



FINANCIAL TECHNOLOGY AND INFORMATION INDUSTRY

1ST HALF 2015 :: Mergers and Acquisitions Trend Report

1ST HALF 2015 KEY HIGHLIGHTS

- Six of the top ten largest deals in 1st Half 2015 were in the Payments segment. These six transactions, with a combined value of \$10.46 billion, accounted for 55 percent of aggregate value year-to-date.
- The most active financial sponsors in 1st Half 2015 were BlackFin Capital Partners and Genstar Capital, each of which completed three industry deals. Five of these six acquisitions occurred in the Capital Markets segment.

1ST HALF 2015 KEY TRENDS

- Total transaction volume in 1st Half 2015 decreased by seven percent over 2nd Half 2014, from 206 to 192.
- Total transaction value in 1st Half 2015 rose by 17 percent over 2nd Half 2014, from \$16.21 billion to \$18.90 billion.
- When compared to 1st Half 2014, volume improved by 14 percent and value gained 63 percent in 1st Half 2015.
- The median revenue multiple increased from 2.8x in 2nd Half 2014 to 4.5x in 1st Half 2015.
- The segment with the largest rise in volume in 1st Half 2015 over 2nd Half 2014 was Capital Markets with a 31 percent rise, from 58 to 76 transactions. Also of note, Capital Markets reclaimed the top position over Payments as the most active sector.

M&A MARKET OVERVIEW

Berkery Noyes tracked 913 Financial Technology and Information transactions between 2013 and 1st Half 2015, of which 228 disclosed financial terms, and calculated the aggregate transaction value to be \$59.31 billion. Based on known transaction values, we project values of 685 undisclosed transactions to be \$14.19 billion, totaling \$73.50 billion worth of transactions tracked over the past two and a half years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 30 months were 3.0x revenue and 12.7x EBITDA.

M&A Market Dynamics By Half Year

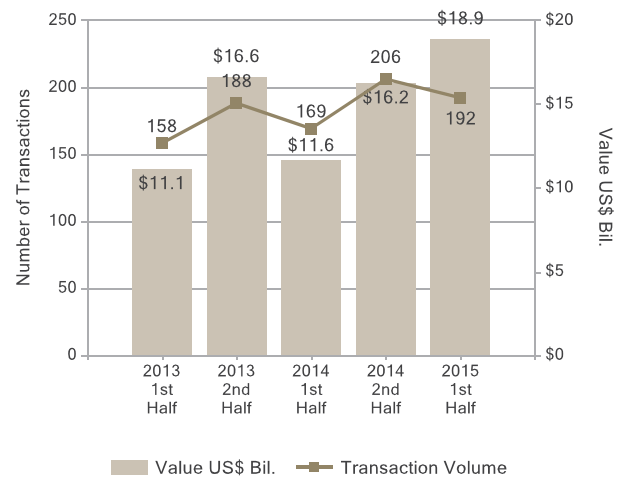


Figure 1. 2013-2015 value and volume comparison.

Median Enterprise Value Multiples By Half Year

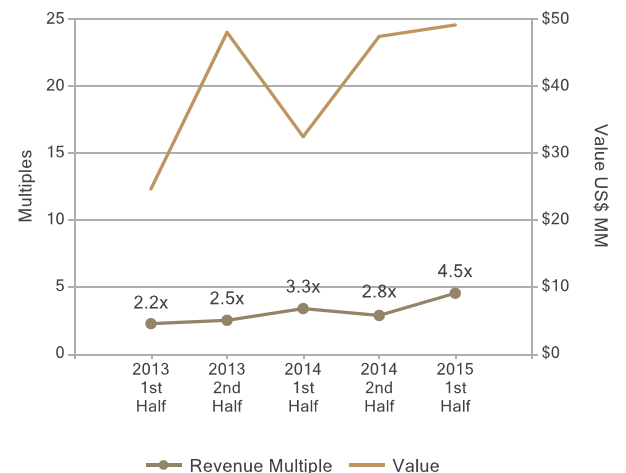


Figure 2. 2013-2015 median: value and revenue comparison.

Transaction Analysis :: January 1, 2015 – June 30, 2015

Bell Curve - Histogram - 1st Half

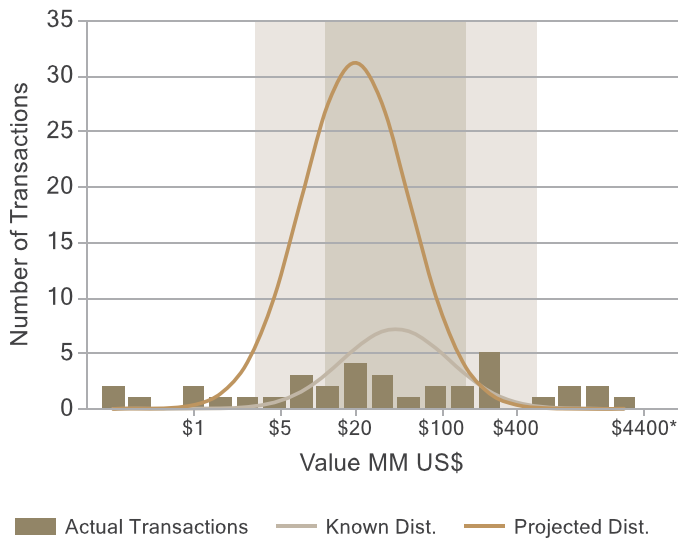


Figure 3. Shows distribution of transactions among the Financial Technology & Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$12.2 million to \$148.4 million. Based on this data, we estimate the total transaction value of deals done in 1st Half 2015 at \$19.0 billion.

* Indicates largest transaction in the industry from Jan. 1, 2015 to June 30, 2015.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	2	0	2	6 %	6 %
\$0.4	1	0	1	3 %	8 %
\$0.6	0	0	0	0 %	8 %
\$1.0	2	0	2	6 %	14 %
\$1.6	1	1	2	3 %	17 %
\$2.7	1	4	5	3 %	19 %
\$4.5	1	10	11	3 %	22 %
\$7.4	3	19	21	8 %	31 %
\$12.2	2	27	29	6 %	36 %
\$20.1	4	31	35	11 %	47 %
\$33.1	3	28	30	8 %	56 %
\$54.6	1	19	19	3 %	58 %
\$90.0	2	10	12	6 %	64 %
\$148.4	2	4	6	6 %	69 %
\$244.7	5	1	6	14 %	83 %
\$403.4	0	0	0	0 %	83 %
\$665.1	1	0	1	3 %	86 %
\$1,096.6	2	0	2	6 %	92 %
\$1,808.0	2	0	2	6 %	97 %
\$2,981.0	1	0	1	3 %	100 %
Total #	36	156	192		
Total \$ Value	\$15,752	\$3,147	\$18,899		

Figure 4. Presents the data depicted in the bell curve histogram.

Note: The projected number column is rounded and may produce insignificant errors in the total sum.

Strategic vs. Financial Comparison

M&A Dynamics By Transaction Type - 1st Half

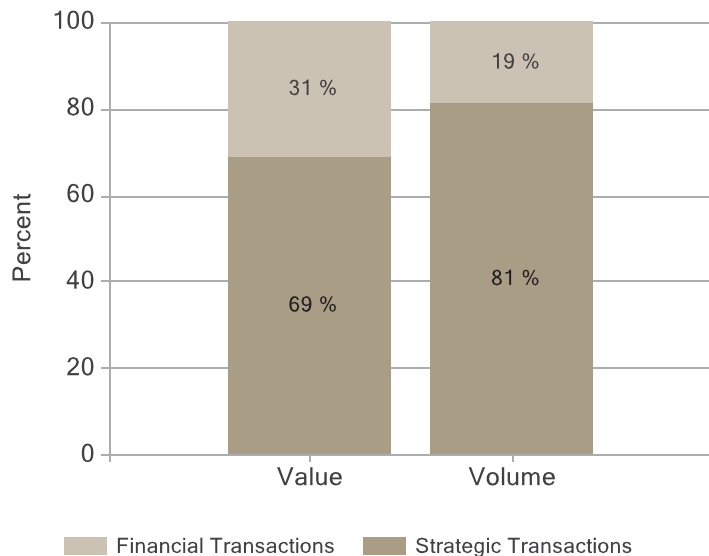


Figure 5. 2013-2015 value and volume comparison by acquirer type.

Note: Financial transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

Transaction Type By Half Year

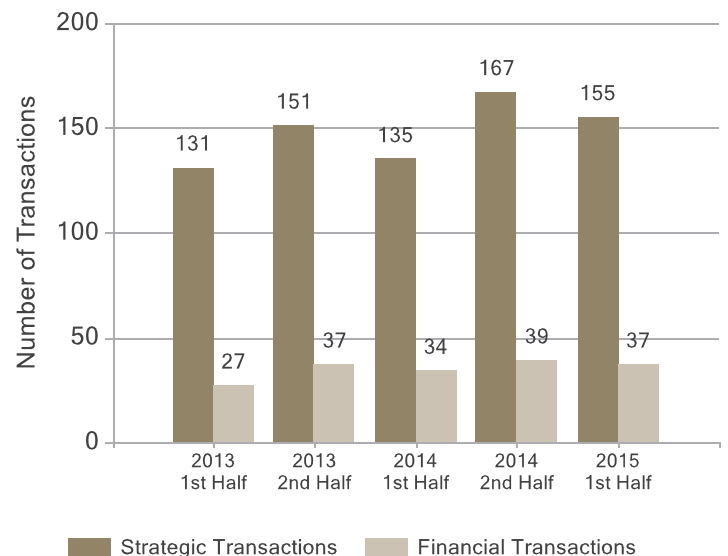


Figure 6. 2013-2015 acquirer type comparison by year.

Purchaser Analysis

Top Ten Notable Transactions - 1st Half 2015

Deal Date	Target Name	Buyer	Value MM US\$
06/15/15	Dealertrack Technologies	Cox Automotive, Inc.	\$4,357
01/28/15	Advent Software, Inc.	SS&C Technologies, Inc.	\$2,630
06/19/15	Istituto Centrale delle Banche Popolari Italiane	Bain Capital, Advent International, Clessidra SGR	\$2,495
03/23/15	Skrill Group	Optimal Payments Plc	\$1,694
03/30/15	FundTech, Ltd.	Davis + Henderson Corporation	\$1,250
06/01/15	Plus500	Playtech plc	\$697
04/08/15	Freecharge	Snapdeal.com	\$379
01/28/15	KCG Hotspot FX	BATS Global Markets, Inc.	\$365
01/28/15	eFront SA	Bridgepoint	\$327
03/02/15	Paydiant	PayPal, Inc.	\$280
2015 Aggregate Transaction Value			\$18,899
Top 10 Aggregate Transaction Value			\$14,474
Top 10 Aggregate Value as a Percentage of All Transactions			77 %

Figure 7. Lists the top ten transactions for 1st Half 2015 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figure 1 & 4.

Note: Transaction data based on announced date.

Median EV/Revenue Multiples By Size

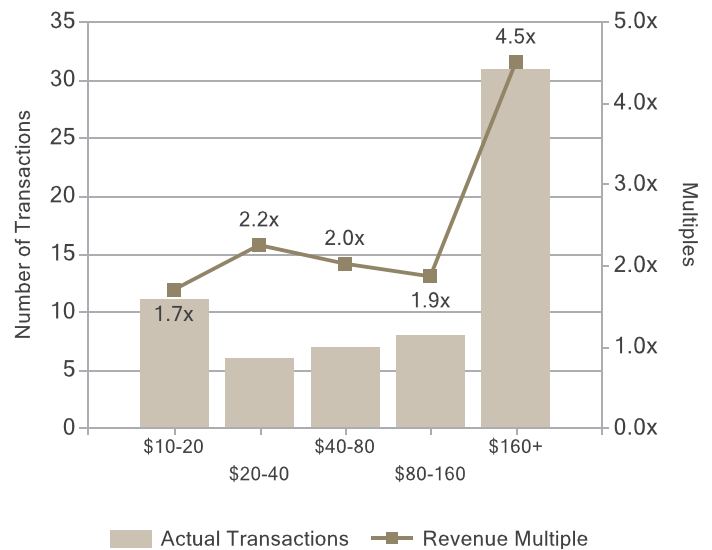


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Financial Technology & Information Industry from January 1, 2013 to June 30, 2015 based on publicly available sales price and revenue data.

Transaction Volume by Segment :: January 1, 2013 – June 30, 2015

Transactions By Market Segment By Half Year

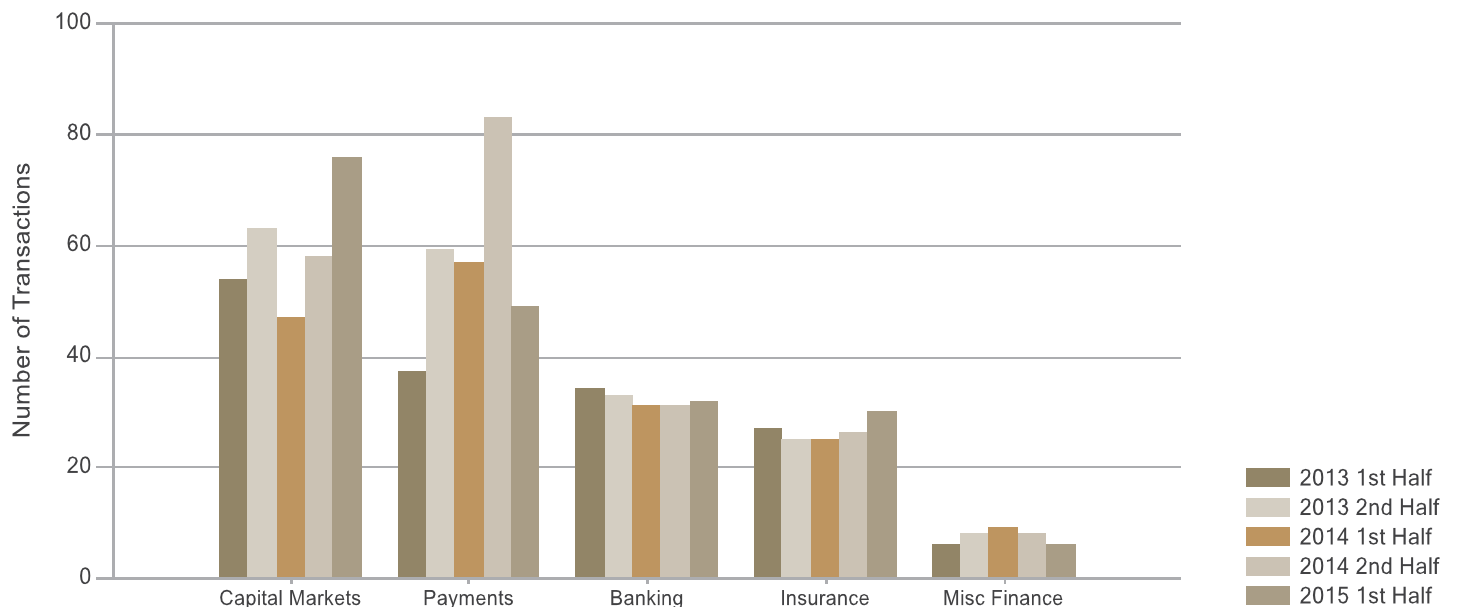


Figure 9. Presents the transaction volume by market segment within the Financial Technology & Information Industry from January 1, 2013 through June 30, 2015.

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All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity.

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