

# FT PARTNERS FINTECH INDUSTRY RESEARCH

**Largest**  
**FinTech M&A**  
**Transaction Ever!**

January 23, 2019

**fiserv.**

**Fiserv (NASDAQ: FISV) Acquires First Data (NYSE: FDC)**  
**in an All Stock Transaction**

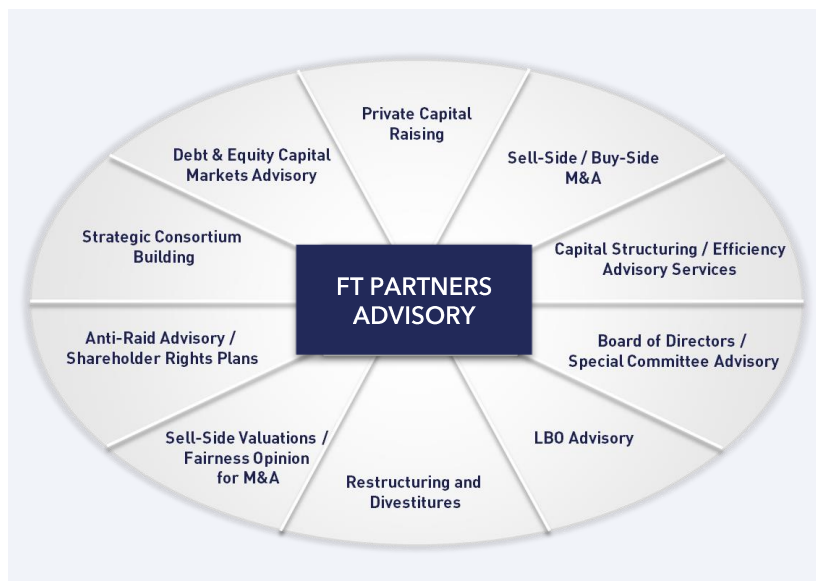
**Implied Market Value of ~\$21 billion**  
**Implied Enterprise Value of ~\$41 billion**

**First Data®**

## 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"**

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# Fiserv Acquires First Data for \$41 billion EV

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**fiserv.** First Data.

## Transaction Overview

### Transaction Summary

- On January 16, 2019, Fiserv (NASDAQ:FISV) announced that it has entered an agreement to acquire First Data (NYSE:FDC) in an all stock transaction valuing First Data at a market value of ~\$21 billion and an enterprise value of ~\$41 billion
  - Under the terms of the agreement, First Data shareholders will receive 0.303 new Fiserv shares for each First Data share (equivalent to \$22.74 per share) <sup>(1)</sup>
  - The offer is a 29% premium over the five-day volume weighted average price as of January 15, 2019
- After the close of the transaction, Fiserv shareholders will own 57.5% of the combined company, while First Data shareholders will own 42.5%, on a fully diluted basis
- The highly complementary combination of the two companies will enable the new entity to touch all aspects of the payments value chain including core functions like card issuer processing, network services, e-commerce, and integrated payments
- This transaction is the largest FinTech acquisition ever, as measured by enterprise value

### Summary of Multiples

Year	EV / EBITDA without Synergies	P / E
2018E	12.6x	16.2x
2019E	12.0	14.5
2020E	11.2	12.6

### Transaction Commentary

*"Through this transformative combination, we expect to redefine the manner in which people and institutions move money and information."*

*"We admire First Data for its excellence in merchant acquiring and global issuing services, and the tremendous progress they have made under Frank's leadership. We expect this combination to catalyze and support an enhanced value proposition for our collective clients and their customers."*

*"We expect the combined company to retain our current investment-grade ratings based on our strong financial profile and excellent free cash flow. Together, this should provide the basis for continued disciplined capital allocation, including debt repayment and share repurchase."*

**fiserv.**

Jeffrey Yabuki  
President, CEO



*"I have long admired what Fiserv has achieved over the years, and I look forward to working with the talented associates of both companies as we set a higher standard of innovation and service in the industry."*

*"Our goal at First Data has always been to provide our clients with the most comprehensive suite of innovative, highly-differentiated solutions and services, and I am excited by the significant value that the combination with Fiserv creates for all stakeholders."*

**First Data.**

Frank Bisignano  
CEO



Source: Company website, Company press release, Company filings, Capital IQ

(1) Based on closing share prices as of 1/15/19

# Fiserv Acquires First Data for \$41 billion EV

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## Transaction Rationale



### Strategic Rationale

#### Differentiated Financial Services Platform

The combined company expects to create additional value for account processing clients and deepen relationships. Fiserv and First Data will link their respective merchant and cash management capabilities, further developing new offerings.

#### Enhanced Payments Capabilities

The combination creates a differentiated, end-to-end payments platform from issuance to acceptance. The combined company will enable additional payment methods that give financial institutions, merchants and billers the ability to meet their customers' needs across the multiple ways they want to pay.

#### Highly Complementary Products and Distribution Channels

The combined company will create additional value for Fiserv and First Data clients through an expanded portfolio of solutions.

#### Investing to Enrich Future Value Proposition

The combined company expects to invest \$500 million over five years to enhance its solutions for its clients and accelerate growth. The program will include next-generation merchant solutions, digital enablement, advanced risk management, and data-focused solutions.

### Financial Rationale

#### Enhanced Revenue Growth Potential

The transaction is expected to generate at least \$500 million of revenue synergies over a five year period.

#### Strong Adjusted Earnings Per Share Accretion

The transaction is expected to be accretive to adjusted EPS by more than 20% in the first full year after closing. The combined company expects accretion of more than 40% to adjusted EPS at the full cost synergy run-rate.

#### Significant Cash Flow Generation

The combined company expects to generate significant free cash flow exceeding \$4 billion in the 3<sup>rd</sup> year following close, including synergies.

#### Substantial Cost Savings

The combination is expected to generate approximately \$900 million of run-rate cost synergy savings over five years, driven primarily by the elimination of duplicative corporate structures, streamlined technology infrastructure, increased operational efficiencies, process improvements, and footprint optimization.

#### Strong Financial Position

Fiserv intends to refinance approximately \$17 billion of debt that First Data is expected to have at closing, and has entered into a committed bridge financing arrangement in connection with the transaction.

# Fiserv Acquires First Data for \$41 billion EV

## The Combined Company

*The combined entity will be known as Fiserv*

### Business Model Alignment



Card-based solutions for bank and non-bank issuers and value-added network services

- Card – Based Payment and Security Solutions

4,000+ FI connections      1.2 billion accounts on file  
25 billion annual transactions      121 million cards (in STAR)

- Leading Risk Management Solutions



Transaction Security & Fraud Prevention

- Card-based Acceptance Across Multiple Products



Credit  
Debit



Retail  
Commercial



Loans  
Prepaid



Merchant acquiring business solutions

- Global Merchant Acquiring

\$2.4 trillion annual global volume      68 billion annual transactions

- Distribution Channels



Partner Solutions



Financial Institutions



Direct

- Merchant Solutions



Global  
eCommerce

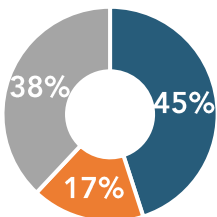


Integrated  
payments



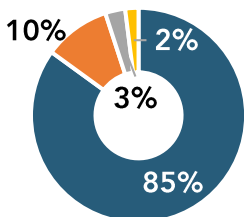
Cloud-based  
POS (Clover)

#### Combined Capabilities



Payments  
Merchant Acquiring  
Financials

#### Combined Geographic Presence



North America  
EMEA  
LATAM  
APAC

### Combined Team

#### Board of Directors

10 members:

- 6 from the board of Fiserv
- 4 from the board of First Data

#### Leadership



##### Jeffrey Yabuki

Current Fiserv President & CEO; Will serve as CEO and Chairman of the Board of the combined company



##### Frank Bisignano

Current Chairman & CEO of First Data; Will serve as President & COO, and as Director of the Board of the combined company

# Fiserv Acquires First Data for \$41 billion EV

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## Financial Metrics

As of the twelve months ended 9/30/2018 except Market Cap and Enterprise Value

<i>\$ in billions</i>	Fiserv	First Data	Synergies	Combined
Adjusted Revenue	\$5.5	\$8.6	\$0.5	\$14.6
Adjusted Operating Income	\$1.8	\$2.4	\$1.1	\$5.3
Free Cash Flow	\$1.2	\$1.5	\$0.9	\$3.6
Debt	\$5.3	\$17.7	na	\$23.0
Market Cap	\$29.9 <sup>(1)</sup>	\$21.3 <sup>(2)</sup>	na	\$51.2
Enterprise Value	\$34.5 <sup>(1)</sup>	\$41.3 <sup>(2)</sup>	na	\$75.8

Source: Company website, Company press release, Company filings, Capital IQ, Fiserv / First Data investor presentation

(1) As of 1/15/19

(2) Calculated using \$22.74 per share implied offer price

# Fiserv Acquires First Data for \$41 billion EV

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## Valuation Analysis at Various Prices

### Implied Valuation Metrics

Price Period	Implied Offer Price	One Day	One Month	Three Month	LTM High	LTM Low
Implied Share Price	\$22.74	\$17.54	\$16.42	\$23.90	\$26.24	\$14.99
Implied Offer Price Premium		30%	38%	(5%)	(13%)	52%
Implied Equity Value	\$21,296	\$16,426	\$15,377	\$22,382	\$24,574	\$14,038
Implied Enterprise Value	\$41,336	\$36,466	\$35,417	\$42,422	\$44,614	\$34,078

	Metric						
<b>EV / EBITDA (Without Synergies)</b>							
2018E	\$3,280	12.6x	11.1x	10.8x	12.9x	13.6x	10.4x
2019E	3,443	12.0	10.6	10.3	12.3	13.0	9.9
2020E	3,689	11.2	9.9	9.6	11.5	12.1	9.2
<b>EV / EBITDA (With Cost Synergies)</b>							
2018E	\$4,180	9.9x	8.7x	8.5x	10.1x	10.7x	8.2x
2019E	4,343	9.5	8.4	8.2	9.8	10.3	7.8
2020E	4,589	9.0	7.9	7.7	9.2	9.7	7.4
<b>P/E (Without Cost Synergies)</b>							
2018E	\$1.40	16.2x	12.5x	11.7x	17.1x	18.7x	10.7x
2019E	\$1.57	14.5x	11.2x	10.5x	15.2x	16.7x	9.5x
2020E	\$1.80	12.6x	9.7x	9.1x	13.3x	14.6x	8.3x

Source: Company filings, Capital IQ, Thomson Reuters

Note: Earthport's fiscal year ends June 30

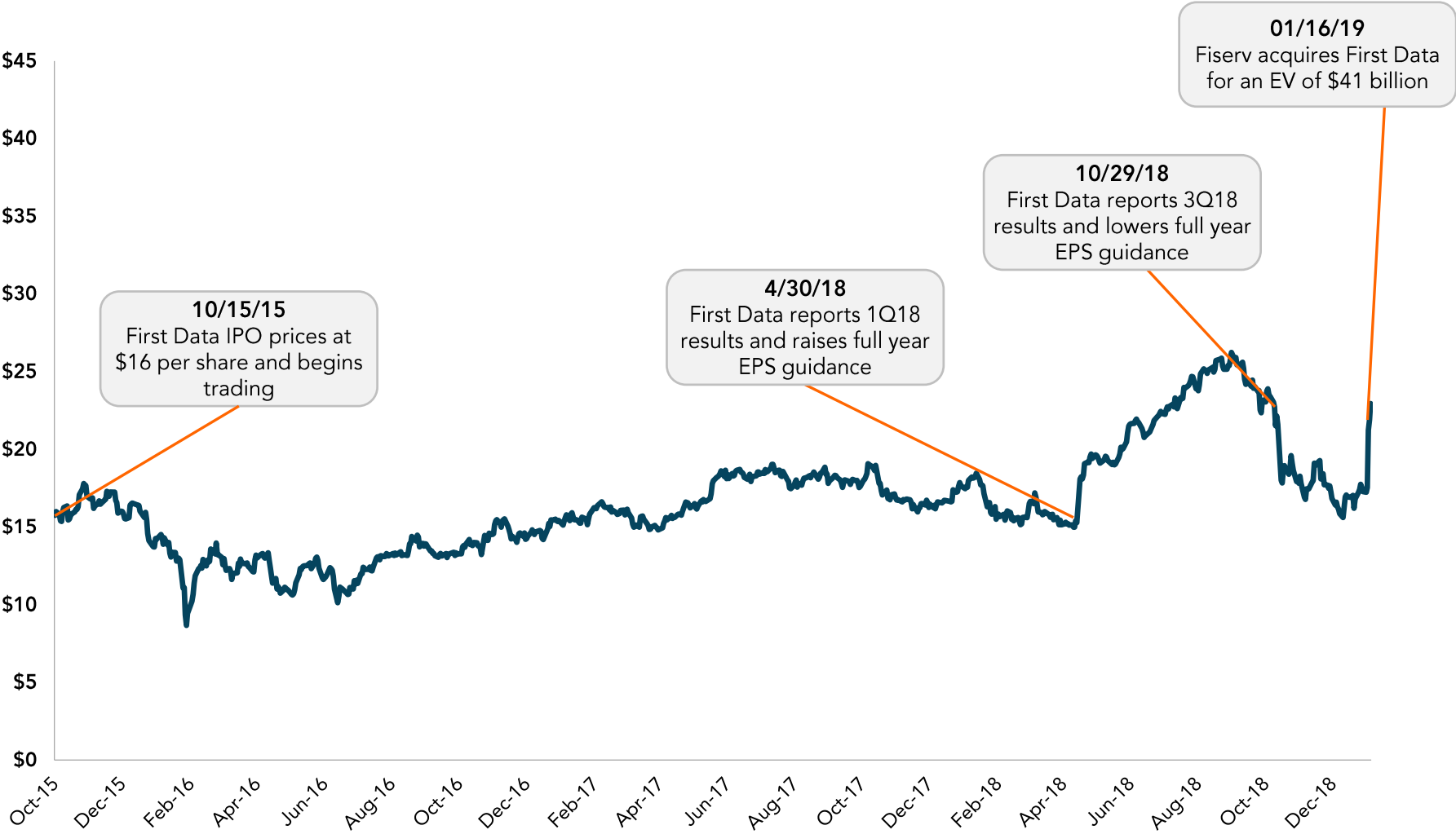
(1) LTM calculated using 50% of FY2018 revenue and 50% of FY2019E revenue

(2) NTM calculated using 50% of FY2019E revenue and 50% of FY 2020E revenue

# Fiserv Acquires First Data for \$41 billion EV

## First Data Stock Performance

**First Data®**



Source: Company website, Company filings, Capital IQ



# Fiserv Acquires First Data for \$41 billion EV

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## Selected Analyst Commentary

### Analyst Commentary



- *"While we are disappointed on valuation and timing, we do believe this deal is entirely in-line with CEO Frank Bisignano's strategic view of the bank channel."* <sup>(1)</sup>
- *"First Data's distribution has been behind the curve."*
- *"We think the announced acquisition by Fiserv has everything to do with distribution"*



- *"BTIG Research analyst Mark Palmer says the Fiserv-First Data deal is negative for Square."* <sup>(2)</sup>
- *"The upshot is that Clover and Clover Go will now be backed by a FinTech giant with deep pockets that intends to accelerate the growth of the platform. First Data's focus with Clover is on middle-sized merchants – the businesses that Square is targeting as its growth becomes driven less by the micro-merchants."* <sup>(2)</sup>



- *"While the \$22 billion acquisition of First Data will yield impressive revenue and cost synergies, the purchase price of \$22.74 per share is notably below the stock's peak and far from the bull-case target price that prevailed in the investment community throughout much of 2018."* <sup>(2)</sup>
- *"Moreover, when the M&A dust settles, Fiserv, which has a reputation for being a solid high-quality company, will be faced with the same issues that First Data has been facing with over the past few years. Those include an under-performing North America merchant acquiring business."* <sup>(2)</sup>

Source: Company website, Company press release, Company filings, Capital IQ

<sup>(1)</sup> Craig Hallum Institutional Research

<sup>(2)</sup> Investor's Business Daily: "Fiserv Buys First Data As Consolidation Heats Up Among Fintech Companies"

# Fiserv Acquires First Data for \$41 billion EV

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## Previous Notable First Data Events

*First Data originally entered the public markets through a spin-off from American Express in 1992 and then was acquired by KKR in a leveraged buyout in 2007. First Data then returned to the public markets through an IPO in October 2015.*

### KKR's Acquisition of First Data in 2007

**KKR**

- On September 24, 2007, Kohlberg Kravis Roberts & Co. (KKR) completed its acquisition of First Data Corporation in a leveraged buyout with an enterprise value of \$28 billion.
- First Data shareholders received \$34 in cash per share of common stock, a premium of approximately 26% over First Data's closing share price of \$26.90 on March 30, 2007 and a premium of approximately 34% over the average closing share price during the previous 30 trading days.
- At the time, the transaction was the largest technology-related buyout in history, surpassing the acquisition of Freescale Semiconductor for \$17.6 billion, and came at the end of frenzied period of leveraged buyouts.

### Historical Transaction Multiples

LTM / NTM as of September 24, 2007

**Enterprise Value = \$27.7 bn**

**4.8x**

EV / LTM Revenue

**13.4x**

EV / LTM EBITDA

**32.1x**

EV / LTM Net Income

**3.6x**

EV / NTM Revenue

**27.4x**

EV / NTM Net Income

### First Data's 2015 IPO

Initial Filing Date:	• July 20, 2015
Trading Date	• October 15, 2015
Initial Filing Range:	• \$18-20
Number of Shares Offered	• 160 mm
Offer Price:	• \$16
Proceeds:	• \$2,560 mm

**Largest U.S.  
FinTech IPO in  
2015 and third  
largest to-date**

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Form S-1

First Data Corporation

**First Data.**

NYSE: FDC

Adam L. Rosman, Esq.  
Executive Vice President, General Counsel and Secretary  
225 Liberty Street, 29<sup>th</sup> Floor  
New York, New York 10281

**citi** **Bank of America** **KKR**  
**Merrill Lynch**

**BARCLAYS** **CREDIT SUISSE** **Deutsche Bank** **HSBC**

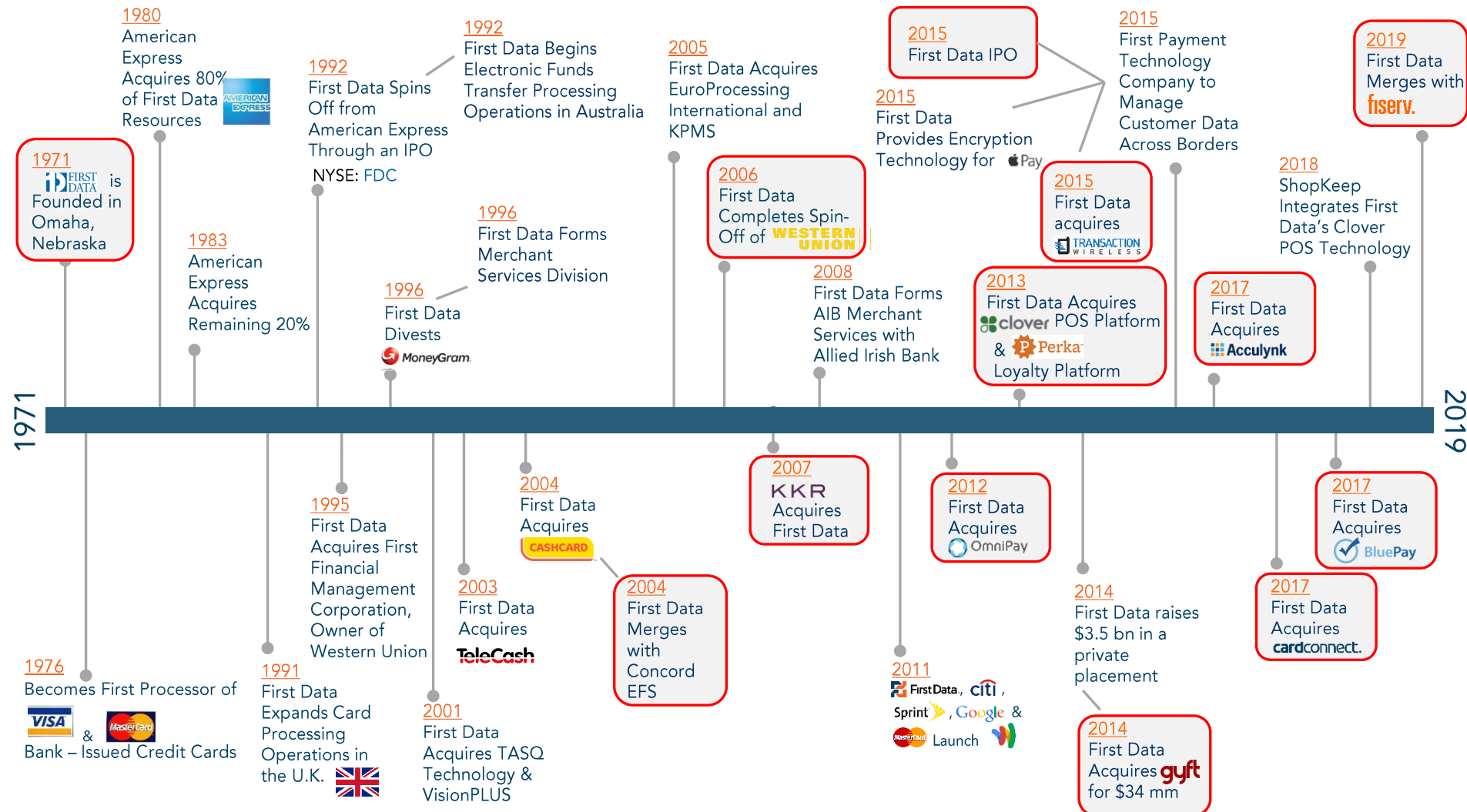
**MIZUHO** **PNC** **WELLS FARGO**  
**ALLEN & COMPANY** **BBVA** **COWEN**

# Fiserv Acquires First Data for \$41 billion EV

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## Selected Events In First Data's History



# Fiserv Acquires First Data for \$41 billion EV

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## First Data Overview

### Company Overview

**First Data®**

**CEO:** Frank Bisignano  
**Headquarters:** Atlanta, GA  
**Founded:** 1971

- First Data Corporation (NYSE:FDC) provides electronic commerce and payments solutions for financial institutions, commercial establishments, and consumers in the United States and internationally
- First Data has more than 22,000 employees worldwide and processes more than 93 billion transactions annually and \$2.4 trillion in global payment volume annually



### Financial Snapshot

Market Cap / Balance Sheet (\$ in mm, except share price)			
	Current	LTM High	LTM Low
Share Price <sup>(1)</sup>	\$22.95	\$26.24	\$14.99
Median Analyst Price Target	\$23.50		
Market Cap <sup>(1)</sup>			\$21,493
Total Debt <sup>(2)</sup>			\$17,755
Gross Cash <sup>(2)</sup>			\$601
EV			\$41,533

Key Financials (\$ in mm)			
	FY 2017A	FY 2018E	FY 2019E
Revenue	\$8,129	\$8,653	\$8,967
% Growth	4%	6%	4%
Gross Profit	\$5,007	\$5,679	\$5,855
% Margin	62%	66%	65%
EBITDA	\$3,072	\$3,280	\$3,443
% Margin	38%	38%	38%
EBIT	\$1,714	\$1,847	\$2,124
% Margin	21%	21%	24%

Key Valuation Statistics			
	FY 2017A	FY 2018E	FY 2019E
EV/Revenue	5.1x	4.8x	4.6x
EV/EBITDA	13.5x	12.7x	12.1x
P/E	15.1x	16.4x	14.6x

Source: Company website, Company press release, Company filings, Capital IQ

(1) As of January 18, 2019

(2) As of September 30, 2018

# Fiserv Acquires First Data for \$41 billion EV

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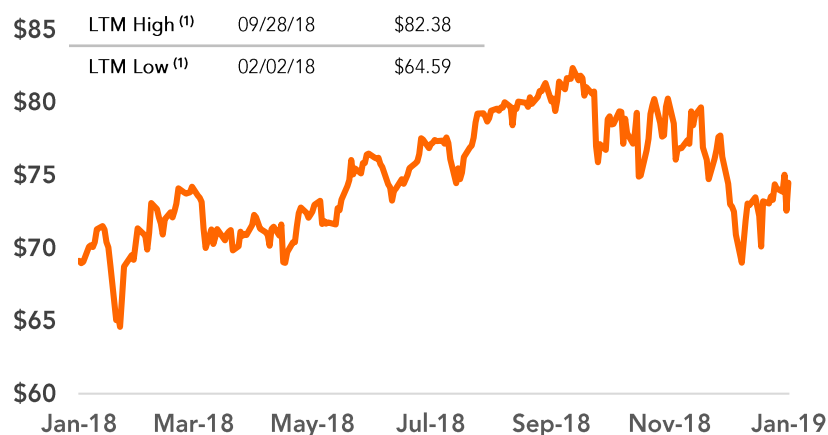
## Fiserv Overview

### Company Overview

**fiserv.**

**CEO:** Jeffrey Yabuki  
**Headquarters:** Brookfield, WI  
**Founded:** 1984

- Fiserv (NASDAQ:FISV) provides electronic commerce and payments solutions for financial institutions, commercial establishments, and consumers in the United States and internationally
- Fiserv has nearly 24,000 employees worldwide and moves more than \$75 trillion dollars annually and manages 25 million active bill pay users



### Financial Snapshot

Market Cap / Balance Sheet (\$ in mm, except share price)			
	Current	LTM High	LTM Low
Share Price <sup>(1)</sup>	\$77.82	\$82.38	\$64.59
Median Analyst Price Target	\$84.50		
Market Cap <sup>(1)</sup>			\$30,439
Total Debt <sup>(2)</sup>			\$5,275
Gross Cash <sup>(2)</sup>			\$673
EV			\$35,041

Key Financials (\$ in mm)			
	FY 2017A	FY 2018E	FY 2019E
Revenue	\$5,696	\$5,817	\$6,184
% Growth	3%	2%	6%
Gross Profit	\$2,636	\$2,755	\$2,958
% Margin	46%	47%	48%
EBITDA	\$2,053	\$2,158	\$2,335
% Margin	36%	37%	38%
EBIT	\$1,779	\$1,834	\$1,968
% Margin	31%	32%	32%

Key Valuation Statistics			
	FY 2017A	FY 2018E	FY 2019E
EV/Revenue	6.2x	6.0x	5.7
EV/EBITDA	17.1x	16.2x	15.0x
P/E	30.4x	25.0x	22.2x

Source: Company website, Company press release, Company filings, Capital IQ

(1) As of January 18, 2019

(2) As of September 30, 2018

# Fiserv Acquires First Data for \$41 billion EV

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## Selected Fiserv Acquisitions

Date	Target	Amount (\$ in mm)	FinTech Sector
01/17/19	<b>First Data</b>	\$41,336	Payments
09/25/18	Debit Processing Solutions of <b>Elan</b>	696	Banking / Lending Tech
08/21/17	<b>dovetail</b>	na	Banking / Lending Tech
08/01/17	<b>PCLENDER</b> THE TOTAL MORTGAGE SOLUTION	na	Banking / Lending Tech
06/13/17	<b>monitise</b>	98	Banking / Lending Tech
12/12/16	<b>ONLINE BANKING SOLUTIONS</b>	na	Payments
01/20/16	Community Financial Services Business of <b>ACI</b>	200	Banking / Lending Tech
01/15/16	Convenience Pay Services of <b>Hewlett Packard Enterprise</b>	na	Payments
01/14/13	<b>open Solutions</b>	1,015	Banking / Lending Tech
06/29/11	<b>CASH EDGE</b>	465	Banking / Lending Tech
03/01/11	Credit Union ON-Line Inc.	na	Banking / Lending Tech
03/01/11	Maverick Network Solutions	na	Payments
02/28/11	M-Com	na	Payments
06/07/10	<b>AdviceAmerica</b>	na	Capital Markets / WealthTech
08/02/07	<b>CheckFree</b>	4,564	Payments










Source: FT Partners' Proprietary Transaction Database

# Fiserv Acquires First Data for \$41 billion EV

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## Selected First Data Acquisitions

Date	Target	Amount (\$ in mm)	FinTech Sector
10/19/17	 BluePay	\$760	Payments
05/29/17	cardconnect.	750	Payments
03/16/17	 Acculynk	85	Payments
09/18/15	 spree commerce™	na	eCommerce
07/14/15	 TRANSACTION™ WIRELESS	na	Payments
07/03/14	 gyft	na	Payments
10/29/13	 Perka	34	Payments
12/01/12	 clover <small>A First Data Company</small>	56	Payments
04/30/12	 OmniPay <small>A First Data Company</small>	na	Payments
12/25/09	 ICICI Merchant Services	80	Payments
08/18/09	Cash Axxess	na	Payments
10/15/07	Deecal International	na	Payments
04/16/07	FundsXpress	na	Banking
03/30/07	P O L C A R D	325	Payments

# Fiserv Acquires First Data for \$41 billion EV

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## Selected Large FinTech M&A Transactions

Date	Target	Buyer	Amount (\$ in mm)	FinTech Sector
01/16/19	First Data	Fiserv	\$41,336	Payments
04/02/07	First Data	KKR; Ardian Mid Cap Buyout	28,678	Payments
11/02/15	Visa Europe	Visa	23,400	Payments
01/30/18	Refinitiv	The Blackstone Group	20,000	Capital Markets / WealthTech
05/15/07	Reuters Group	Thomson Corporation	17,200	Capital Markets / WealthTech
03/28/05	SunGard Data Systems	Private Equity Group Led by Silver Lake	11,536	Capital Markets / WealthTech
10/17/06	CBOT Holdings Inc.	CME Group	11,000	Capital Markets / WealthTech
12/20/12	NYSE	Intercontinental Exchange	10,838	Capital Markets / WealthTech
06/01/06	Euronext N.V.	NYSE	10,200	Capital Markets / WealthTech
07/05/17	Worldpay	Vantiv	9,940	Payments
06/26/06	Fidelity National Financial	Fidelity National Information Services	9,139	Banking
08/12/15	SunGard Data Systems	Fidelity National Information Services	9,100	Capital Markets / WealthTech
09/18/14	Concur Technologies	SAP	8,300	Fin. Mgmt. Solutions
03/17/08	NYMEX	CME Group	8,300	Capital Markets / WealthTech
04/02/03	Concord EFS	First Data	7,134	Payments
08/08/18	Dun and Bradstreet	CC Capital; Cannae Holdings; Thomas H. Lee Partners	6,900	Capital Markets / WealthTech
02/07/12	Rede	Itau Unibanco	6,810	Payments
09/12/18	Sedgwick Claims Management Services	The Carlyle Group	6,700	InsurTech
09/13/15	Solera Holdings	Vista Equity Partners	6,500	InsurTech
09/28/09	Affiliated Computer Services	Xerox Corporation	6,400	Fin. Mgmt. Solutions
12/17/17	Gemalto N.V	Thales	5,600	Payments



# Fiserv Acquires First Data for \$41 billion EV

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**fiserv.** First Data.

## Selected Large U.S. Merchant Processing & Related M&A Transactions

Date	Target	Buyer	Amount (\$ in mm)
01/16/19	First Data	Fiserv	\$41,336
04/02/07	First Data	KKR; Ardian Mid Cap Buyout	28,678
04/02/03	Concord EFS	First Data	7,134
12/15/15	Heartland Payment Systems	Global Payments	4,500
08/12/14	Comdata	FLEETCOR	3,450
01/26/16	TransFirst Holdings	TSYS	2,350
04/21/10	CyberSource Corp.	Visa	2,000
05/12/14	Mercury Payment Systems	Worldpay (Vantiv)	1,650
10/13/14	TransFirst Holdings	Vista Equity Partners	1,500
10/03/02	PayPal	eBay	1,500
12/18/17	Cayan	TSYS	1,050
02/27/18	Priority Technology Holding	MI Acquisitions	1,000
12/12/12	Transaction Network Services	Siris Capital Group	862
10/23/14	Digital River Inc.	Siris Capital Group	840
09/26/13	Braintree Payment Solutions	PayPal	800
12/27/05	iPayment	iPayment's MBO Group	770
10/19/17	BluePay	First Data Corporation	760
05/29/17	CardConnect	First Data Corporation	750
05/14/07	TransFirst Holdings	Welsh Carson Anderson & Stowe	683
07/02/12	Merchant e-Solutions	Cielo	670
03/30/09	Vantiv	Advent International	561

# Fiserv Acquires First Data for \$41 billion EV

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## First Data and Fiserv Public Comparable Companies

Company Name	Price 01/18/19	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Price / Earnings		Multiples EV / EBITDA		EV / Revenue		Growth Rates Revenue		EPS	Margins EBITDA		P / E / G CY 19E
						CY 19E	CY 20E	CY 19E	CY 20E	CY 19E	CY 20E	CY 19E	CY 20E	LT	CY 19E	CY 20E	
MERCHANT ACQUIRING / PROCESSING																	
First Data	\$ 22.95	36 %	86 %	\$ 21,493	\$ 41,533	14.6 x	12.7 x	12.1 x	11.3 x	4.6 x	4.4 x	4 %	6 %	12 %	38 %	39 %	1.2 x
Worldpay (Vantiv)	83.88	10	81	25,471	33,446	18.1	15.4	15.4	13.7	7.8	7.1	na	10	16	51	52	1.2
Square	72.24	29	71	32,172	32,025	nm	65.6	76.1	48.3	14.2	10.6	43	35	nm	19	22	na
Global Payments	114.59	11	89	18,163	22,858	19.0	16.3	14.1	13.0	5.2	4.7	12	9	16	37	36	1.2
TSYS	87.94	8	88	16,181	19,592	18.1	15.8	13.7	12.8	4.8	4.5	7	7	13	35	35	1.4
Cielo	2.78	17	37	7,533	9,508	8.9	8.9	7.8	7.6	3.0	3.0	0	3	(9)	39	39	nm
Stone	22.19	20	68	6,280	6,753	71.6	27.7	44.0	20.5	17.7	10.1	94	76	nm	40	49	na
Worldline	51.04	6	79	6,862	6,600	28.9	23.8	11.1	9.8	2.7	2.5	28	7	20	24	25	1.5
EVO Payments	24.01	(3)	79	2,000	2,613	32.3	26.1	15.9	14.1	4.2	3.9	22	9	44	27	27	0.7
EVERTEC	28.00	(2)	93	1,977	2,455	14.3	13.1	11.0	10.4	5.2	5.0	5	5	12	47	48	1.2
i3 Verticals	24.00	(0)	89	632	741	27.6	23.9	20.3	17.9	5.8	na	75	na	20	29	na	1.4
Net 1 Ueps Technologies	5.22	11	41	292	419	3.5	9.3	2.8	3.7	0.8	0.7	(7)	6	15	29	20	0.2
Huifu Payment	0.44	(8)	40	547	364	10.3	7.8	3.4	2.5	0.6	0.5	42	22	nm	17	19	na
Median		10 %	79 %			18.1 x	15.8 x	13.7 x	12.8 x	4.8 x	4.4 x	17 %	8 %	15 %	35 %	36 %	1.2 x
Mean		10	72			22.3	20.5	19.1	14.3	5.9	4.7	27	16	16	33	34	1.1
PAYMENTS FOCUSED CORE BANK SOLUTIONS																	
FIS Global	\$ 105.84	3 %	95 %	\$ 35,319	\$ 43,810	18.4 x	16.5 x	13.1 x	12.5 x	5.1 x	4.9 x	2 %	4 %	13 %	39 %	39 %	1.4 x
Fiserv	77.82	6	94 %	30,439	35,041	22.2	20.0	15.0	14.0	5.7	5.4	6	6	12	38	38	1.8
Jack Henry	130.87	3	80	10,120	10,005	34.2	29.9	18.3	16.5	6.1	5.7	3	8	11	34	34	3.0
ACI	28.74	4	95	3,389	4,000	30.6	24.7	13.1	12.1	3.6	3.5	3	3	13	28	29	2.3
Bottomline Technologies	50.00	4	68	2,158	2,181	31.2	25.8	20.4	17.1	4.9	4.3	8	13	17	24	25	1.9
Median		4 %	94 %			30.6 x	24.7 x	15.0 x	14.0 x	5.1 x	4.9 x	3 %	6 %	13 %	34 %	34 %	1.9 x
Mean		4	86			27.3	23.3	16.0	14.4	5.1	4.8	5	7	13	32	33	2.1

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



Global Money Transfer



Transaction Security



Klarna: An Online Payments and POS Lending Leader



Adyen's €947 million IPO



REPAY's Merger With Thunder Bridge



PPro Raises \$50 million in Financing Led by PayPal



GPS Raises £44 million in minority financing



Poynt Raises \$100 million in Series C Financing



Voyager Innovations Raises \$215 million in Financing



Vista Equity Partners Acquires MINDBODY for \$1.9 billion



Stripe Raises \$245 million in Financing



Visa Acquires Earthport for Approximately £198 million

[VIEW MORE FT PARTNERS RESEARCH](#)

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



## Ground-Breaking Payments Transactions Pioneered by FT Partners
























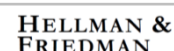

























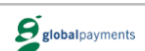


# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Advisor of Choice for Merchant Acquirers / Payment Processors

Numerous prominent merchant acquirers have trusted FT Partners to advise them on their most strategic transactions















































Selected FT Partners Deals Noted	Seller	Buyer	Date	Transaction Value (\$ in mm)	Research Profile
			10/2018	\$184	<a href="#">VIEW</a>
			04/2018	840 <sup>(1)</sup>	<a href="#">VIEW</a>
			02/2018	1,000	<a href="#">VIEW</a>
			12/2017	1,050	<a href="#">VIEW</a>
			10/2017	250	<a href="#">VIEW</a>
			10/2017	760	<a href="#">VIEW</a>
		 	09/2017	430	<a href="#">VIEW</a>
			09/2017	5,300	<a href="#">VIEW</a>
			09/2017	NA	<a href="#">VIEW</a>
			07/2017	11,680	<a href="#">VIEW</a>
			06/2017	260	<a href="#">VIEW</a>
			05/2017	750	<a href="#">VIEW</a>
			05/2017	NA	<a href="#">VIEW</a>
			02/2017	700 <sup>(2)</sup>	<a href="#">VIEW</a>
			06/2016	NA	<a href="#">VIEW</a>
			03/2016	438	<a href="#">VIEW</a>
			01/2016	2,350	<a href="#">VIEW</a>
			12/2015	4,500	<a href="#">VIEW</a>

(1) [TSYS Q1'18 10-Q](#)

(2) [TSYS 2016 10-K](#)

## Advisor of Choice for Merchant Acquirers / Payment Processors (cont.)

**Numerous prominent merchant acquirers have trusted FT Partners to advise them on their most strategic transactions**

Selected FT Partners Deals Noted	Seller	Buyer	Date	Transaction Value (\$ in mm)	Research Profile
			01/2015	NA	<a href="#">VIEW</a>
			11/2014	NA	
			10/2014	1,500	<a href="#">VIEW</a>
			07/2014	\$700	
			05/2014	1,650	<a href="#">VIEW</a>
			05/2014	NA	<a href="#">VIEW</a>
			03/2014	250 <sup>(1)</sup>	
			01/2014	420	
			09/2013	NA	<a href="#">VIEW</a>
			09/2013	200	<a href="#">VIEW</a>
			09/2013	NA	
			07/2013	163	
			11/2012	135	<a href="#">VIEW</a>
			10/2012	361	
			08/2012	413	
			08/2012	110 <sup>(2)</sup>	
			07/2012	670	
			07/2012	NA	<a href="#">VIEW</a>













































(1) [TSYS 2016 10-K](#)

(2) [TSYS 2012 10-K](#)

# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## FT Partners' History of Success Working with Public Companies

Public Clients		IPOs	Public Buyers		
 in its sale to  \$ 4,500,000,000	 in its sale to  \$250,000,000	 in its \$1,010,000,000 Initial Public Offering for a total enterprise value of \$ 4,500,000,000	 in its cash sale to  \$ 1,650,000,000	 in its sale to  \$ 370,000,000	 in its sale to  \$ 170,000,000
 in its sale to  \$ 750,000,000	 in its acquisition of  \$ 300,000,000	 in its Initial Public Offering valuing the equity at approximately A\$ 480,000,000	 in its sale to  \$ 1,400,000,000	 in its cash sale to  \$ 369,000,000	 in its 100% cash sale to  \$ 1,050,000,000
 in its acquisition of  \$ 447,000,000	 in its acquisition of 	 in its Initial Public Offering valuing the equity at approximately \$ 300,000,000	 in its sale to  C \$900,000,000	 in its sale to  \$ 300,000,000	 in its sale to  \$ 120,000,000
 in its sale to  C\$ 129,000,000	 in its acquisition of 	 in its Initial Public Offering valuing the equity at approximately \$ 650,000,000	 in the sale of its remaining stake to  \$ 840,000,000	 in its sale to  \$ 215,000,000	 in its sale to  \$ 115,000,000

*FT Partners has a longstanding history working with public companies  
across the FinTech ecosystem*

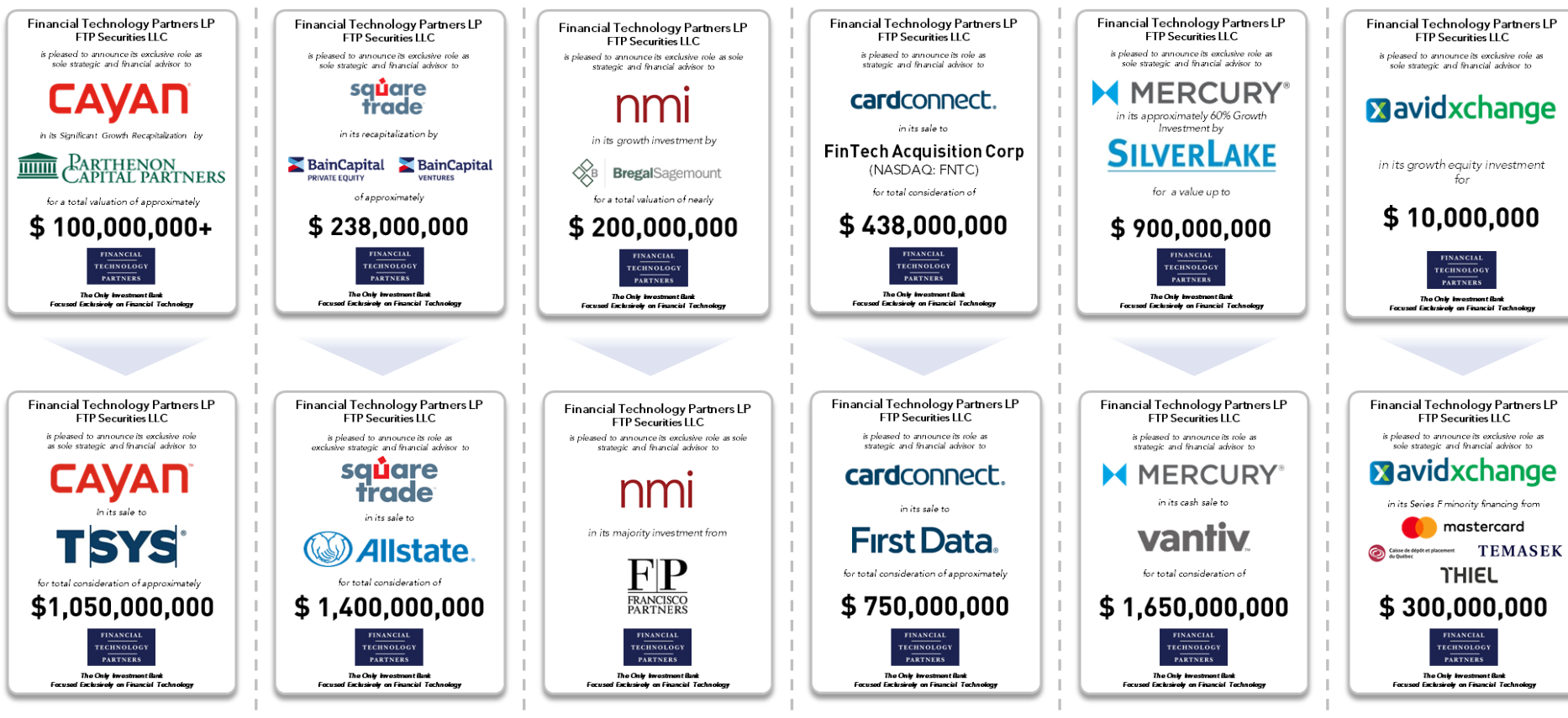


# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## FT Partners' Repeat Clients are Everywhere – Selected Examples Below

FT Partners has history of maintaining strong, long-term client relationships, often advising on multiple transactions



## FT Partners Advises Heartland Payment Systems on its \$4.5 billion Sale

### Overview of Transaction

- FT Partners served as strategic and financial advisor to Heartland Payment Systems (NYSE: HPY) in its landmark \$4.5 billion sale to Global Payments (NYSE: GPN) for a combination of cash and stock
- Global Payments acquired Heartland for \$100 per share, representing a total transaction value of approximately \$4.5 billion at the closing of the deal
- Consideration for the transaction consisted of 0.6687 shares of Global Payments stock and \$53.28 for each share of Heartland stock at closing
- This transaction creates the leading global provider of integrated payments technology solutions
- This deal represents the largest U.S. strategic merchant acquiring acquisition in over a decade
- Also represents the single largest U.S. strategic payment processing deal in the last 8 years
- This transaction underscores FT Partners' continued leadership position as "advisor of choice" to the highest-quality companies in the FinTech space

### Financial Technology Partners LP FTP Securities LLC

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

# Heartland

*in its sale to*



*for total consideration of*

# \$ 4,500,000,000

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*The Only Investment Bank  
Focused Exclusively on Financial Technology*

## FT Partners Advises Cayan on its Sale to TSYS

### Overview of Transaction

- On December 18, 2017, TSYS announced it has entered into an agreement to acquire Cayan in an all cash transaction valued at approximately \$1.05 billion
  - The transaction is expected to close in Q1 2018
- Cayan, a portfolio company of Parthenon Capital Partners, provides technology led acquiring services to more than 70,000 merchants and 100+ integrated partners in the U.S.
  - The Company's flagship Genius platform delivers a seamless and scalable unified commerce experience across channels
- TSYS (NYSE: TSS) is a leading global payments provider, offering innovative and secure solutions across the payments spectrum — from issuer processing and merchant acquiring to prepaid program management

### Significance of Transaction

- The acquisition strategically complements TSYS' merchant goals to become a leading payment provider to small and medium size businesses in the U.S.
- The addition of Cayan's unified commerce solutions elevates TSYS' competitive position to jointly offer a broader set of value-add products and services to partners and merchants

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to Cayan and its Board of Directors
- FT Partners also advised Cayan on its [recapitalization by Parthenon Capital Partners](#) along with numerous acquisitions made by the Company
- This transaction highlights FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and its 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 exclusive  
strategic and financial advisor to*

**CAYAN**<sup>TM</sup>

*in its 100% cash sale to*

**TSYS**<sup>®</sup>

*for total consideration of approximately*

**\$ 1,050,000,000**

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## FT Partners Advises CardConnect on its \$750 million Sale to First Data

### Overview of Transaction

- On May 29, 2017, CardConnect (NASDAQ: CCN) announced that it has entered into a definitive agreement to be acquired by First Data (NYSE: FDC) for \$15.00 per share in cash, for an aggregate transaction value of approximately \$750 million
  - The transaction is expected to close in 3Q17, subject to customary closing conditions
- Headquartered in King of Prussia, PA, CardConnect is an innovative provider of payment processing and technology solutions
  - CardConnect processes approximately \$26 billion of volume annually from 67,000 merchant customers
- First Data is a global leader in commerce-enabling technology and solutions
- FT Partners also represented [CardConnect on its sale to FinTech Acquisition Corp for \\$438 million](#), which closed in July 2016

### Significance of Transaction

- The CardConnect transaction is consistent with First Data's strategy of integrating and scaling innovative technologies across its distribution footprint; CardConnect is one of First Data's largest distribution partners
- CardConnect brings First Data innovative partner management technology, accelerates the Company's integrated solutions initiative and provides it with an ERP-integrated payment solution set

### FT Partners' Role

- FT Partners served as exclusive strategic and financial advisor to CardConnect and its board of directors
- This transaction highlights FT Partners' continued success advising prominent companies in the Payments and Merchant Acquiring space and its 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  
strategic and financial advisor to*

**cardconnect.**

*in its sale to*

**First Data.**

*for total consideration of approximately*

**\$ 750,000,000**

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*The Only Investment Bank  
Focused Exclusively on Financial Technology*

- 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



## 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 in New York and San Francisco from 1995-2002</li> <li>Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	<b>24</b>
<b>Kate Crespo</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Raymond James' Technology &amp; Services investment banking</li> <li>12+ years of FinTech transaction execution experience</li> <li>Dartmouth M.B.A.</li> </ul>	<b>17</b>
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs in New York, London and Los Angeles from 1995-2004</li> <li>Wharton M.B.A.</li> </ul>	<b>23</b>
<b>Osman Khan</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Managing Director and Head of FIG M&amp;A at Alvarez &amp; Marsal</li> <li>15+ years FIG deal, consulting and assurance experience at PwC</li> <li>40 Under 40 M&amp;A Advisor Award Winner in 2013</li> <li>LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA)</li> </ul>	<b>22</b>
<b>Andrew McLaughlin</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>20+ years experience executing / implementing financial and operational strategy</li> <li>Formerly with Deloitte Consulting</li> </ul>	<b>13</b>
<b>Mike Nelson</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly head of FinTech M&amp;A at SunTrust Robinson Humphrey</li> <li>Kellogg M.B.A.</li> </ul>	<b>19</b>
<b>Timm Schipporeit</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Morgan Stanley as Senior Executive Director of European Technology Investment Banking Team in London</li> <li>Formerly a Venture and Growth Investor focused on FinTech at Index Ventures</li> </ul>	<b>16</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 and Hambrecht &amp; Quist</li> <li>20+ years of experience covering FinTech as both an Analyst and Investment Banker</li> </ul>	<b>23</b>
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly Global Head of Strategy at First Data</li> <li>Formerly Led J.P. Morgan Payments Investment Banking Practice</li> <li>Former Equity Research Analyst on #1 ranked team at UBS</li> <li>Former Economist at the Federal Reserve Bank</li> </ul>	<b>21</b>
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman Sachs from 2000-2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	<b>17</b>