

June 24, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile



NUMBER26

raises

\$40 million

in Series B financing led by



Courtesy of:



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

www.ftpartners.com



Financial Technology Partners LP
555 Mission St., 23rd Floor
San Francisco, CA 94105
Tel: 415.512.8700

Steve McLaughlin
Managing Partner
Tel: 415.992.8880
steve.mclaughlin@ftpartners.com

Highly Confidential and proprietary information. Unauthorized distribution without prior consent from Financial Technology Partners LP or FTP Securities LLC (together "FT Partners") is strictly prohibited.
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. © 2016

Number26 Raises \$40 Million in Series B Financing Round

Transaction Summary

Number26 is among a crop of “challenger” banks targeting Europe’s traditional financial institutions; others include Tandem, Atom, Starling and Holvi

Transaction Summary

- On June 21, 2016, Number26 announced that it had raised \$40 million in a Series B financing round led by Horizons Ventures
 - Battery Ventures, Valar Venutres, Earlybird Ventures and Redalpine Ventures also participated in the round
 - The funding will be used to accelerate additional geographic expansion and integrate new products such as savings, investments and credit into the Company’s platform
- Number26 has over 200,000 customers – 40,000 of which were acquired in the last two months
- The Company currently operates in Germany, Austria, France, Greece, Ireland, Italy, Slovakia and Spain
- Number26 has partnered with Wirecard Bank AG, a German regulated bank, to provide its banking services
- Horizons Ventures is the investment arm of Mr. Li Ka-shing, a leading investor in innovative and disruptive technology companies such as Facebook, Spotify and Siri

Selected Previous Equity Financings

Date	Size (\$ mm)	Lead Investor(s)
04/16/15	\$10.6	VALAR
06/19/14	2.6	EARLYBIRD VENTURE CAPITAL

Deal Commentary

“This financing round brings together some of the world’s leading investors. They provide the substantial financial resources and networks to accelerate our transformation of the banking landscape over the coming years ... Even given our success to date, we believe we are only at the beginning of our journey to bring better mobile banking to millions of customers across Europe, transparently and at much fairer prices.”



Valentin Stalf
Founder & CEO at Number26

“We are excited to join Number26 to lead the innovation in retail banking and play an important role to create the bank of tomorrow. Bringing transparency and focusing on an intuitive banking experience will set them apart, so we look forward to their success and to being part of their global growth in the future.”



Frances Kang
Director at Horizons Ventures

“Number26 has fundamentally transformed the traditional banking model ... We selectively partner with some of the best FinTech companies around the world to offer a platform of products within a seamless, mobile-centric experience. We’ve also built a highly scalable technology base using an extremely lean organizational structure. This combination means we can offer significantly better products at much lower prices.”



Maximilian Tayenthal
Founder & CFO at Number26

Number26 Raises \$40 Million in Series B Financing Round

Number26 Overview

Number26 Overview

Co-Founder & CEO	Valentin Stalf
Headquarters:	 NUMBER26 Berlin, DE
Founded:	2013
Employees:	140

- Number26 is the first modern bank account in Europe that can be managed entirely from a smartphone
- The Company has 200,000 clients spread across eight countries in Europe
- The Number26 mobile app and MasterCard allow customers to make fee-free payments and free cash withdrawals all across the world

Management Team



Valentin Stalf, *Founder and CEO*

- Previous experience in Strategy Consulting and Investment Banking



Maximilian Tayenthal, *Founder, COO and CFO*

- Previous experience as a Strategy Consultant with Booz & Company and assistant to the CFO of Austria's largest insurance company



Christian Rebernik, *CTO*

- Previously worked as the CTO for Zanox and founded his own company

Number26 App and MasterCard Services



Ready to Use – Accepted at 36 mm locations worldwide, the MasterCard allows customer to pay conveniently through its Integrated NFC functionality



Transparency – Real time notifications of all account activity and easy to modify account settings



All Currencies on One Card – Customers can pay with their MasterCard regardless of currency – the amount will be converted at the current exchange rate without foreign currency fees



Cash – Cash withdrawals from any MasterCard ATM completely free of charge










No Costs – The MasterCard comes with no annual fees, no international services fees and no foreign currency withdrawal fees



Security – Customers can customize their security settings from the mobile app determining when and where their MasterCard can be used

Number26 Raises \$40 Million in Series B Financing Round

Selected Challenger Bank Financing and M&A Activity

Date	Company	Country	Buyer / Investor	Transaction Type	Deal Amt. (\$ in mm)
11/24/2015	Atom	UK	BBVA Group; Polar Capital; Toscafund Asset Management; Marathon Asset Management; Woodford Investment Management	Financing	\$128
2/20/2014	 NUMBER26	Germany	BBVA Group	M&A	117
1/11/2016	STARLING	UK	Undisclosed Investors	Financing	70
1/6/2016	 ny bank	Brazil	Founders Fund; Kaszek Ventures; Sequoia Capital; Tiger Global Management	Financing	52
6/21/2016	 NUMBER26	Germany	Valar Ventures; Earlybird Venture Capital; Redalpine Venture Partner; Battery Ventures; Horizons Ventures; Undisclosed Investors	Financing	40
4/5/2016	TANDEM	UK	Omidyar Network	Financing	32
12/4/2014	Atom	UK	Polar Capital; Undisclosed Investors	Financing	31
6/2/2015	 ny bank	Brazil	Tiger Global Management; QED Investors; Sequoia Capital; Kaszek Ventures	Financing	30
9/25/2014	 ny bank	Brazil	Kaszek Ventures; Sequoia Capital; Undisclosed Investors	Financing	14
10/13/2015	Moven.	USA	Route 66 Ventures	Financing	12
4/16/2015	 NUMBER26	Germany	Valar Ventures; Earlybird Venture Capital; Redalpine Venture Partner; Undisclosed Investors	Financing	11
03/7/2016	 HOLVI	Finland	BBVA Group	M&A	na

Overview of FT Partners

FT Partners' Track Record of Success in the Banking / Lending Technology Space

Student / Personal Loan

Financial Technology Partners LP
FTP Securities LLC

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

earnest

in its Series B minority financing led by



\$ 75,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to

GreenSky™

in its minority investment from



for total consideration of

\$ 300,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

Google
capital

in its lead investment in

Credit Karma™

with additional participation from



for approximately

\$ 85,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Contractor Financing

Financial Technology Partners LP
FTP Securities LLC

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



in its financing, including investment from



for approximately

\$ 15,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Asset Backed Loans Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to

borro®

in its growth financing for total
consideration of

\$ 19,500,000



The Only Investment Bank
Focused Exclusively on Financial Technology

SaaS-based Loan Origination

Financial Technology Partners LP
FTP Securities LLC

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

**WebEquity
solutions™**

in its sale to

Moody's



The Only Investment Bank
Focused Exclusively on Financial Technology

SMB Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
role as advisor to

Kabbage

in its Series E minority financing led by



\$ 135,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Supplier Finance Solutions

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its
exclusive role as financial advisor to

taulia™

in its Series E financing led by

zouk

\$ 46,000,000



The Only Investment Bank
Focused Exclusively on Financial Technology

Overview of FT Partners

FT Partners Advised on Three of the Largest Alternative Lending Transactions

Company	Investor(s)	Amount Raised
 SoFi	 SoftBank	\$1,000,000,000
AVANT	 GENERAL ATLANTIC  RRE Ventures  B.A.M.  TIGER  AUGUST CAPITAL  DFJ GROWTH	325,000,000
GreenSky™	 TPG  ICONIQ  DST  WELLINGTON MANAGEMENT	300,000,000+
AVANT	 TIGER  RRE Ventures  DFJ  KKR	225,000,000
 SoFi	 AUGUST CAPITAL  THIRD POINT VENTURES INSTITUTIONAL PARTNERS  I.V.P.  WELLINGTON MANAGEMENT  LAKE STAR	200,000,000
PROSPER	 CREDIT SUISSE  BBVA  NEUBERGER BERMAN  J.P.Morgan BREYER CAPITAL  USAA	165,000,000
 Funding Circle	 BLACKROCK  TEMASEK HOLDINGS  DST  SANDS CAPITAL  RAILLIE GIFFORD	150,000,000
 Kabbage	 RCP  Santander  InnoVentures  ING  Scotiabank	135,000,000
earnest	 BV  ADAMS STREET PARTNERS  maveron	75,000,000

In addition to recent rounds for Earnest, Kabbage and GreenSky, FT Partners has advised on a number of other prominent Lending Tech / Alt Lending transactions

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as sole strategic and financial advisor to</p> <p> Google Capital in its lead investment in  Credit Karma with additional participation from  TIGER  SIG  Rabbit Capital for approximately</p> <p>\$ 85,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> F2ST in its growth financing with  OAK  HC/FT for total consideration of approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as exclusive strategic and financial advisor to</p> <p> lighter capital in its Series B financing led from  Voyager for total consideration of</p> <p>\$ 9,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> Upstart in its Series C financing led by  THIRD POINT VENTURES with additional participation from  khosla ventures for approximately</p> <p>\$ 35,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> borro in its financing, including investment from  HIGHLAND  FLYBROCK for approximately</p> <p>\$ 15,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> borro in its growth financing for total consideration of</p> <p>\$ 19,500,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> L2C inc in its sale to</p> <p> TransUnion</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> taulia in its Series C financing led by  zouk for approximately</p> <p>\$ 46,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as Capital Markets & IPO Advisor to</p> <p> ELLIE MAE in its \$45,000,000 Initial Public Offering valuing the equity at approximately</p> <p>\$ 146,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as advisor to</p> <p> CIBC in its strategic investment in</p> <p> Banc Capital Finance a portfolio company of for total consideration of approximately</p> <p>\$ 70,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> customcredit systems a portfolio company of in its sale to</p> <p> MISYS a portfolio company of Vista Equity Partners</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its exclusive role as sole strategic and financial advisor to</p> <p> WebEquity solutions in its sale to</p> <p>MOODY'S</p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>














FINANCIAL
TECHNOLOGY
PARTNERS

Overview of FT Partners

FT Partners has Significant Experience Advising Large Financing Rounds

FT Partners has a history of advising on some of the largest financing transactions in the FinTech space

Representing numerous FinTech “Unicorns” above \$1 billion valuations

Company	Amount Raised	Selected Prominent Investors in FT Partners Led Rounds
 MERCURY®	\$420,000,000+	ACCEL PARTNERS, DST, TPG
 GreenSky™	300,000,000+	ICONIQ, RCP, REVERENCE CAPITAL PARTNERS, WELLINGTON MANAGEMENT
 liquidnet	250,000,000	BainCapital, SUMMIT PARTNERS
 square trade™ protection plans	238,000,000	BainCapital Ventures, Great Hill PARTNERS
 avidxchange	225,000,000	nyca, CIBC
 nmi	150,000,000+	Google capital, QED INVESTORS, Scotiabank®
 Kabbage	135,000,000	ING
 TradingScreen SIMPLIFYING GLOBAL MARKETS™	110,000,000+	BV, BBVA
 CHROMERIVER	100,000,000	KeyBank, 乾源资本 YUAN CAPITAL, Battery Ventures
 Credit Karma™	85,000,000	ADAMS STREET PARTNERS, Santander, InnoVentures
 earnest	75,000,000	khosla ventures, QUESTMARK PARTNERS, edbi
 taulia	60,000,000	SILVERLAKE, maveron, PARTHENON CAPITAL PARTNERS
 YAPSTONE™ POWERING PAYMENTS	50,000,000	

Note: FT Partners represented investor in Dynamics (CIBC) and Credit Karma (Google Capital); some transactions include a combination of equity and smaller amount of debt financing.

Overview of FT Partners

Selected FT Partners' FinTech Research ([click to view](#))

October 14, 2015

FINANCIAL TECHNOLOGY PARTNERS
FTP Securities LLC

is pleased to announce its
role as advisor to



in its \$135,000,000 Series E Minority Financing Led by

Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

Kabbage Raises \$135 million in its Series C Financing

January 26, 2016

Financial Technology Partners LP
FT Partners Research – Transaction Profile



raises

\$150 million

in equity and debt financing

Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

LendUp Raises \$150 million in Equity and Debt Financing

January 25, 2016

Financial Technology Partners LP
FT Partners Research – Transaction Profile



democratizing finance

raises

\$160 million

In Series B financing

Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com


Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

WeLab Raises \$160 million

January 12, 2016


Financial Technology Partners LP
FT Partners Research – Transaction Profile




secures

\$52 million

in financing led by



Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

NuBank Secures \$52 million in Financing Led by Founders Fund

January 15, 2016

Financial Technology Partners LP
FT Partners Research – Transaction Profile



raises

\$70 million

in financing

Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

Starling Raises \$70 million in Financing

November 30, 2015

Financial Technology Partners LP
FT Partners Research – Transaction Profile



secures

\$128 million

in financing led by



Courtesy of:


The Only Investment Bank
Focused Exclusively on Financial Technology

www.ftpartners.com

Financial Technology Partners
500 Mission St., 20th Floor
San Francisco, CA 94105
Tel: 415.512.0100

Steve McLoughlin
Managing Partner
Tel: 415.512.0100
steve.mcloughlin@ftpartners.com

Atom Secures \$128 million in Financing Led by BBVA

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"> ■ Investment Banking Firm of the Year ■ Cross Border Deal of the Year
2015	<ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Technology Deal of the Year
2014	<ul style="list-style-type: none"> ■ Equity Financing Deal of the Year ■ Professional Services Deal of the Year, Above \$100mm
2012	<ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Professional Services Deal of the Year, Above \$100mm
2011	<ul style="list-style-type: none"> ■ Boutique Investment Bank of the Year ■ Deal of the Decade ■ <i>10 Deal of the Year Nominations Across 9 Categories</i>
2010	<ul style="list-style-type: none"> ■ 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	<ul style="list-style-type: none"> ■ 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



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

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
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 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	21
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	21
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU & EEFT, among others 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with J.P. Morgan and UBS Formerly Global Head of Strategy at First Data 	18
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	14
Andrew McLaughlin <i>Managing Director</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	10