

FT PARTNERS FINTECH INDUSTRY RESEARCH

January 16, 2018

SILVERLAKE



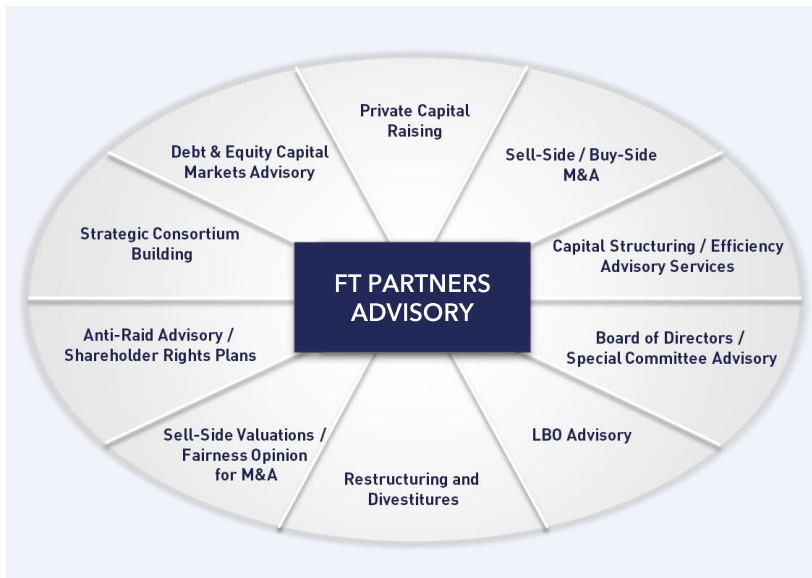
Silver Lake and P2 Capital Partners Acquire Blackhawk Network for Approximately \$3.5 billion



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 #1 Most Influential Person in all of FinTech in *Institutional Investors* "FinTech Finance 35"



THE M&A ADVISOR
Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

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Transaction Summary

Transaction Summary

- On January 16, 2018, Silver Lake and P2 Capital Partners announced that they have entered into an agreement to acquire Blackhawk for an enterprise value of approximately \$3.5 billion
 - P2 Capital Partners already owns approximately 5.4% of Blackhawk's common stock
 - The acquisition will have fully committed debt and equity financing, with a \$1.7 billion equity commitment from Silver Lake
- Under the agreement for the transaction, Blackhawk stockholders will receive \$45.25 per share
 - This represents a premium of 24% over Blackhawk's closing price on January 12, 2018
- With the expertise of both Silver Lake and P2 Capital, the acquisition will allow Blackhawk to continue executing on key growth initiatives
- The acquisition is expected to close mid-2018 with stockholder and regulatory approvals

Transaction Multiples

1.6x

EV / 2017E Rev

15.1x

EV / 2017E EBITDA

27.9x

2017E P/E

1.5x

EV / 2018E Rev

13.0x

EV / 2018E EBITDA

22.9x

2018E P/E

Transaction Commentary

"This transaction delivers immediate benefits and significant value to our stockholders. Silver Lake and P2 Capital Partners bring the long-term focus, financial resources and technology expertise that can enable us to accelerate growth initiatives globally and reach the Company's full potential."



Talbott Roche
CEO, President



"Blackhawk's outstanding network of partners and proprietary technology creates a unique franchise in the payments industry with a proven ability to innovate in both the physical and digital segments. We are excited to work with Blackhawk's world-class management team and our new partners at P2 Capital Partners to strengthen the Company's position in large and growing parts of the Financial Technology ecosystem"

SILVERLAKE

Mike Bingle
Managing Partner



"This transaction represents the best way to maximize value for all stockholders. We have been an investor and supporter of Blackhawk's strategy and management for several years, and we look forward to working with Silver Lake and Blackhawk management to drive the Company's next stage of growth."



Alex Silver
Partner





Blackhawk Overview

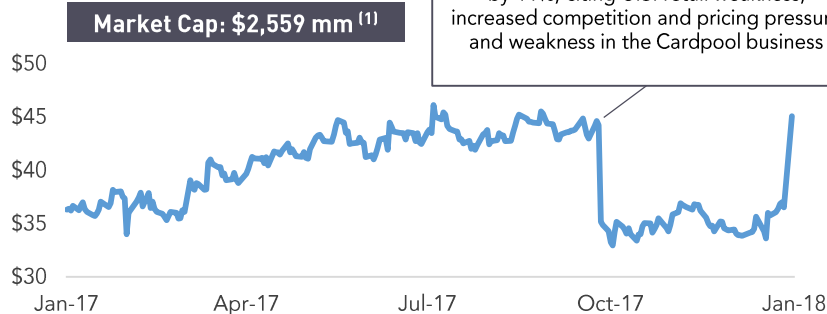
Company Overview

CEO: Talbott Roche
Headquarters: Pleasanton, CA
Founded: 2001



- Blackhawk offers branded value solutions through its global prepaid payments network of gift cards, prepaid products and payment services
 - The Company connects over 1,000 brands to more than 244,000 retail distribution channels
- Blackhawk's extensive payment network provides significant benefits to its three primary constituents
 - For consumers, it offers a broad variety of quality brands and content at retail distribution locations and online, enhanced by customer promotions and loyalty incentive programs
 - For content providers, it drives incremental sales through access to consumers and positive customer relationships
 - For distribution partners, it drives incremental store traffic and customer loyalty

Stock Chart (NasdaqGS:HAWK)



Source: Company website

(1) Market Cap as of January 16, 2017

Services Overview

Gift Cards

- Open and closed loop cards and e-gifts
- Over 700 global brands



Digital Entertainment

- In-store, online and mobile payments for entertainment



Themed Gifting

- Themed leisure and lifestyle gift cards



Financial Services

- Reloadable prepaid cards provide alternative payment methods for customers
- Load debit cards and pay bills



Incentive Cards

- Network branded cards to engage customers and reward employees



Prepaid Telecom

- Airtime cards, SIM cards, handsets and online top-up












Silver Lake and P2 Capital Partners Acquire Blackhawk

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Blackhawk Transaction History



Date	Target	Amount (\$ in mm)	Commentary
08/30/17		\$175	Acquired CashStar, a leading gift card commerce solutions provider with a focus on mobile payments and digital gifting
08/31/16		na	Acquired Grass Roots Group, which provides employee and customer engagement solutions
03/18/16		na	Acquired Extrameasures, which drives customer engagement and loyalty through Visa prepaid cards, rewards and gift cards
02/03/16		na	Acquired NimbleCommerce, a digital commerce platform and promotions network
01/06/16		120	Acquired GiftCards.com, one of the leading gift card commerce websites
11/19/15		na	Acquired DIDIX Gifting and Promotions, a European prepaid card provider
06/11/15		110	Acquired Achievers, which drives employee engagement through incentive and rewards solutions
09/25/14		290	Acquired Parago, one of the leading global incentive and engagement solutions providers
04/14/14			Safeway divests its remaining 72% of Blackhawk's total outstanding shares
04/18/13			Blackhawk raises approximately \$230 mm in its IPO; Safeway retains a large stake

Silver Lake and P2 Capital Partners Acquire Blackhawk

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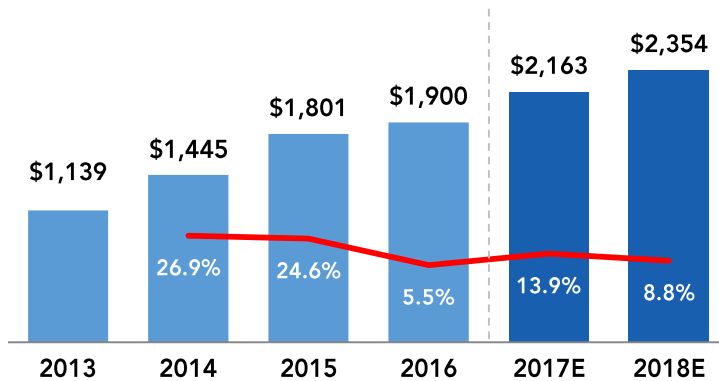


Blackhawk Financial Overview



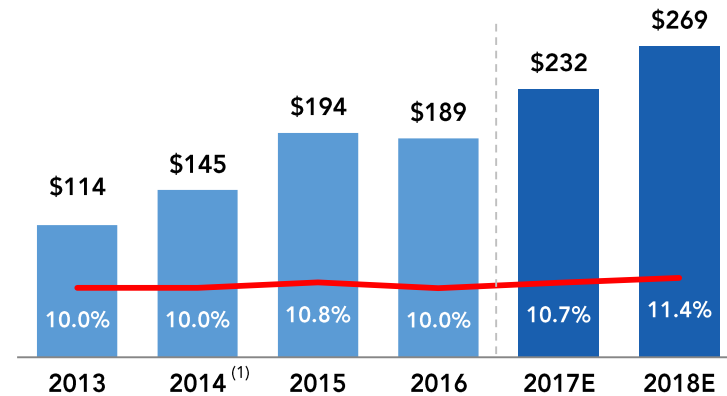
Net Revenue / % Growth

(\$ in mm)



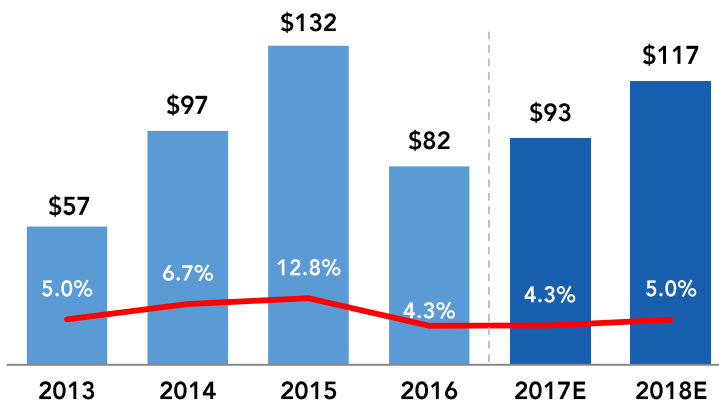
EBITDA / % Margin

(\$ in mm)

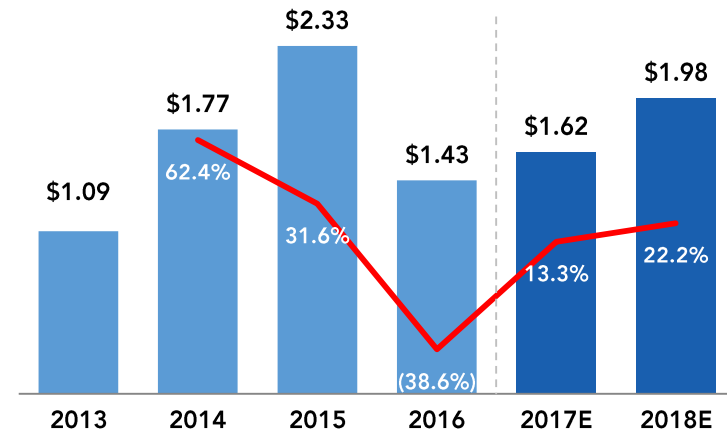


Net Income (excl. exceptions) / % Margin

(\$ in mm)



Normalized EPS / % Growth



Silver Lake and P2 Capital Partners Acquire Blackhawk

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Silver Lake Overview

Overview

SILVERLAKE



Glenn Hutchins
Co-Founder



Mike Bingle
Managing Partner



Egon Durban
Managing Partner



Joe Osnoss
Managing Director



Christian Lucas
Managing Director



Sean Delehanty
Vice President

Locations

- Menlo Park, CA (HQ)
- San Mateo, CA
- New York, NY
- Cupertino, CA
- London, UK
- Hong Kong, China
- Shanghai, China
- Tokyo, Japan

About

- Founded in 1999, Silver Lake Partners manages over \$23 bn in combined assets
- Invests in large-cap technology and technology-enabled businesses with strong business models, experienced management team and proprietary products
- Particularly focused on payments technology, insurance software and analytics companies in the FinTech sector

Investment Preferences

Investment Criteria

Fund Size:	\$15,000mm
Fund Raised:	2017
Investment Range:	\$25 – 1,000mm
Revenue:	NA
EBITDA:	NA

General Preferences¹

Control:	Majority, Minority
Geography:	North America, Europe, Asia / Pac
Transaction Type:	Growth, Buyout, MBO/LBO, Recapitalizations, IPO, PIPE, Secondary
Industry Focus:	Broad Technology including FinTech, Business Services, Payments, Insurance

Selected Recent Investments / Exits

FinTech / Financial Services Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/18	Blackhawk (Buyout)	\$3,500	NA	Pymts
02/17	SoFi (Series F)	500	NA	Bnkg
06/16	Cast & Crew (PE Growth)	NA	Joe Osnoss	FMS
05/12	Global Blue (Buyout)	1,280	Christian Lucas	Pymts
06/11	Virtu Financial (Temasek)**	NA	Mike Bingle	CapMkts
07/10	MultiPlan (Partners Group)*	3,100	Egon Durban	Ins
07/10	IDC (Intercontinental Exchange)**	3,400	Mike Bingle	CapMkts
04/10	Mercury Payment Systems (Vantiv)*	450	Mike Bingle	Pymts
09/06	IPC Systems (Centerbridge Partners)*	800	Tony Ling	CapMkts

Other Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
11/17	Cornerstone OnDemand (PIPE)	300	NA	Software
07/17	Big Switch Networks (Series C)	31	NA	Software
05/17	Cegid Group (Growth)	70	NA	BPO
05/17	Unity (Series D)	400	NA	Software
04/17	Didi Chuxing (Growth)	5,500	NA	Online
01/17	Koubei.com (PE Growth)	1,100	NA	Online

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

2) * denotes M&A exit; ** denotes IPO exit

3) Deal Amount in mm



P2 Capital Partners Overview

Overview



Claus Moller
Founder, Managing Director



Alexander Silver
Partner



Kareem Hammad
Partner



Alan Willis
Partner



Joshua Paulson
Partner



Ashi Varia
Partner

Locations

- New York, NY

About

- Founded in 2006, P2 Capital Partners applies private equity approaches to the public market
- Manages a concentrated portfolio of significant ownership stakes in high quality public companies in which it is an active shareholder focused on creating long-term value in partnership with management
- Also leads private equity transactions within its public portfolio
- P2 Capital Partners' LPs include public and corporate pension funds, endowments, foundations, insurance companies, and high net worth investors

Investment Preferences

Investment Criteria

Fund Size:	NA
Fund Raised:	NA
Investment Range:	NA
Revenue:	NA
EBITDA:	NA

General Preferences¹

Control:	Majority
Geography:	U.S.
Transaction Type:	Growth, Buyout, LBO
Industry Focus:	Commercial Products and Services, Business Products and Services

Selected Recent Investments / Exits

FinTech / Financial Services Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
01/18	Blackhawk (Buyout)	\$3,500	NA	Pymts
09/14	EPIQ Systems (DTI, Harvest Partners, OMERS, The Carlyle Group)**	1,025	NA	BPO

Other Investments²

Date	Company	Deal Amt. ³	Board Rep.	Sector
04/16	Blout Intl. (Buyout)	\$483	NA	Mchiny
03/14	Uti Worldwide (PIPE)	175	NA	Legal
09/12	Interline (Buyout)	812	NA	Dstrbtn

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Heartland's Sale to Global Payments



Adyen's Rise to One of the Most Valuable Payments Companies



CardConnect's \$750 million to First Data



Central Payment's Strategic Investment from TSYS



Marqeta's \$25 million Financing Led by Visa



NMI's Majority Investment From Francisco Partners



Remitly's \$115 million Financing Led By PayU



Cayan's \$1.05 billion Sale to TSYS



FinTech Acquisition Corp II Acquires Intermex for an EV of \$365 million



WorldRemit Raises \$40 million Series C Financing

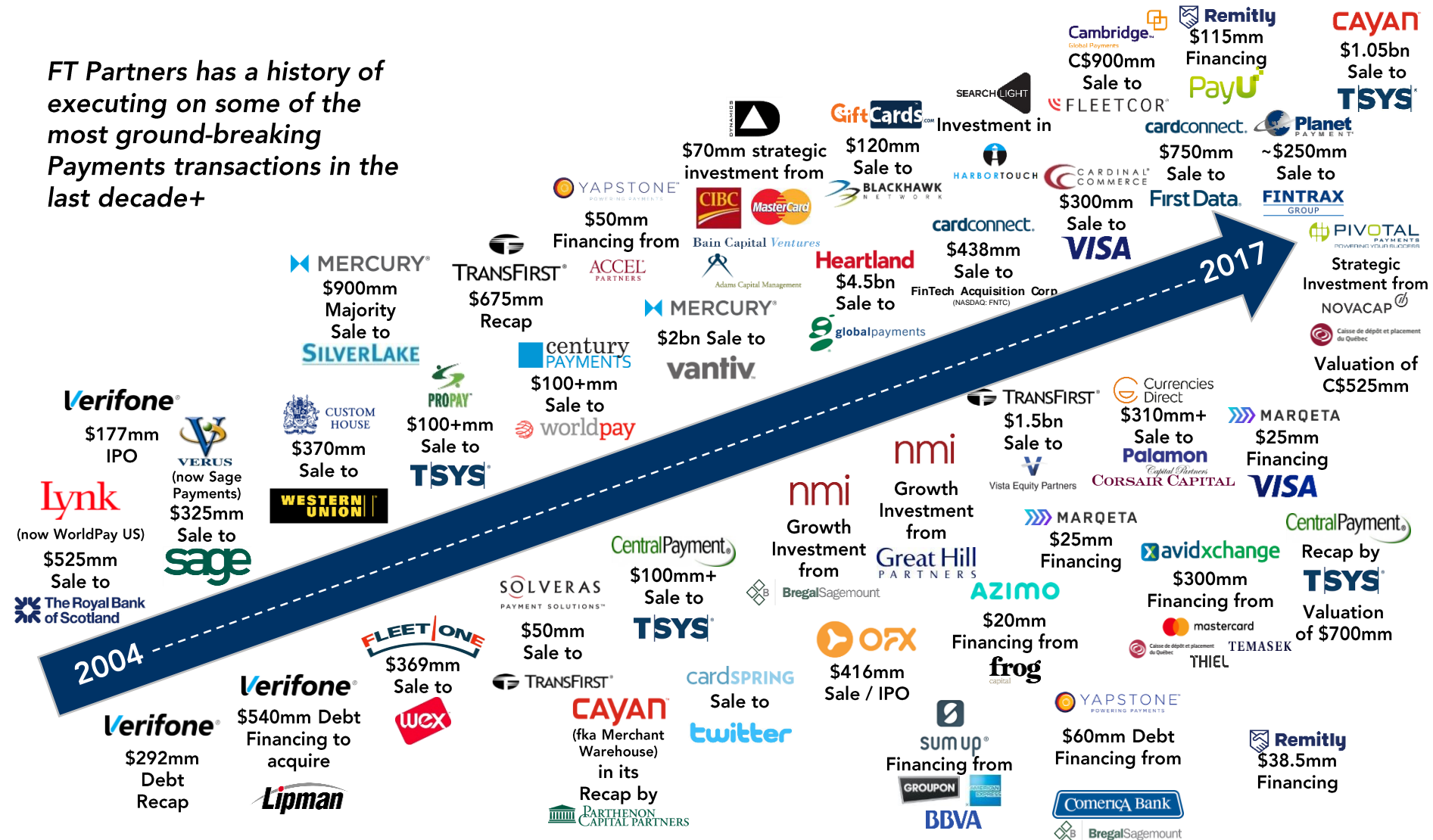
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FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Timeline of Selected FT Partners Payments Processing Transactions

FT Partners has a history of executing on some of the most ground-breaking Payments transactions in the last decade+



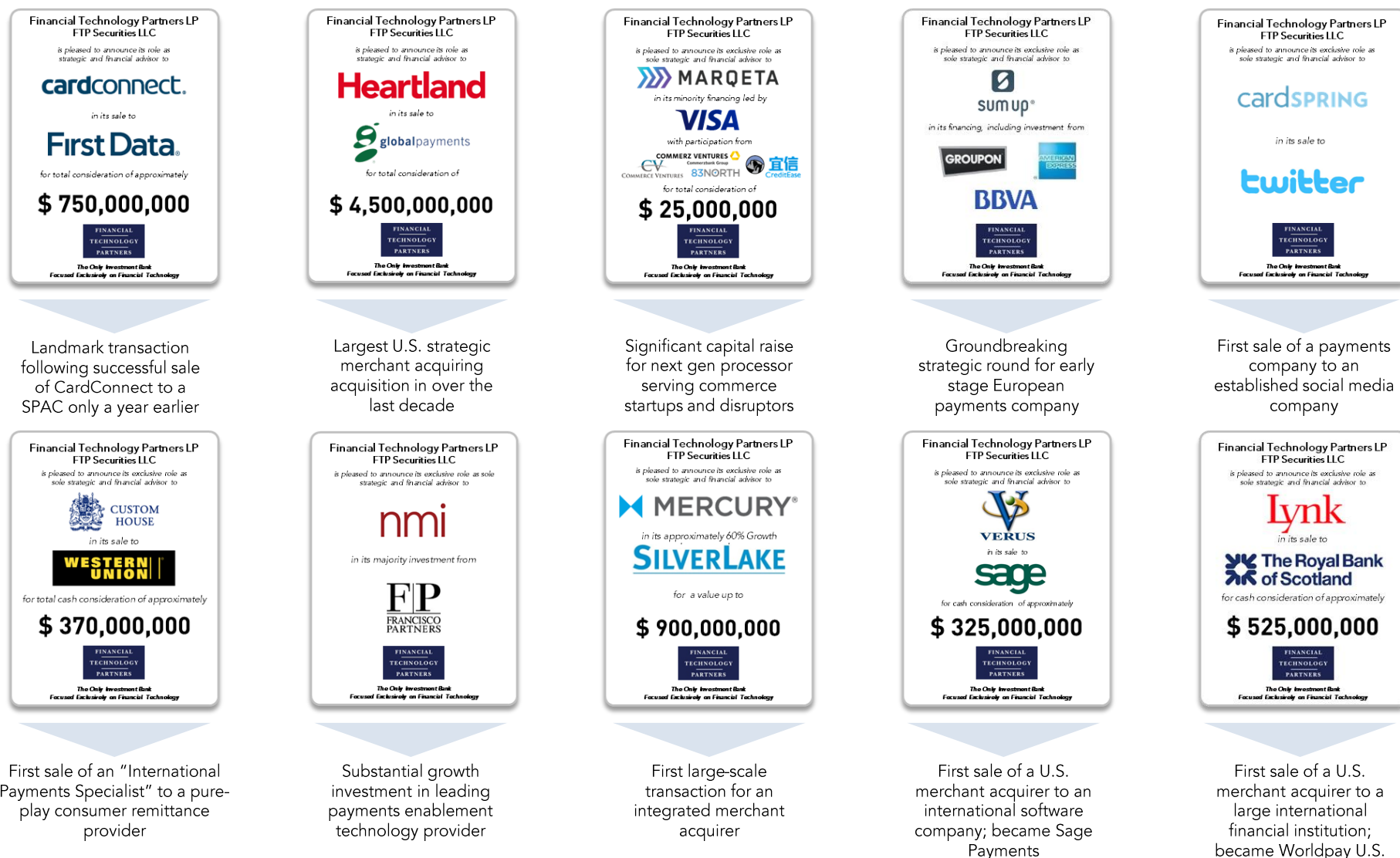
FT Partners – Focused Exclusively on FinTech

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Strong Domain Expertise in Payments Investment Banking



Ground-Breaking Payments Transactions Pioneered by FT Partners



FT Partners Advises GiftCards.com on its Sale to Blackhawk Network

Overview of Transaction

- On January 6, 2016, Omni Prepaid, LLC ("Omni", "GiftCards.com", or the "Company") announced it has entered into a definitive agreement to be acquired by Blackhawk Network for \$120mm
- Headquartered in Pittsburgh, PA, Omni, which owns and is commonly referred to by its consumer-facing domain GiftCards.com, is a leading online provider of customizable, digital and physical gift card solutions for consumers and businesses of all sizes
- Blackhawk Network is a leading, multi-channel provider of prepaid gift, telecom and debit cards, and related prepaid products and payment services

Significance of Transaction

- Represents a highly attractive outcome for both Blackhawk Network and GiftCards.com
- GiftCards.com's online leadership and expertise position Blackhawk Network to fully capitalize on the growing shift in preferences toward purchasing prepaid products on the web and via mobile devices
- By merging Blackhawk's current e-commerce offerings and GiftCard.com's distinctive assets, Blackhawk will be able to deliver the broadest selection of gift cards to current and future customers

FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to GiftCards.com
- Transaction highlights FT Partners' continued success advising leading companies and generating highly successful outcomes in the Payments 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 total consideration of

\$ 120,000,000



*The Only Investment Bank
Focused Exclusively on Financial Technology*

Award-Winning Investment Bank Franchise Focused on Superior Client Results

Institutional Investor
Institutional Investor
Annual Ranking

2017
2015 - 2016
2006 - 2008

- Ranked #1 Most Influential Executive on Institutional Investor's FinTech 35 List
- Steve McLaughlin Ranked Top 5 on Institutional Investor's FinTech 35 List
- Consecutively Ranked (2006, 2007 and 2008) among the Top Bankers on Institutional Investor's "Online Finance 40"

I The Information

2016

- Ranked #2 Top Technology Investment Banker on The Information's "Silicon Valley's Most Popular Dealmakers"



M&A Advisor
Awards

2015 - 2017

2010 - 2014

2004 - 2007

- Investment Banker of the Year – 2017
- Investment Banking Firm of the Year – 2016
- Cross Border Deal of the Year - 2016
- Dealmaker of the Year – 2015
- Technology Deal of the Year – 2015
- Equity Financing Deal of the Year - 2014
- Professional Services Deal of the Year, Above \$100 mm – 2014
- Dealmaker of the Year – 2012
- Professional Services Deal of the Year, Above \$100 mm – 2012
- Boutique Investment Bank of the Year – 2011
- Deal of the Decade – 2011
- Upper Middle Market Deal of the Year, Above \$500 mm – 2010
- IT Services Deal of the Year, Below \$500 mm – 2010
- Cross-Border Deal of the Year, Below \$500 mm – 2010
- Dealmaker of the Year – Steve McLaughlin – 2007
- Business to Business Services Deal of the Year - 2007
- Computer and Information Technology Deal of the Year, Above \$100 mm – 2007
- Financial Services Deal of the Year, Above \$100 mm – 2007
- Investment Bank of the Year – 2004



Middle Market
Financing Awards

2006 - 2008

- Equity Financing Dealmaker of the Year – Steve McLaughlin – 2008
- Information Technology Deal of the Year – 2008
- Financial Services Deal of the Year – 2008
- Financing Professional of the Year – Steve McLaughlin – 2006

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 & Co. 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. 	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 / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	22
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / 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 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	21
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	20
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	16
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	15
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 	12