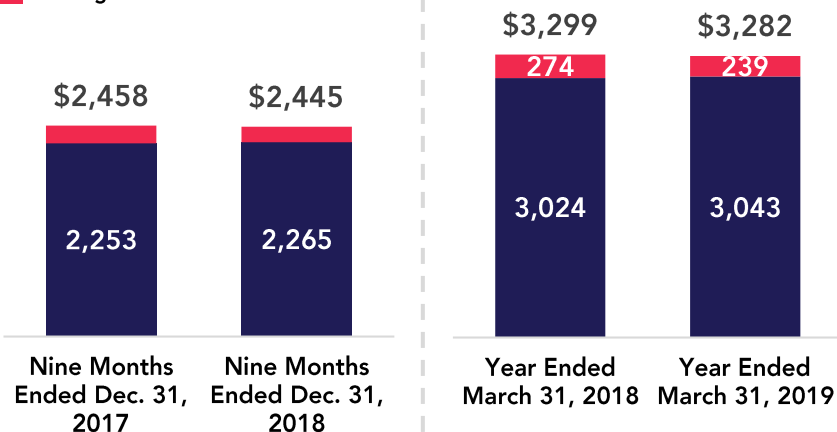
FT PARTNERS RESEARCH

CHANGE
HEALTHCARE

Financial Overview

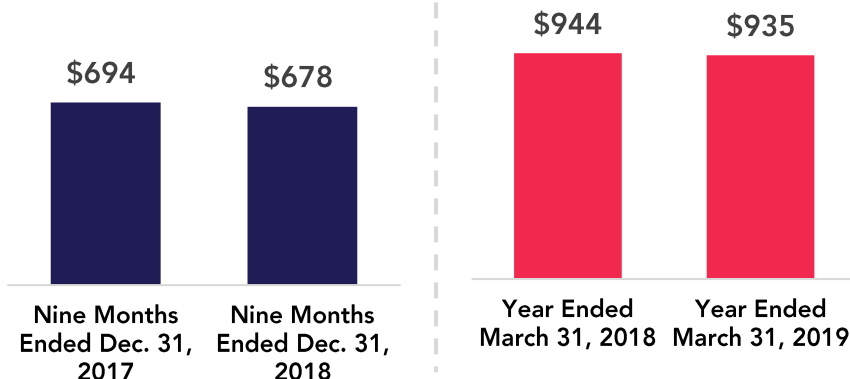
Revenue Breakdown

■ Solutions Revenue
■ Postage Revenue

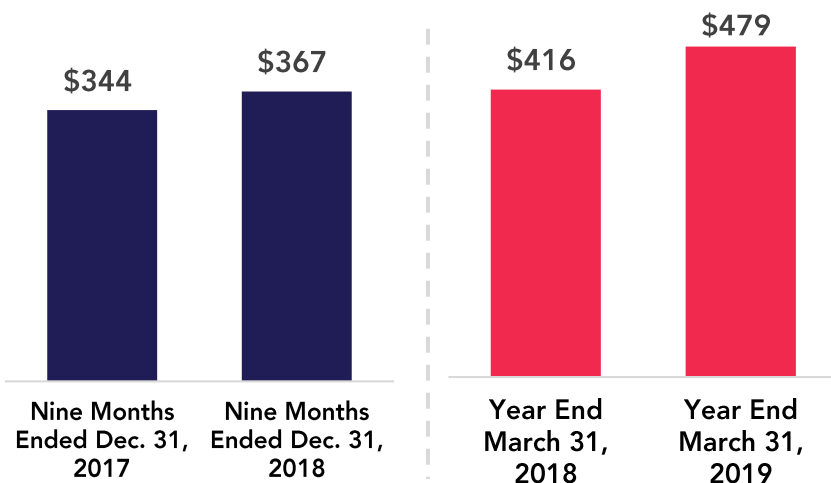


Adjusted EBITDA ⁽¹⁾

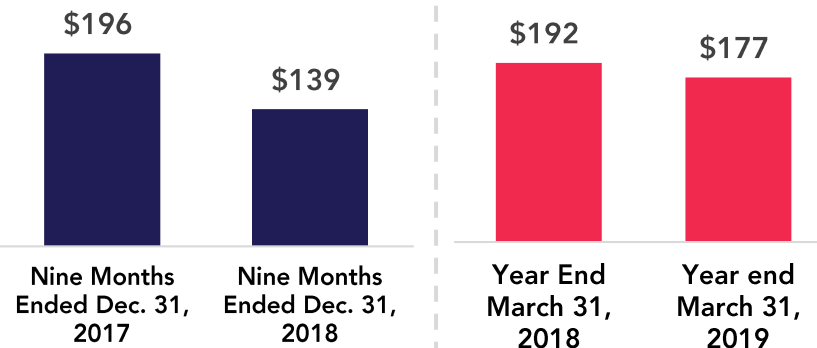
(\$ in mm)
FYE End = March 31



EBIT



Net Income



Source: Company prospectus

(1) Adjusted EBITDA is defined as net income (loss) before net interest expense, income tax provision (benefit), depreciation and amortization, as adjusted to exclude the impact of certain items that are not reflective of its core operations

Change Healthcare Completes its IPO

FT PARTNERS RESEARCH

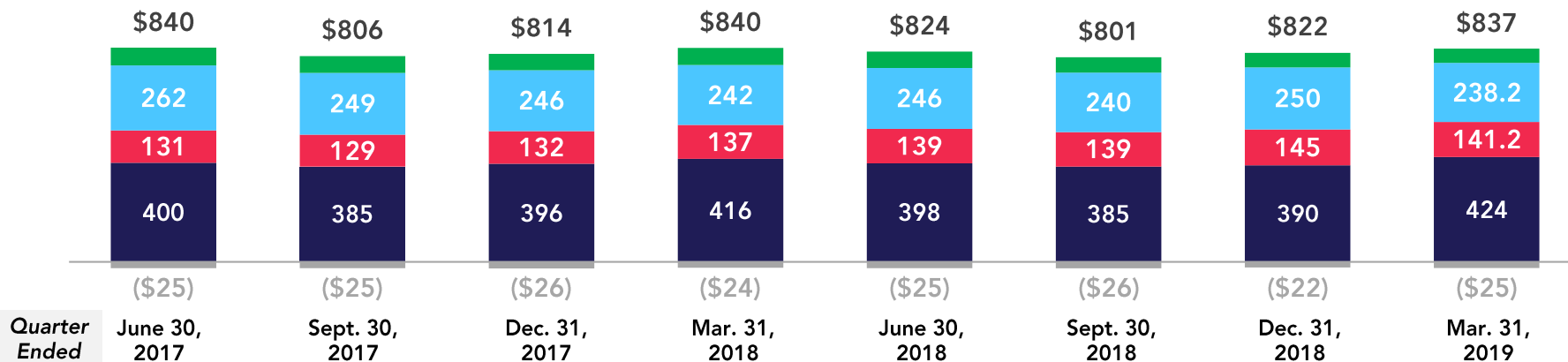
CHANGE
HEALTHCARE

Financial Overview – Quarterly Performance

Revenue Breakdown

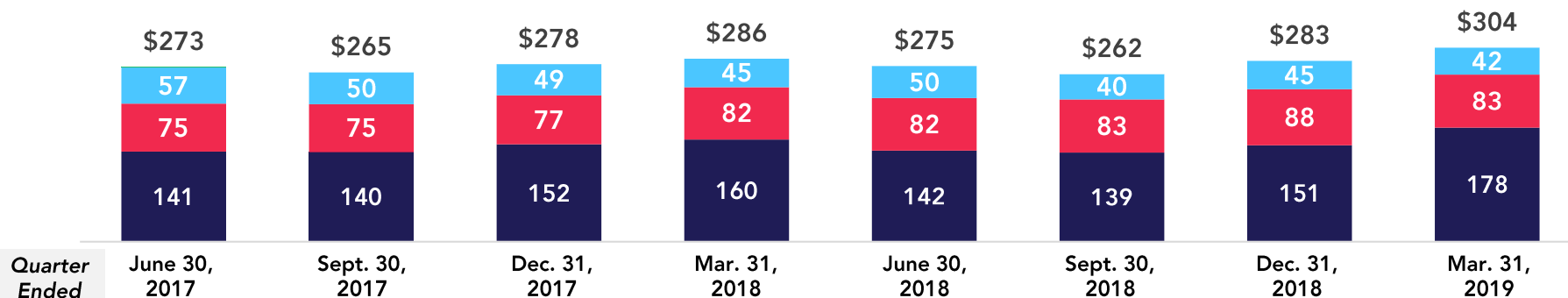
■ Software and Analytics
 ■ Technology-Enabled Services
 ■ Network Solutions
 ■ Postage
 ■ Corporate Eliminations ⁽¹⁾

(\$ in mm)
FYE End = March 31



Segment Adjusted EBITDA ^{(2) *}

■ Software and Analytics
 ■ Network Solutions
 ■ Technology-Enabled Services



* Segment Adjusted EBITDA does not reflect \$48.9 mm, \$46.3 mm, \$47.1 mm, \$36.5 mm, \$41.7 mm, \$45.1 mm, and \$34.2 mm of corporate and eliminations for the fiscal quarters shown above, Dec 31, 2018 – June 30, 2017 respectively, which are not directly applicable to any segment. It also includes approximately \$0.0, \$(0.4) mm, \$1.5 mm, \$3.7 mm, \$3.8 mm and \$3.8 mm and \$4.4 mm of Adjusted EBITDA for the extended care solutions business, which the Joint Venture divested in July 2018, for the above fiscal quarters Dec 31, 2018 – June 30, 2017 respectively

Source: Company prospectus

(1) Corporate and eliminations includes customer postage consolidating adjustments and eliminations.

(2) Adjusted EBITDA is defined as net income (loss) before net interest expense, income tax provision (benefit), depreciation and amortization, as adjusted to exclude the impact of certain items that are not reflective of its core operations

Change Healthcare Completes its IPO

Separate Entity Historical Financials

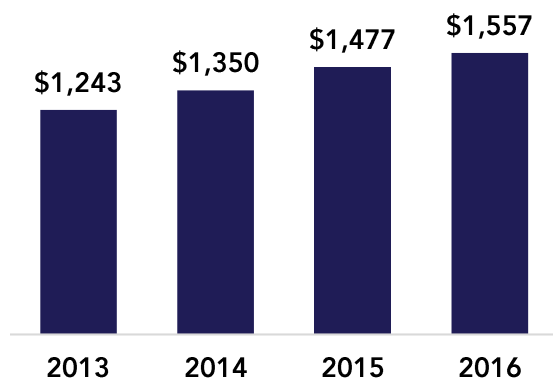
FT PARTNERS RESEARCH

CHANGE
HEALTHCARE

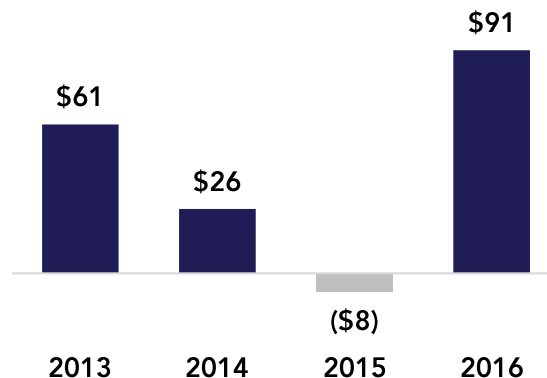
Revenue



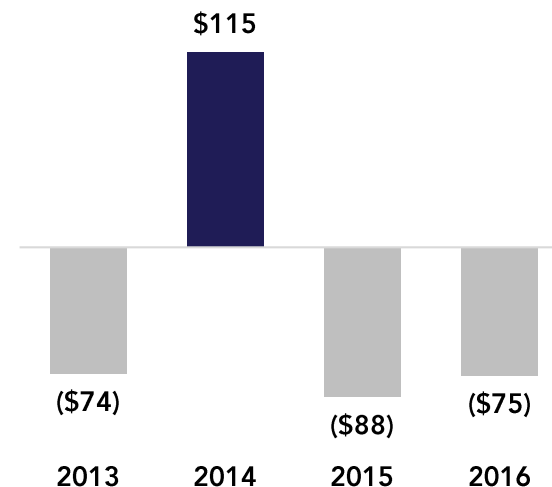
FYE End = December 31



Operating Income



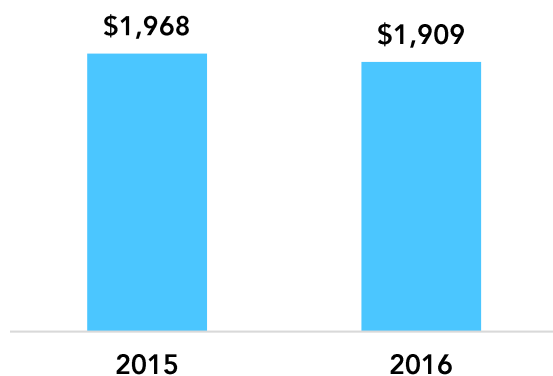
Net Income (Loss)



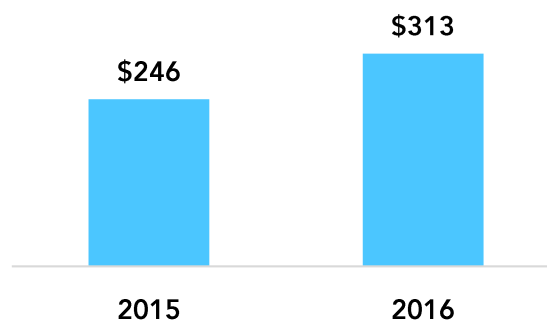
Revenue



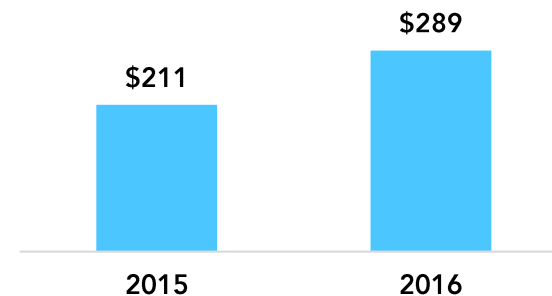
FYE End = March 31



Operating Income



Net Income



Source: Company prospectus

(\$ in mm)

Change Healthcare Completes its IPO

FT PARTNERS RESEARCH

CHANGE
HEALTHCARE

Publicly Traded Comparables

Company Name	Price 06/28/19	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Multiples						Growth Rates				P / E / G CY19E		
						Price / Earnings			EV / EBITDA			EV / Revenue			Revenue		EPS	
						LTM	CY19E	CY20E	LTM	CY19E	CY20E	LTM	CY19E	CY20E	CY19E		CY20E	LT
REVENUE CYCLE MANAGEMENT																		
Change Healthcare	\$ 14.53	0 %	100 %	\$ 4,370	\$ 9,294	24.7 x	na	na	9.9 x	na	na	2.8 x	na	na	na	na	nm	na
R1 RCM	12.58	7	100	1,488	2,031	nm	51.7	25.0	31.3	13.8	8.5	2.0	1.7	1.5	40	12	na	na
Craneware	24.14	(38)	52	645	606	42.1	34.5	30.6	22.9	23.3	20.3	8.5	7.7	6.6	15	17	na	na
Streamline Health	1.60	16	77	32	43	nm	29.1	21.3	31.2	9.3	6.7	2.0	1.9	1.8	0	6	na	na
Median		4 %	88 %			33.4 x	34.5 x	25.0 x	27.1 x	13.8 x	8.5 x	2.4 x	1.9 x	1.8 x	15 %	12 %	na	na
Mean		(4)	82			33.4	38.4	25.6	23.9	15.5	11.8	3.8	3.7	3.3	19	11	na	na
PAYMENT INTEGRITY																		
HMS Holdings	\$ 32.39	6 %	85 %	\$ 2,859	\$ 2,904	55.2 x	27.5 x	25.1 x	21.2 x	16.5 x	14.7 x	4.8 x	4.5 x	4.1 x	8 %	8 %	13 %	2.1 x
Performant	1.05	(35)	37	56	106	nm	nm	nm	nm	nm	8.3	0.8	0.7	0.5	2	22	na	na
Median		(14)%	61 %			55.2 x	27.5 x	25.1 x	21.2 x	16.5 x	11.5 x	2.8 x	2.6 x	2.3 x	5 %	15 %	13 %	2.1 x
Mean		(14)	61			55.2	27.5	25.1	21.2	16.5	11.5	2.8	2.6	2.3	5	15	13	2.1
DIVERSIFIED / ENTERPRISE HEALTHCARE SOLUTIONS																		
Cerner	\$ 73.22	5 %	100 %	\$ 24,240	\$ 23,917	48.0 x	27.4 x	23.2 x	19.6 x	14.2 x	12.5 x	4.4 x	4.2 x	3.9 x	7 %	7 %	13 %	2.1 x
CompuGroup Medical	79.65	16	100	3,903	4,277	40.2	28.0	28.5	21.2	18.9	17.8	5.0	5.1	5.0	3	2	6	nm
Allscripts	11.63	20	78	1,936	2,705	nm	17.1	15.2	34.2	8.8	8.1	1.5	1.5	1.4	(16)	4	10	1.7
Quality Systems	19.90	3	84	1,304	1,284	84.9	22.0	19.7	31.2	13.7	12.4	2.4	2.4	2.2	3	5	9	2.5
EMIS Group	15.45	2	99	987	968	44.6	24.9	23.3	20.9	15.6	14.8	4.5	4.7	4.7	(6)	2	na	na
CPSI	27.79	8	80	382	508	36.2	11.0	10.5	15.7	9.8	9.3	1.8	1.8	1.8	0	3	6	2.0
Median		6 %	91 %			44.6 x	23.5 x	21.5 x	21.0 x	13.9 x	12.5 x	3.4 x	3.3 x	3.1 x	1 %	3 %	9 %	2.1 x
Mean		9	90			50.8	21.8	20.1	23.8	13.5	12.5	3.3	3.3	3.2	(1)	4	9	2.1

Source: Capital IQ

Note: nm signifies negative value or value of >99

Selected FT Partners FinTech Healthcare / InsurTech Research – *Click to View*

November 28, 2016

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Exclusive Role as Sole Strategic and Financial Advisor to

square trade

in its sale to

Allstate

for total consideration of approximately

\$ 1,400,000,000

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York

SquareTrade's \$1.4 billion Sale to Allstate

November 14, 2018

Featuring:
Exclusive CEO Interview
Assaf Wand - Hippo

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

LENNAR

in its minority investment in

Hippo

with participation from new and existing investors

for total consideration of

\$70,000,000

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Lennar's Co-Lead Investment in Hippo

May 15, 2019

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

InstaMed

in its proposed sale to

JPMORGAN CHASE & CO.

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

InstaMed's Sale to JPMorgan Chase

July 11, 2018

FT PARTNERS
TRANSACTION ANNOUNCEMENT

FT PARTNERS is Pleased to Announce its Role as Exclusive Strategic and Financial Advisor to

NEXT INSURANCE

in its Series B financing led by

Redpoint

for total consideration of

\$ 83,000,000

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Featuring:
Exclusive CEO Interview
Guy Goldstein

Next Insurance's \$83 million Series B Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

August 7, 2018

AdvancedMD

Global Payments (NYSE:GPN) Acquires AdvancedMD for Approximately \$700 million

globalpayments

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Global Payments Acquires AdvancedMD for Approximately \$700 million

FT PARTNERS FINTECH INDUSTRY RESEARCH

October 22, 2018

DevotedHealth

Devoted Health Raises \$300 million in Series B Financing Led By Andreessen Horowitz

ANDREESSEN HOROWITZ

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Devoted Health Raises \$300 million in Series B Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

November 29, 2018

bright HEALTH

Bright Health Raises \$200 million in Series C Financing

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Bright Health Raises \$200 million in Series C Financing

FT PARTNERS FINTECH INDUSTRY RESEARCH

February 1, 2019

Clover

Clover Health Raises \$500 million in Financing Led by Greenoaks Capital Management

GREENOAKS

The Only Investment Bank Focused Exclusively on FinTech
San Francisco • New York • London

Clover Health Raises \$500 million in Financing

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners Advises InstaMed on its Sale to JPMorgan Chase Bank

Overview of Transaction

- On May 15, 2019, InstaMed announced it has agreed to be acquired by JPMorgan Chase Bank, NA
- Headquartered in Philadelphia, PA, InstaMed is a leading healthcare payments network that connects providers, payers, and consumers on one platform to facilitate healthcare commerce
- Since its founding in 2004, InstaMed has offered a highly integrated experience and has grown to create a diverse solution set that meets the critical payments, engagement, and transaction processing needs of the healthcare industry
- InstaMed's secure, centralized platform alleviates a number of challenges in the healthcare payments industry, with particular focus on eliminating paper, improving the consumer financial experience, and reducing costs to collect payments

FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Payments sectors to generate a highly successful outcome for InstaMed and its shareholders
- The transaction builds on FT Partners' strong Healthcare track record following advisory roles with [Eliza](#), [Benaissance](#), [Zywave](#), [AmWINS](#), and [R1 RCM](#), among others
- This transaction also demonstrates FT Partners' continued leadership position as the "Advisor of Choice" to the most prominent FinTech companies

Financial Technology Partners LP FTP Securities LLC

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

InstaMed®

in its proposed sale to

**JPMORGAN
CHASE & Co.**

FINANCIAL
TECHNOLOGY
PARTNERS

*The Only Investment Bank
Focused Exclusively on Financial Technology*

FT Partners Advises Eliza on its \$170 million Strategic Sale to HMS

Overview of Transaction

- On March 13, 2017, Eliza announced its strategic sale to HMS in one of the largest healthcare software deals of the year
 - HMS will acquire Eliza for a cash purchase price of \$170 million
- Headquartered in Danvers, MA and majority owned by Parthenon Capital Partners, Eliza is a leading engagement and population analytics platform integrating proprietary data assets, a deep understanding of the healthcare consumer, and omni-channel outreach technology to deliver mission-critical results for key constituents in the healthcare market
- Since its founding in 2000, Eliza has consistently been a market leader and innovator, as evidenced by more than 50 domestic and international patents and patent applications, which HMS will acquire
- HMS operates in the healthcare insurance benefit cost containment market, using innovative technology and powerful data services and analytics to cover the entire payment continuum including eligibility verification, payment accuracy, fraud prevention, cost savings, performance improvement and provider education

Significance of Transaction

- The acquisition further expands HMS' member health and care management analytics footprint
- Eliza's engagement platform is complementary to HMS' cost containment solutions and together create a more sophisticated and integrated platform

FT Partners' Role

- FT Partners leveraged its deep domain expertise and transactional experience in the Healthcare and Insurance Services market to generate a highly successful outcome for Eliza and its shareholders
- This transaction demonstrates FT Partners' continued leadership position as the "advisor of choice" to the highest quality FinTech companies

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

eliza
in its sale to


for total cash consideration of

\$ 170,000,000

**FINANCIAL
TECHNOLOGY
PARTNERS**

*The Only Investment Bank
Focused Exclusively on Financial Technology*

FT Partners Advises Benaissance on its \$80 million Sale to Wex

Overview of Transaction

- On October 15, 2015, Benaissance, LLC (“Benaissance” or the “Company”) announced it has entered into a definitive agreement to be acquired by WEX for \$80mm
- Headquartered in Omaha, NE, Benaissance is a leading provider of integrated Software-as-a-Service (SaaS) technologies and services for healthcare premium billing, payment and workflow management
 - Existing investors include Omaha-based, McCarthy Capital
- WEX is a leading, multi-channel provider of corporate payment solutions representing more than 9 million vehicles and serving a wide variety of business sectors
- The transaction is expected to close in the fourth quarter of 2015 and is subject to applicable regulatory approvals and other customary closing conditions

Significance of Transaction

- Represents a highly-attractive outcome for both Benaissance and WEX
- Combined resources and expertise of Benaissance and WEX position the Company extraordinarily well to further its leadership in the marketplace
- Enables WEX to provide an expanded and differentiated payments solution in order to grow its addressable market opportunity and wallet share in the healthcare market
- Benaissance will be integrated with WEX’s existing Evolution1 platform creating an opportunity for potential synergies as the businesses already share a number of mutual partners and customers

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Benaissance and its Board of Directors
- Transaction highlights FT Partners’ continued success advising leading companies and generating highly successful outcomes in the Healthcare / Benefits IT and Services space

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 a total consideration of

\$ 80,000,000



*The Only Investment Bank
Focused Exclusively on Financial Technology*

Award-Winning Investment Banking Franchise Focused on Superior Client Results



2018 Top Investment Bank in FinTech



Institutional Investor
Annual Ranking

2018 Steve McLaughlin Ranked #1 for the Second Year in a Row on Institutional Investor's FinTech 40 List

2017 Ranked #1 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

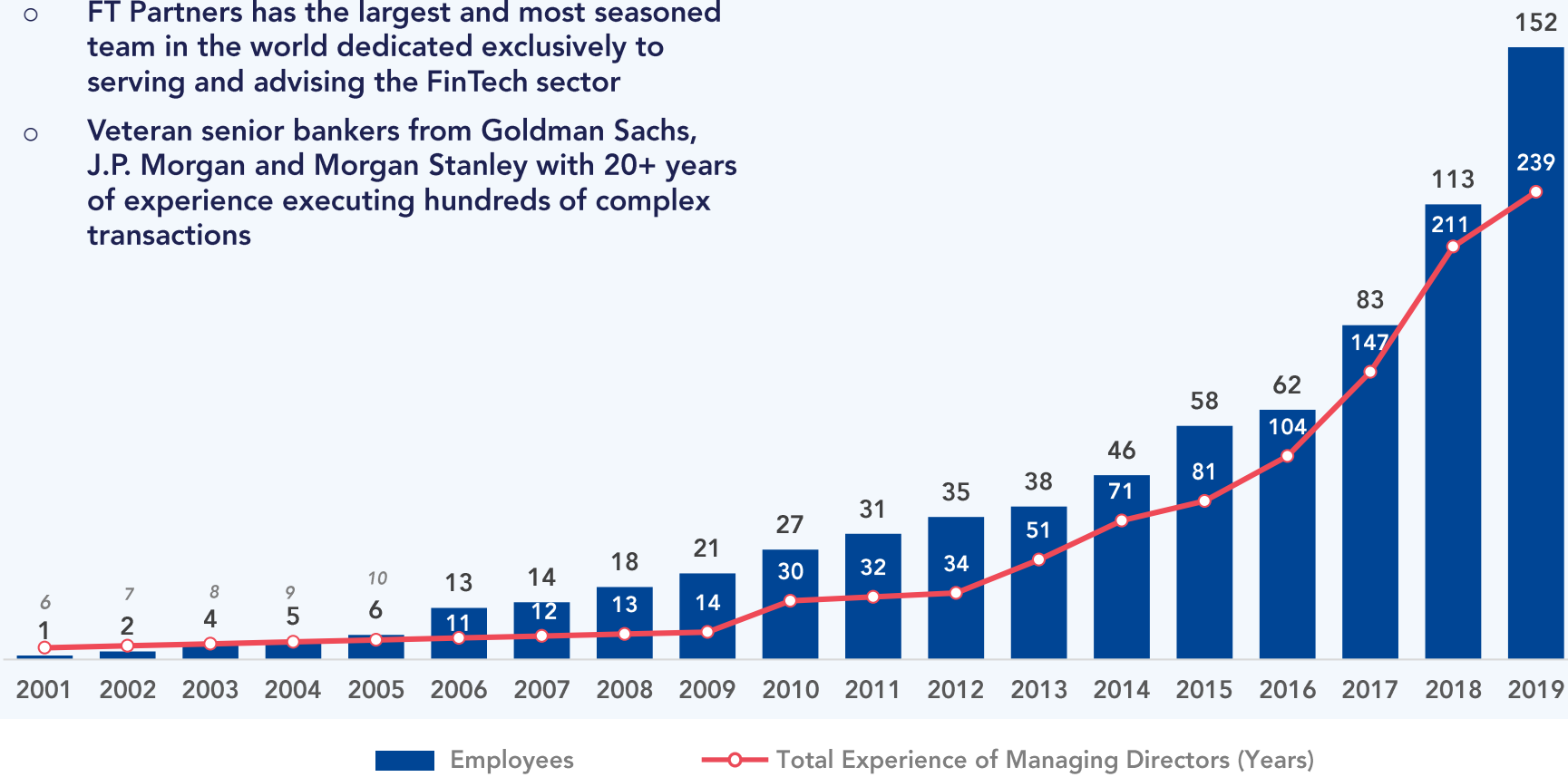
2007 Computer & Information Tech Deal of the Year, \$100 mm+

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

2004 Investment Bank of the Year

Platform of Choice for Clients and Bankers Alike

- FT Partners has the largest and most seasoned team in the world dedicated exclusively to serving and advising the FinTech sector
- Veteran senior bankers from Goldman Sachs, J.P. Morgan and Morgan Stanley with 20+ years of experience executing hundreds of complex transactions



Average Experience of Managing Directors (Years)



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. 	24
Paul VanderMarck <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly Chief Product Officer at Risk Management Solutions 25+ years of experience as an InsurTech operating executive Experienced advisor and investor in the InsurTech space 	27
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. 	23
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 	23
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 	22
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. 	19
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. 	17
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. 	17
Mohit Agnihotri <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly Managing Director and Global Head of Payments Investment Banking at J.P. Morgan Wharton M.B.A. 	17
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 	16
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 	13