

September 30, 2016

# Financial Technology Partners

## FT Partners Research – Transaction Profile



*completes its IPO raising*

**DKK 15.75 billion (~\$2.37 billion)**

*Courtesy of:*



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

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# Nets Raises Approximately \$2.37 bn in its IPO

## IPO Overview

### Key IPO Statistics

<b>Description:</b>	Nets is a leading provider of digital payment services and related technology solutions across the Nordic region. Nets forms the backbone of the Nordic payments ecosystem.
<b>Use of Proceeds:</b>	The Company intends to use the proceeds to repay existing debt facilities
<b>Founder &amp; CEO:</b>	Bo Einar Lohmann Nilsson
<b>Headquarters:</b>	Ballerup, Denmark
<b>Founded:</b>	1968
<b>Employees:</b>	2,400
<b>Initial Filing Date:</b>	9/13/2016
<b>Trading Date:</b>	9/23/2016
<b>Ticker:</b>	NETS
<b>Initial Filing Range:</b>	DKK 130 – 160
<b>Offer Price:</b>	DKK 150
<b>Shares Offered:</b>	105,000,000
<b>Capital Raised for Company:</b>	DKK 5.5 bn
<b>Capital Raised for Existing Shareholders:</b>	DKK 10.25 bn

Nasdaq Copenhagen

Filing

Nets Holding A/S



Lautrupbjerg 10  
DK-2750 Ballerup  
Denmark





# Nets Raises Approximately \$2.37 bn in its IPO

## Company Overview

*Nets is a leading provider of digital payment services and related technology solutions that connect banks, businesses, the public sector, merchants and consumers*

- Headquartered in Copenhagen, Nets' influence, service and products reach across the Nordic region and the Company has a growing presence in the Baltic states
- Nets introduced and runs NemID, the public identity network in Denmark, and BankID, a leading identity network in Norway, among other products and services that have helped transform and develop a modern payment infrastructure
- The Company provides a wide range of standard and customized end-to-end IT solutions and a broad range of services within payment cards, bank account services and payment solutions for merchants that support efficient commerce
  - These services focus on security, reliability and stability and include real-time clearing, developments in fraud prevention, improved e-commerce offerings, support for contactless payment cards and mobile solutions
- Nets also handles merchant agreements for local and international cards and offers add-on products for the merchant agreement
- In 2015, the Company processed approximately 7.3 billion card transactions through its business relationships with more than 300,000 merchants and 240 banks
  - Nets also has contracts with more than 240,000 corporate customers and manages over 8 million digital identities
- In July 2014, Nets was acquired by Advent International, Bain Capital and ATP for approximately \$3.1 billion from a group of 186 shareholders, primarily Danish and Norwegian, banks
  - Advent, Bain and ATP emphasized different strategic initiatives, including an increased emphasis and organizational focus on customers, enhancing the Merchant Services business, focusing on strategic investments in technology platforms and promoting significant recurring cost savings and operational efficiencies to transform Nets for the development of the Company and to support future growth



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## Business Segments Overview



### Corporate Services

- **Provider of account-to-account services**
  - Payment platform for recurring bills and credit transfers for corporates
  - Solutions for real-time clearing and settlement, to provide instant payments from account to account
  - National digital identity solutions in Denmark and Norway and other value-added digitalization services
- **More than 240,000 corporate customers, mainly in Denmark and Norway**



### Financial and Network Services

- **Provider of outsourced processing services for over 240 issuers of payment cards and banks**
- **Operates and processes the national debit card systems Dankort in Denmark and BankAxept in Norway**
  - Delivery and rapid adoption of contactless payment functionality for Dankort
  - Recently launched mobile contactless functionality as well
- **Complementary services, including card management systems, fraud and dispute solutions and mobile wallet technology**









### Merchant Services

- **Provider of in-store, online and mobile payment acceptance solutions**
  - Enable merchants to accept payments, receive the settlement in a bank account and get detailed reconciliation information and statistics
- **Reach merchants through a broad set of distribution channels, including indirect partner relationships and a direct sales force**
- **Customer base of more than 300,000 merchants, from large corporate chains to SME's and micro merchants**
  - Includes 30,000 online merchants



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## Management Team

<b>Bo Nilsson</b> <i>Group Chief Executive Officer, CEO</i>		<ul style="list-style-type: none"><li>■ Bo Nilsson is the CEO of Nets and prior to that he was the CFO and Executive Vice President of the Company</li><li>■ Before working at Nets, he was a Vice president at JP Morgan, CFO and Director of Media Capital and Founder and Director of Group Leya</li></ul>
<b>Klaus Pedersen</b> <i>CFO, Group Executive Vice President, Finance &amp; Risk Management</i>		<ul style="list-style-type: none"><li>■ Klaus Pedersen joined Nets in 2015 from Chr. Hansen Holding where he was also the CFO</li><li>■ Prior to that, he was the CFO and CEO of DSB and CFO of TDC Switzerland</li></ul>
<b>Susanne Bronnum</b> <i>Group Executive Vice President, Financial &amp; Network Services</i>		<ul style="list-style-type: none"><li>■ Susanne Bronnum joined Nets in 1997 and held a variety of roles at the Company</li><li>■ She has an Academy Profession Degree in Financial Management from Copenhagen Business School and has completed The General Manager Programme at Harvard Business School</li></ul>
<b>Frode Asheim</b> <i>Group Executive Vice President, Corporate Services</i>		<ul style="list-style-type: none"><li>■ Frode Asheim started at Nets in 2006 and has held multiple roles as Director, Special Vice President and Group Executive Presidents</li><li>■ Previously, he worked as a consultant at PA Consulting Group</li></ul>
<b>Asger Hattel</b> <i>Group Executive Vice President, Merchant Services</i>		<ul style="list-style-type: none"><li>■ Asger Hattel took over Merchant Services at Nets after spending over 5 years at TDC, where he was the Senior Executive Vice President for the wholesale and Nordic businesses</li><li>■ Prior to TDC, he worked at McKinsey &amp; Co. as an associate partner</li></ul>
<b>Pia Jorgensen</b> <i>Group Executive Vice President, Technology</i>		<ul style="list-style-type: none"><li>■ Pia Jorgensen joined Nets in 2014 as Group CIO</li><li>■ She has had a long international career working for General Electric (GE), Washington Mutual Corporation and JPMorgan Chase &amp; Co.</li></ul>

Source: Company website.



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## Transaction Commentary

*"The IPO of Nets is the next step in the development of the Nets group following a period of rapid growth and considerable investment, during which the business has been transformed. Nets is now a highly commercial, customer-centric, innovative leader in the fast-growing digital payments space. We believe these changes, combined with our unique business model and the exceptional efforts from our employees, make us a company well placed for long-term future growth and a compelling story for potential investors."*

Bob Nilsson  
CEO



Inge Hansen  
Chairman



*"Nets is at the center of the digital payments ecosystem in the Nordic region. We have a highly experienced management team, which has delivered strong revenue growth and repositioned the business through a combination of operational improvements and significant investment in both existing and new products. We are excited about the opportunity for new investors to participate in Nets' future journey and would like to thank our customers for their continued support. We are proud to be a Nordic market leader in digital payments, and our planned IPO is the next step in our development to create a Nordic champion."*

*"We are delighted with the progress Nets has made over the past two years. Management, together with a highly motivated team of employees, has done an outstanding job of transforming the company into a fast-growing, innovative market leader. When we made our initial investment, we envisioned a future listing when Nets was ready. The company has exceeded its ambitious performance targets and done so faster than expected, so we are now executing on our plan. We believe Nets has significant growth potential as a public company and look forward to continuing our relationship as major shareholders."*

James Brocklebank  
Managing Partner



Robin Marshall  
Managing Director



*"Our ambition when we invested in 2014 was to help build the Nordics Payments Champion and it's clear that Nets is now not only that but one of the best payments companies in the world. Reliability and security have been our top priorities, but we've also helped management to build an efficient business with a scalable platform and relentless focus on innovation and customers. These are hugely valuable qualities that have accelerated the company's growth in an increasingly regulated, competitive and consolidating global payments industry."*

*"The transformation of Nets has exceeded our expectations by far and has been a very lucrative investment for our pensioners. We look forward to supporting Nets in the next phase and we will continue as shareholders."*

Carsten Stendevad  
CEO





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## Investment Highlights

### Nets is now... (compared to 2014):

#### ✓ A growth company

Nets is now achieving organic revenue growth of 6%, both in 2015 and the first half of 2016, versus growing marginally before. The number of processed card transactions have also increased by 16% from 6.3 billion in 2013 to 7.3 billion in 2015.

#### ✓ More efficient

Nets has implemented a simpler and market-oriented organizational model reducing duplicate roles, which has enabled the business to invest more heavily in its products and in acquisitions

#### ✓ More innovative with a host of new products

Nets has been able to make considerable investments in the business, using over DKK 800 mm to upgrade IT platforms, strengthen IT security and develop new products and another DKK 3.1 billion on acquisitions

#### ✓ Customer-centric with a renewed focus on customer service

Strategic business transformation and cultural shift of Nets to create a renewed focus on all parts of the ecosystem – banks, merchants, corporations and consumers

### Investment Highlights / Key Points:

#### ✓ At the heart of a highly digitized, fast-growing society in the Nordic region

Nets is well positioned to capitalize on structural growth and the Nordic region has some of the highest adoption rates for digital payments

#### ✓ A unique business model and leading provider of mission-critical services to the Nordic payments ecosystem

Nets is present at almost every point in the digital payment value chain, from providing the merchant solution to processing transactions for issuers, providing an ideal position to capitalize on future technology and regulatory developments

#### ✓ Well-positioned with an innovative and scalable platform

Nets has achieved scale economics on its platforms due to continuous investment and innovation with new product launches and a strong pipeline

#### ✓ A robust and attractive financial profile

Nets has a stable a predictable revenue model with a diversified customer base, characterized by long-term customer relationships

#### ✓ Multiple drivers of future growth and further upside opportunities

Nets will benefit from the continued conversion of cash payments and has a robust pipeline of new products, expected to drive revenue growth across all three business segments



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## Selected Recent FinTech IPOs Ranked by Size

Date	Size (\$ mm)	Company	Date	Size (\$ mm)	Company
10/13/15	\$3,340	worldpay	04/16/15	\$314	VIRTU FINANCIAL
07/30/14	2,900	synchrony FINANCIAL	04/15/16	253	Bats
10/14/15	2,560	First Data.	11/19/15	243	Square
09/23/16	2,370	nets	03/26/14	240	TriNet Ambitions Realized™
06/18/14	1,300	markit	05/25/16	238	Cotiviti
06/19/14	1,200	EURONEXT	12/16/14	200	OnDeck
12/10/14	870	LendingClub	06/10/15	196	evolent HEALTH
06/24/15	627	TransUnion <sup>tu</sup>	03/14/14	178	CASTLIGHT HEALTH
02/11/15	600	inovalon <sup>healthcare empowered</sup>	03/07/14	168	Quotient
07/09/15	579	FLOW TRADERS	03/24/14	138	paylocity
10/27/15	475	EQUINITI	10/09/15	138	cpi card group
05/19/15	441	BLACK KNIGHT <sup>FINANCIAL SERVICES</sup>	05/20/15	131	shopify

Source: FT Partners Proprietary Transaction Database.

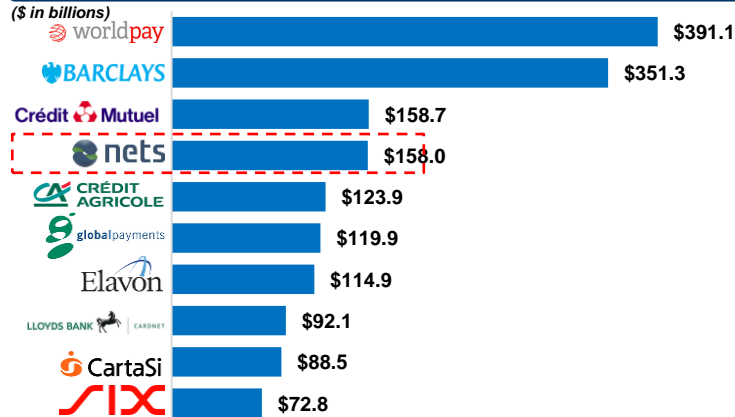




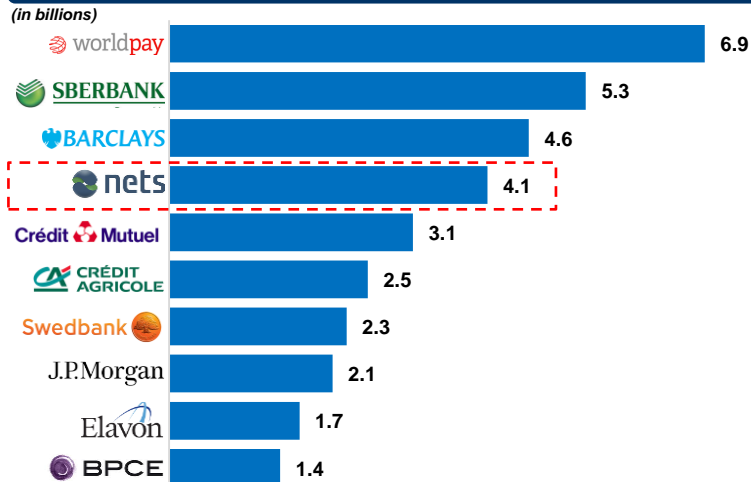
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## Industry Trends – European Merchant Acquirer Volumes

### Top European Acquirers by Volume (2015)



### Top European Acquirers by Transactions (2015)



### Merchant Acquirers in Europe Ranked by Visa / MasterCard Transactions

Rank '15	Rank '14	Company	Volume (\$ mm)	Change (%)	# of Trans. (mm)
1	1	Worldpay	\$ 389,509.4	5%	6,834.6
2	3	Sberbank	53,169.3	42%	5,326.4
3	2	Barclays	350,118.8	19%	4,582.1
4	4	Credit Mutuel CIC	158,722.3	7%	3,116.4
5	5	Credit Agricole	122,991.4	8%	2,535.8
6	6	Swedbank	66,294.9	16%	2,272.7
7	-	JP Morgan Commerce Solutions	57,818.2	-	1,932.2
8	7	Elavon	114,384.0	-10%	1,671.9
9	8	BPCE	71,384.5	2%	1,420.0
10	-	<b>Nets Group</b>	<b>49,291.8</b>	<b>-</b>	<b>1,377.4</b>
11	10	CartaSi	88,476.9	6%	1,358.7
12	9	Global Payments	119,334.0	19%	1,195.4
13	12	Six Payment Services	70,654.6	7%	1,098.5
14	11	BNP Paribas	66,469.8	8%	1,097.8
15	14	EVO Payments International	30,794.6	0%	1,036.7
16	15	Lloyds Cardnet Merchant Services	91,689.7	14%	998.0
17	13	Societe Generale	64,959.6	5%	997.4
18	17	UniCredit	33,331.5	13%	993.6
19	16	Comercia	69,445.6	18%	949.9
20	18	Garanti Bank	35,399.7	17%	709.3



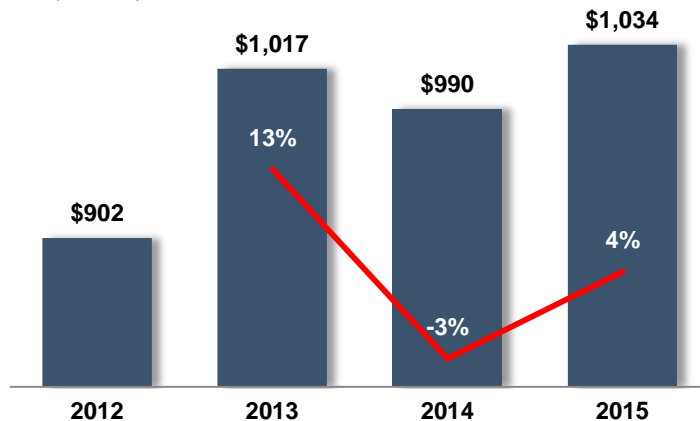
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## Financial Overview

Financials converted to USD as of 9/14/16;  
Conversion rate equals approximately 0.15 USD

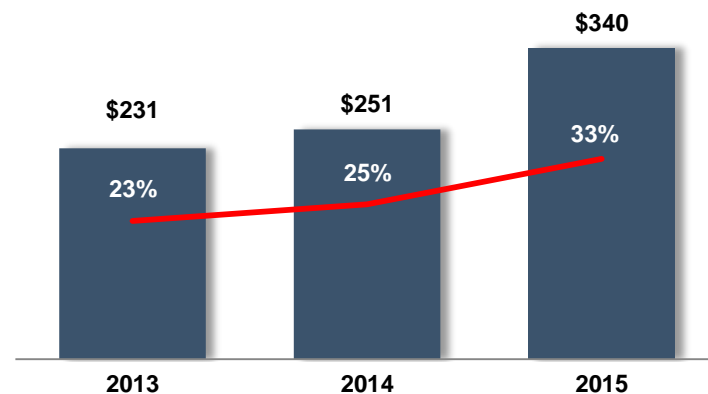
### Revenue / Growth %

(\$ in mm)



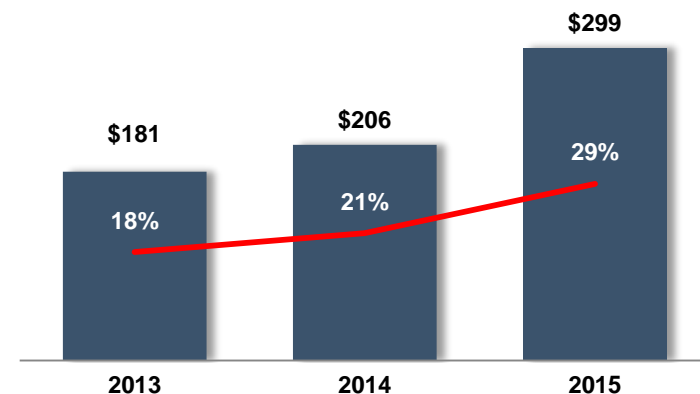
### EBITDA / Margin %

(\$ in mm)



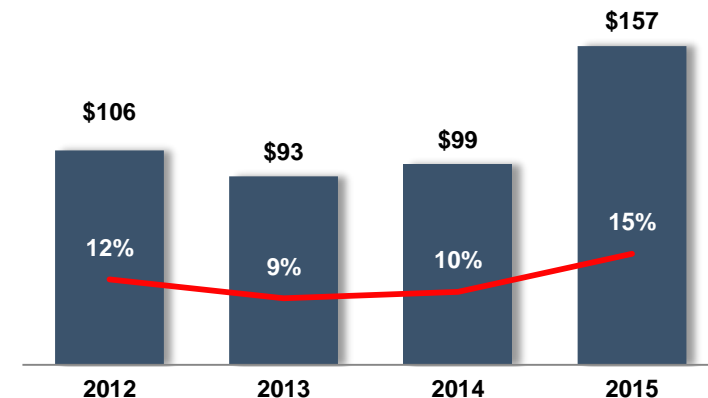
### EBIT / Margin %

(\$ in mm)



### Net Income / Margin %

(\$ in mm)



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## Financial Guidance

	2016 Guidance	Medium-Term Targets
Organic Revenue Growth	Around 6% on the basis of adjusted 2015 revenue of DKK 6.928 mm	5-6% per annum
EBITDA (before special items) Margin	Around 35%	High 30%'s
CapEx	Capex will be affected by investment in new data centers and hence expected to be at an elevated level of 10-12% of net revenue	Target normalized capex in the range of 6-8% of net revenue from 2017 onwards
Special Items	In 2016, special items on EBITDA levels are expected at DKK 800, of which approximately DKK 475 mm are IPO related	2017 special items are expected at DKK 120 mm; in addition IPO related retention costs are expected at DKK 60 mm for 2017 and 2018 (total)
Capital Structure	Leverage at year-end 2016 will be slightly below expected IPO leverage of 3.75x	Medium-term target net interest bearing debt / EBITDA before special items of 2.0-2.5x assuming no M&A



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## Public Comparables

Company Name	Price 09/29/16	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Multiples						Growth Rates			Margins		P / E / G CY 16E
						Price / Earnings		EV / EBITDA		EV / Revenue		Revenue		EPS	EBITDA		
						CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	LT	CY 16E	CY 17E	
Merchant Acquiring / Processing																	
Nets A/S	\$ 21.45	na	98 %	\$ 3,947	\$ 5,389	nm	28.4 x	14.2 x	12.9 x	3.6 x	3.4 x	45 %	6 %	na	25 %	26 %	na
First Data	13.13	(6)	73	12,487	34,363	9.9	8.7	11.9	11.3	4.8	4.6	2	4	17	40	40	0.6
Cielo	10.07	(2)	86	22,754	26,867	18.1	16.2	15.4	14.1	6.9	6.3	13	9	13	45	45	1.4
Global Payments	76.09	(1)	95	11,726	15,706	24.6	19.9	18.2	14.0	5.7	4.6	35	24	14	32	33	1.8
Vantiv	55.99	5	94	8,845	11,993	21.1	18.5	13.3	12.3	6.4	5.9	12	8	14	48	48	1.5
TSYS	46.72	(6)	82	8,643	11,850	16.6	14.7	11.7	10.3	2.8	2.4	53	17	11	24	23	1.5
Worldpay	3.80	(1)	91	7,551	9,324	24.5	22.4	16.0	14.1	6.4	5.8	16	10	30	40	41	0.8
Square	11.64	(3)	73	4,543	4,139	nm	nm	nm	nm	5.9	4.5	23	31	20	3	10	na
Worldline	30.41	(6)	93	4,042	3,553	26.9	23.8	12.1	10.1	2.4	2.1	9	15	13	20	20	2.1
CardConnect Corp	9.78	(2)	85	312	425	nm	31.9	11.2	8.9	0.7	0.6	29	25	na	6	6	na
Median		(6)%	85 %			9.9 x	18.5 x	13.1 x	12.1 x	4.2 x	4.0 x	24 %	5 %	17 %	33 %	33 %	0.6 x
Mean		(6)	85			9.9	18.5	13.1	12.1	4.2	4.0	24	5	17	33	33	0.6
Pure Play Card Associations																	
Visa	\$ 81.92	1 %	98 %	\$ 194,190	\$ 207,034	28.4 x	23.6 x	19.3 x	16.5 x	13.2 x	11.3 x	11 %	17 %	17 %	68 %	68 %	1.7 x
MasterCard	100.61	3	98	111,259	108,150	27.7	24.0	17.7	15.8	10.2	9.2	9	11	15	57	58	1.8
Median		2 %	98 %			28.1 x	23.8 x	18.5 x	16.2 x	11.7 x	10.3 x	10 %	14 %	16 %	63 %	63 %	1.7 x
Mean		2	98			28.1	23.8	18.5	16.2	11.7	10.3	10	14	16	63	63	1.7
Online Focused Payments																	
PayPal	\$ 40.39	10 %	97 %	\$ 47,817	\$ 42,860	27.0 x	23.3 x	15.4 x	13.5 x	4.0 x	3.4 x	18 %	16 %	15 %	26 %	25 %	1.8 x
Wirecard	51.98	4	94	6,423	5,559	24.7	21.7	16.3	12.9	4.9	3.9	32	26	28	30	30	0.9
PaySafe (Ika Optimal Payments)	5.78	(0)	97	2,857	3,330	14.5	12.8	11.5	10.2	3.4	3.1	79	11	na	30	30	na
Pushpay	1.84	(2)	89	426	417	na	na	na	na	na	na	na	na	na	na	na	na
OzForex	1.44	(22)	53	346	333	18.2	14.4	12.0	9.6	3.6	3.0	23	19	6	30	32	3.0
SafeCharge	2.86	(18)	79	433	267	11.5	9.7	6.0	5.1	1.9	1.7	3	13	na	32	33	na
JetPay	2.28	8	70	40	92	nm	nm	40.3	32.8	1.6	1.4	31	18	na	4	4	na
Earthport	0.19	0	35	88	57	nm	nm	nm	21.3	1.6	1.2	27	36	na	(15)	6	na
Median		(0)%	84 %			18.2 x	14.4 x	13.7 x	12.9 x	3.4 x	3.0 x	27 %	18 %	15 %	30 %	30 %	1.8 x
Mean		(3)	77			19.2	16.4	16.9	15.1	3.0	2.5	30	20	17	20	23	1.9



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## Public Comparables (cont.)

Company Name	Price 09/29/16	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Multiples						Growth Rates			Margins		P / E / G CY 16E
						Price / Earnings		EV / EBITDA		EV / Revenue		Revenue		EPS	EBITDA		
						CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	LT	CY 16E	CY 17E	
B2B Payment Solutions																	
FleetCor	\$ 172.66	3 %	99 %	\$ 16,527	\$ 18,866	25.2 x	21.3 x	19.5 x	16.3 x	10.2 x	8.8 x	8 %	16 %	17 %	53 %	54 %	1.5 x
Edenred	23.55	5	95	5,463	6,821	23.7	20.8	14.6	13.0	5.4	4.9	7	8	11	37	38	2.2
WEX	107.24	4	99	4,584	5,537	24.5	20.6	15.2	11.6	5.6	4.7	18	20	15	37	40	1.6
Median		4 %	99 %			24.5 x	20.8 x	15.2 x	13.0 x	5.6 x	4.9 x	8 %	16 %	15 %	37 %	40 %	1.6 x
Mean		4	98			24.4	20.9	16.4	13.6	7.1	6.1	11	15	14	42	44	1.8
Prepaid / Debit Payments																	
Blackhawk	\$ 29.95	(12)%	62 %	\$ 1,705	\$ 1,974	11.6 x	12.5 x	9.4 x	7.9 x	1.0 x	0.9 x	11 %	14 %	15 %	11 %	11 %	0.8 x
Green Dot	22.91	(1)	94	1,192	1,072	16.1	13.3	6.8	6.2	1.5	1.4	3	5	13	22	23	1.3
Blue Label Telecoms	1.37	2	91	912	874	17.3	15.4	9.4	8.8	0.4	0.4	14	6	na	5	5	na
Emerchants Payment Solutions	1.32	3	93	332	311	nm	27.8	39.4	19.9	9.3	5.7	131	64	na	24	29	na
Median		(7)%	78 %			13.8 x	12.9 x	8.1 x	7.0 x	1.2 x	1.2 x	7 %	10 %	14 %	16 %	17 %	1.0 x
Mean		(7)	78			13.8	12.9	8.1	7.0	1.2	1.2	7	10	14	16	17	1.0
Payroll / Check Processing																	
ADP	\$ 87.21	(4)%	91 %	\$ 39,891	\$ 38,684	25.3 x	22.9 x	15.1 x	13.8 x	3.2 x	3.0 x	7 %	7 %	11 %	21 %	22 %	2.3 x
Paychex	57.16	(6)	92	20,697	20,345	26.9	24.8	15.5	14.4	6.6	6.2	8	7	9	43	43	2.9
Ultimate Software	205.48	(2)	92	6,020	5,932	nm	nm	31.4	24.9	7.6	6.2	27	22	26	24	25	na
Paycom	49.99	(3)	94	2,878	2,826	nm	nm	33.4	26.0	8.6	6.7	48	29	30	26	26	na
Cornerstone OnDemand	46.35	3	97	2,687	2,654	nm	nm	nm	nm	6.2	5.1	25	22	20	7	10	na
Paylocity	43.82	(2)	88	2,353	2,266	nm	nm	nm	nm	8.6	6.9	45	26	25	11	13	na
WageWorks	60.17	(4)	92	2,288	1,798	43.0	36.2	16.6	14.1	5.0	4.5	8	11	15	30	32	2.9
Insperty	72.64	10	88	1,555	1,386	20.6	17.4	9.8	8.2	0.5	0.4	13	11	17	5	5	1.2
Median		(3)%	92 %			26.1 x	23.9 x	16.0 x	14.2 x	6.4 x	5.6 x	19 %	17 %	18 %	23 %	23 %	2.6 x
Mean		(1)	92			29.0	25.3	20.3	16.9	5.8	4.9	23	17	19	21	22	2.4

Source: Company filings, Capital IQ.  
Note: nm signifies negative value or value of >50.



# Nets Raises Approximately \$2.37 bn in its IPO

## Public Comparables (cont.)

Company Name	Price	% MTD	% LTM	Market	Enterprise	Multiples						Growth Rates			Margins		P / E / G
	09/29/16	Change	High	Value	Value	Price / Earnings		EV / EBITDA		EV / Revenue		Revenue		EPS	EBITDA		
				(\$ mm)	(\$ mm)	CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	LT	CY 16E	CY 17E	CY 16E
Other Financial Transaction Processors / Services																	
Alliance Data Systems	\$ 212.95	1 %	70 %	\$ 12,476	nm	12.6 x	11.2 x	nm	nm	nm	nm	11 %	11 %	15 %	28 %	28 %	0.8 x
Euronet	81.25	4	98	4,394	\$ 4,339	20.0	17.7	12.3	10.7	2.2	2.0	9	10	15	18	19	1.4
Deluxe	65.95	(3)	94	3,251	3,796	13.4	12.6	7.6	7.7	2.0	2.0	5	4	9	27	26	1.6
Shopify	42.96	6	95	3,964	3,784	nm	nm	nm	nm	10.3	7.2	87	43	25	(0)	2	na
Cardtronics	43.86	(1)	91	1,986	2,458	13.5	14.3	7.7	7.8	1.9	2.0	6	(1)	14	25	25	1.0
EVERTEC	16.46	(4)	84	1,230	1,854	9.9	9.5	10.0	9.8	4.8	4.7	4	2	11	48	48	0.9
NIC	23.06	0	97	1,521	1,393	32.4	30.3	16.4	15.0	4.4	4.1	8	7	15	27	27	2.2
Everi Holdings	2.54	20	47	168	1,198	3.8	3.3	6.1	5.8	1.4	1.4	3	3	20	23	24	0.2
De La Rue	7.77	(1)	92	795	941	14.2	13.8	8.0	7.6	1.6	1.5	(3)	0	na	19	20	na
PayPoint	13.63	3	98	928	823	17.0	16.0	10.8	10.4	3.0	3.1	(5)	(1)	6	28	30	2.8
Valid	9.58	3	62	620	777	20.1	14.8	8.7	7.2	1.4	1.3	8	10	23	16	17	0.9
Qiw	0.23	(2)	72	920	614	12.4	11.4	6.3	5.7	3.7	3.2	4	13	15	58	56	0.9
Newtek Business Services	14.11	6	74	204	357	8.7	7.5	nm	nm	11.8	9.9	28	19	3	5	5	2.9
Net 1 Ueps Technologies	8.39	(11)	46	459	289	4.9	4.7	2.0	1.9	0.5	0.4	(3)	10	na	24	23	na
Planet Payment	3.61	(1)	73	188	187	22.6	16.7	12.8	10.5	3.2	2.9	14	12	25	25	27	0.9
Eckoh	0.53	(17)	73	134	132	29.4	25.9	18.1	15.9	4.5	3.3	31	35	na	25	21	na
TIO Networks	1.63	(6)	87	147	121	22.3	15.7	11.6	9.0	1.5	1.3	78	18	na	13	14	na
Median		(1)%	84 %			13.9 x	14.0 x	9.4 x	8.4 x	2.6 x	2.4 x	8 %	10 %	15 %	25 %	24 %	1.0 x
Mean		(0)	79			16.1	14.1	9.9	8.9	3.6	3.1	17	12	15	24	24	1.4
Traditional Money Transfer / FX																	
Western Union	\$ 20.49	(4)%	94 %	\$ 10,021	\$ 12,068	12.3 x	11.8 x	9.0 x	8.9 x	2.2 x	2.2 x	(1)%	2 %	7 %	24 %	24 %	1.7 x
MoneyGram	6.87	(4)	63	367	1,341	8.7	6.8	5.1	4.8	0.9	0.8	7	7	14	17	17	0.6
Currency Exchange International	22.53	11	93	144	105	46.8	30.4	17.2	13.4	4.9	4.1	14	20	na	29	31	na
Median		(4)%	93 %			12.3 x	11.8 x	9.0 x	8.9 x	2.2 x	2.2 x	7 %	7 %	11 %	24 %	24 %	1.1 x
Mean		1	83			22.6	16.3	10.4	9.0	2.7	2.4	7	10	11	24	24	1.1
Payment POS Devices / Solutions																	
Ingenico	\$ 87.75	(20)%	64 %	\$ 5,407	\$ 5,658	18.3 x	16.0 x	10.9 x	9.7 x	2.2 x	2.0 x	4 %	9 %	10 %	20 %	21 %	1.9 x
Verifone	15.77	(22)	50	1,750	2,607	10.1	9.6	8.0	8.1	1.3	1.3	(2)	(1)	na	17	16	na
PAX Global Technology	0.75	(4)	53	839	578	9.8	8.5	6.1	5.2	1.3	1.2	17	14	18	22	22	0.6
USA Technologies	5.75	15	99	230	224	nm	nm	46.4	17.6	2.6	2.1	31	25	20	6	12	na
GHL Systems	0.20	(3)	69	130	129	29.8	19.7	11.3	8.8	2.3	1.9	22	17	nm	20	22	na
Median		(4)%	64 %			14.2 x	12.8 x	10.9 x	8.8 x	2.2 x	1.9 x	17 %	14 %	18 %	20 %	21 %	1.2 x
Mean		(7)	67			17.0	13.5	16.5	9.9	1.9	1.7	14	13	16	17	19	1.2



# Nets Raises Approximately \$2.37 bn in its IPO

## Nets v. Select Merchant Acquirers

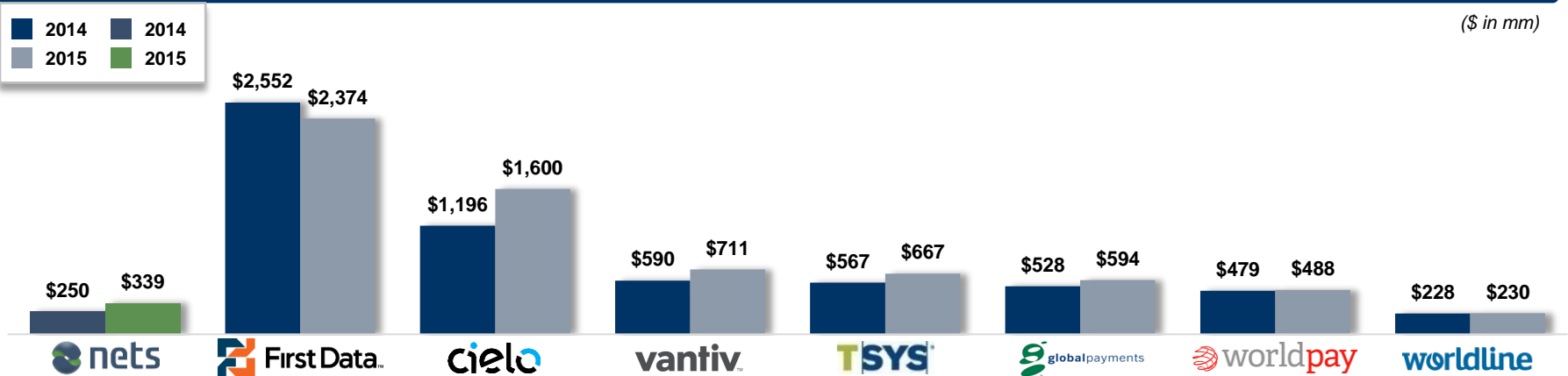
### Revenue

(\$ in mm)



### EBITDA

(\$ in mm)

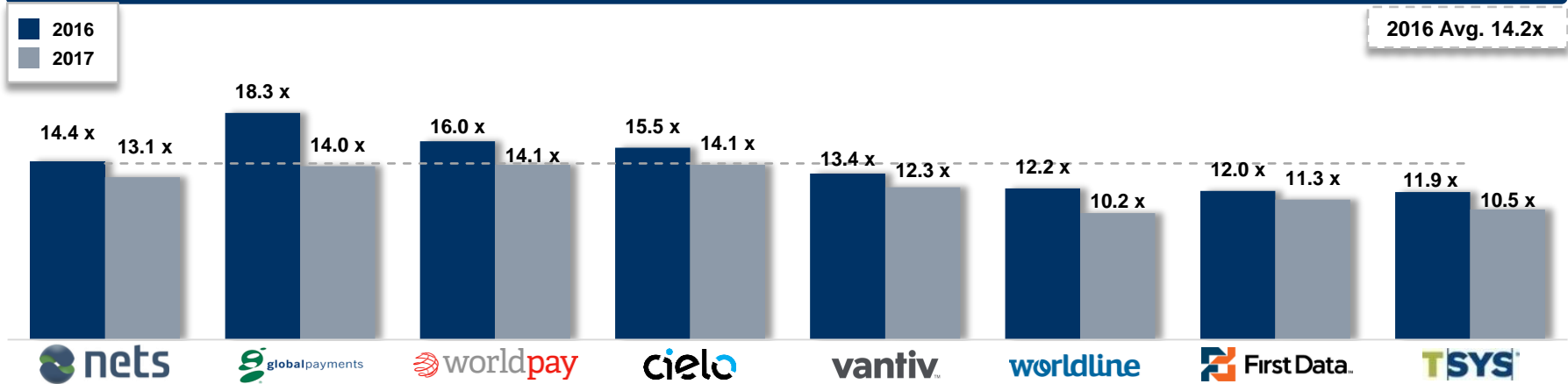




# Nets Raises Approximately \$2.37 bn in its IPO

## Merchant Acquirers - Public Comparables

### Enterprise Value / EBITDA



### Price / Earnings



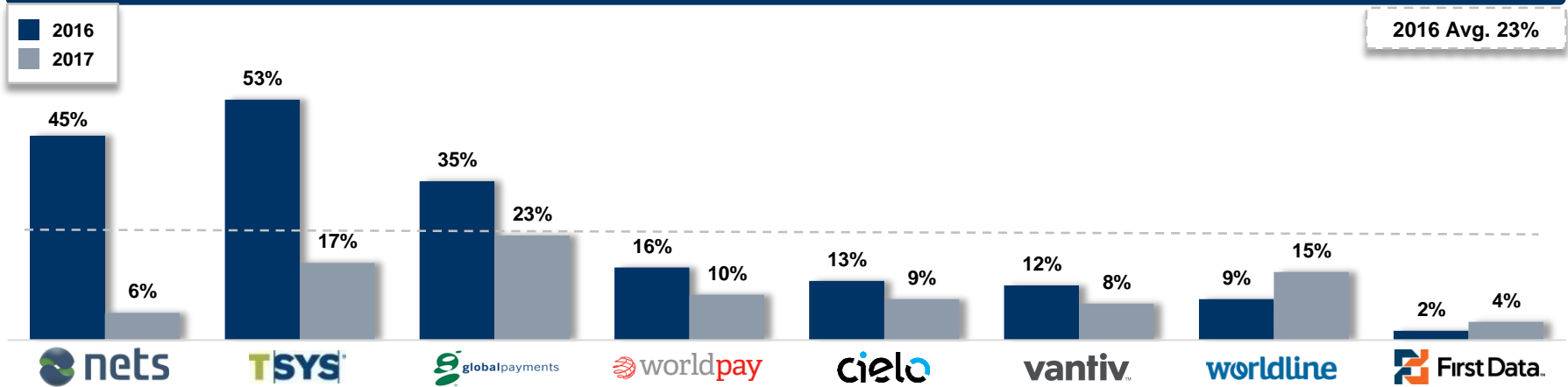




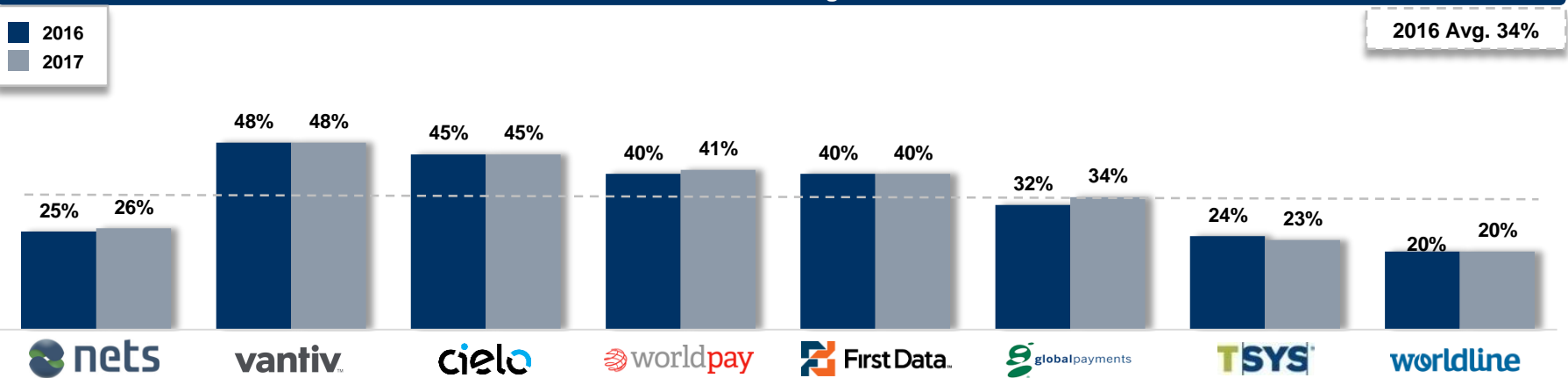
# Nets Raises Approximately \$2.37 bn in its IPO

## Merchant Acquirers - Public Comparables

### Revenue Growth Rates



### EBITDA Margins



# Overview of FT Partners

## FT Partners is the Leader in Financial Technology Investment Banking

<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p><b>Heartland</b></p> <p>in its sale to</p> <p><b>globalpayments</b></p> <p>for total consideration of</p> <p><b>\$ 4,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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 strategic and financial advisor to</p> <p><b>MERCURY*</b></p> <p>in its cash sale to</p> <p><b>vantiv</b></p> <p>for total consideration of</p> <p><b>\$ 1,650,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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 strategic and financial advisor to</p> <p><b>TRANSFIRST</b></p> <p>in its sale to</p> <p><b>V</b> Vieta Equity Partners from <b>WCAS</b></p> <p>for total consideration of</p> <p><b>\$ 1,500,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>GiftCards.com</b></p> <p>in its sale to</p> <p><b>BLACKHAWK</b> NETWORK</p> <p>for total consideration of</p> <p><b>\$ 120,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>Merchant Warehouse</b></p> <p>in its Significant Growth Recapitalization by</p> <p><b>PARthenon CAPITAL PARTNERS</b></p> <p>for total consideration of</p> <p><b>\$100,000,000+</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>MERCURY*</b></p> <p>in its approximately 60% Growth Investment by</p> <p><b>SILVERLAKE</b></p> <p>for a value up to</p> <p><b>\$ 900,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>cardsPRING</b></p> <p>in its sale to</p> <p><b>twitter</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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 strategic and financial advisor to</p> <p><b>century PAYMENTS</b></p> <p>in its sale to</p> <p><b>WorldPay</b></p> <p>a portfolio company of <b>Bain Capital</b></p> <p>for total consideration of</p> <p><b>\$ 100,000,000+</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>MARQETA</b></p> <p>in its Series C minority financing from</p> <p><b>COMMERZ VENTURES</b> Commerzbank Group</p> <p><b>83NORTH CV</b> LA CAPITAL GROUP</p> <p>for total consideration of</p> <p><b>\$ 25,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>YAPSTONE*</b></p> <p>in its minority investment led by</p> <p><b>ACCEL PARTNERS</b></p> <p>for total consideration of approximately</p> <p><b>\$ 50,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>VERUS</b></p> <p>in its sale to</p> <p><b>sage</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 325,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>SOLVERAS</b> PAYMENT SOLUTIONS™</p> <p>in its sale to</p> <p><b>TRANSFIRST</b></p> <p>valued at approximately</p> <p><b>\$ 51,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>lynk</b></p> <p>in its sale to</p> <p><b>The Royal Bank of Scotland</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 525,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>PROPAY</b></p> <p>in its sale to</p> <p><b>TSYS</b></p> <p>for total consideration of approximately</p> <p><b>\$ 135,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>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><b>nmi</b></p> <p>in its growth investment by</p> <p><b>BregalSagmount</b></p> <p>for a total valuation of nearly</p> <p><b>\$200,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

**Unparalleled experience in Payment Processing across the entire spectrum of transaction types and dynamics, with extremely strong execution and outcomes**

## Timeline of Selected FT Partners Payment Processing Transactions

**Timeline of Fiserv's Growth (1984-2016):**

- 1984:** VeriFone IPO (\$177mm)
- 1988:** VeriFone Debt Recap (\$292mm)
- 1990:** VeriFone Verus (now Sage Payments) Sale to Sage (\$325mm)
- 1992:** Custom House Western Union Sale (\$370mm)
- 1994:** Fleet One WEX Sale (\$369mm)
- 1996:** Cayan (fka Merchant Warehouse) Recap by Parthenon Capital Partners
- 1998:** TransFirst Recap (\$675mm)
- 2000:** YapStone ePayments as a Service (\$50mm Financing from Accel Partners)
- 2002:** Propay (\$100+mm Sale to TSYS)
- 2004:** Century Payments (\$100+mm Sale to Worldpay)
- 2006:** Bain Capital Ventures Adams Capital Management (\$70mm strategic investment from CIBC MasterCard)
- 2008:** Mercury (\$1.65bn Sale to Vantiv)
- 2010:** Judo Growth Financing from Route Sixty-Six Ventures (\$600mm)
- 2012:** Heartland (\$4.5bn Sale to Global Payments)
- 2014:** Remitly (\$38.5mm Financing)
- 2016:** Marqeta (\$25mm Financing from Corsair Capital)
- 2017:** nmi Growth Investment from Great Hill Partners (\$1.5bn Sale to Vista Equity Partners)
- 2018:** Cardspring (\$20mm Financing from Frog Capital)
- 2019:** OZFOX (Foreign Exchange Services) IPO
- 2020:** Sum Up Financing from Groupon (\$100mm+ Sale to TSYS)
- 2021:** BBVA (\$100mm+ Sale to TSYS)
- 2022:** Cardspring (\$20mm Financing from Frog Capital)
- 2023:** Cardspring (\$20mm Financing from Frog Capital)
- 2024:** Cardspring (\$20mm Financing from Frog Capital)

# Overview of FT Partners

## Ground-Breaking Transactions Pioneered by FT Partners

<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><b>Lynk</b></p> <p>in its sale to</p> <p><b>The Royal Bank of Scotland</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 525,000,000</b></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><b>VERUS</b></p> <p>in its sale to</p> <p><b>sage</b></p> <p>for cash consideration of approximately</p> <p><b>\$ 325,000,000</b></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><b>CUSTOM HOUSE</b></p> <p>in its sale to</p> <p><b>WESTERN UNION</b></p> <p>for total cash consideration of approximately</p> <p><b>\$ 370,000,000</b></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><b>MERCURY<sup>®</sup></b></p> <p>in its approximately 60% Growth</p> <p><b>SILVERLAKE</b></p> <p>for a value up to</p> <p><b>\$ 900,000,000</b></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><b>cardsPRING</b></p> <p>in its sale to</p> <p><b>twitter</b></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 strategic and financial advisor to</p> <p><b>Heartland</b></p> <p>in its sale to</p> <p><b>globalpayments</b></p> <p>for total consideration of</p> <p><b>\$ 4,500,000,000</b></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 strategic and financial advisor to</p> <p><b>cardconnect.</b></p> <p>in its sale to</p> <p><b>FinTech Acquisition Corp</b> (NASDAQ: FNTC)</p> <p>for total consideration of</p> <p><b>\$ 438,000,000</b></p> <p>FINANCIAL TECHNOLOGY PARTNERS The Only Investment Bank Focused Exclusively on Financial Technology</p>
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First sale of a U.S.  
merchant acquirer  
to a large  
international  
financial institution;  
became Worldpay  
U.S.

First sale of a U.S.  
merchant acquirer  
to an international  
software company;  
became Sage  
Payments

First sale of an  
"International  
Payments  
Specialist" to a  
pure-play  
consumer  
remittance  
provider

First large-scale  
transaction for an  
integrated  
merchant acquirer

First sale of a  
payments  
company to an  
established social  
media company

Largest U.S.  
strategic  
merchant  
acquiring  
acquisition in over  
the last decade

Sale of a  
payment  
processor to a  
SPAC vehicle

*Transactions demonstrate success breaking new ground across the Payment Processing sector*

# Overview of FT Partners

## Selected FT Partners' Research (click to view)



Research Report: Transaction Security



Research Report: PayPal Spin-off Overview



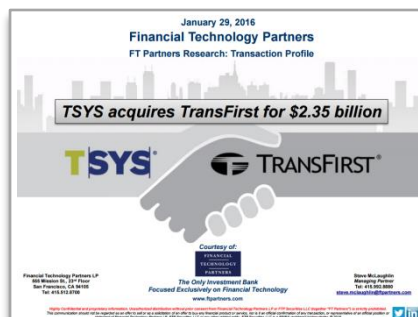
Research Report: Global Money Transfer



Research Report: Apple Unveils Apple Pay



Heartland's Sale to Global Payments



TransFirst's Sale to TSYS



Square Completes its IPO



First Data: Post Quiet Period Review

FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 13 years of exclusive focus on Financial Technology. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.

# Overview of FT Partners

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

*FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition*



M&A Advisor Awards

2016	<ul style="list-style-type: none"> <li>■ <b>Investment Banking Firm of the Year</b></li> <li>■ <b>Cross Border Deal of the Year</b></li> </ul>
2015	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Technology Deal of the Year</b></li> </ul>
2014	<ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2012	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ <b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2011	<ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ <b>Deal of the Decade</b></li> <li>■ <i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>
2010	<ul style="list-style-type: none"> <li>■ <b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li>■ <b>IT Services Deal of the Year, Below \$500mm</b></li> <li>■ <b>Cross-Border Deal of the Year, Below \$500mm</b></li> </ul>
2007	<ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Business to Business Services Deal of the Year</b></li> <li>■ <b>Computer and Information Technology Deal of the Year, Above \$100mm</b></li> <li>■ <b>Financial Services Deal of the Year, Above \$100mm</b></li> </ul>



Institutional Investor Annual Ranking

2015	■ Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006-2008	■ Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology



Middle Market Financing Awards







2008	<ul style="list-style-type: none"> <li>■ <b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ <b>Information Technology Deal of the Year</b></li> <li>■ <b>Financial Services Deal of the Year</b></li> </ul>
2006	<ul style="list-style-type: none"> <li>■ <b>Financing Professional of the Year – Steve McLaughlin</b></li> <li>■ <i>Financing Deal of the Year - Equity</i></li> <li>■ <i>Financing Deal of the Year - Debt</i></li> </ul>

Note: **Bold** represents awards that FT Partners has won, *italics* represents nominations.



# Overview of FT Partners

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>21</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	<b>21</b>
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee</li> <li>Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU &amp; EEFT among others</li> </ul>	<b>20</b>
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with J.P. Morgan and UBS</li> <li>Formerly Global Head of Strategy at First Data</li> </ul>	<b>18</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners beginning in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>14</b>
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>10</b>