

March 25, 2015

# Financial Technology Partners LP FTP Securities LLC

## Transaction Profile:



*acquires*



*Courtesy of:*

FINANCIAL  
TECHNOLOGY  
PARTNERS

*The Only Investment Bank  
Focused Exclusively on Financial Technology*

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# Northwestern Mutual Acquires LearnVest

## Transaction Overview

Transaction Overview	
<ul style="list-style-type: none"> <li>On March 25, 2015 Northwestern Mutual announced its acquisition of LearnVest, a leading online financial planning and education platform, for an “undisclosed amount” <ul style="list-style-type: none"> <li>According to Fortune, the deal is valued at more than \$250 million <sup>(1)</sup></li> <li>Northwestern Mutual will use the platform to strengthen its own financial planning offerings after delivering 400,000 financial plans in 2014 <sup>(2)</sup></li> <li>LearnVest will continue to operate with its current executive staff and existing employees</li> </ul> </li> <li>LearnVest will become a wholly-owned subsidiary of Northwestern Mutual and maintain its own brand, while enjoying the financial backing of a major industry player with the ability to reach millions more qualified clients and prospects in need of financial planning</li> <li>This transaction follows others in the online financial planning space; Intuit bought Mint for \$170 million in 2009, BBVA bought online banking company Simple for \$117 million in 2014 and Capital One recent bought the budgeting app Level Money for an undisclosed amount; in addition, a number of personal wealth management companies have recently raised capital including Betterment, Personal Capital, Wealthfront and Nutmeg among others</li> </ul>	
Transaction Rationale	Commentary
<ul style="list-style-type: none"> <li>The deal brings together Northwestern Mutual’s established customer base and significant resources with LearnVest’s innovative technological platform, while also allowing Northwestern Mutual to target LearnVest’s user base of 1.5 million people <sup>(2)</sup></li> <li>Northwestern Mutual believes LearnVest brings three critical assets that make the acquisition attractive: <sup>(3)</sup> <ol style="list-style-type: none"> <li>Modern, easy-to-use financial planning interface</li> <li>A complete financial education experience for its clients</li> <li>LearnVest’s talented employees and products targeting the young affluent demographic</li> </ol> </li> <li>LearnVest will have access to additional resources under Northwestern Mutual to continue growing its internal team to further innovate on cutting-edge financial planning technology</li> </ul>	<p><i>“After five years of constant innovation from the LearnVest team, I could not be prouder that Northwestern Mutual and LearnVest are coming together to redefine financial planning in America. LearnVest has made it our mission to make unbiased financial planning affordable, accessible, and delightful for all American households – a mission we will now continue with the support of Northwestern Mutual.”</i></p> <p>– Alexa von Tobel, Founder and CEO of LearnVest</p> <p><i>“There’s been a gap between what consumers want and what the financial industry has been able to offer. Northwestern Mutual will fill that gap by redefining how financial security is delivered. Our goal is to take more clients from start to finish, addressing all parts of the planning equation, and to be a partner at the center of their financial lives through all stages.”</i></p> <p>– John Schlifske, Chairman and CEO of Northwestern Mutual</p>

Source: Company press releases, Wall Street Journal, Capital IQ.

(1) Fortune.

(2) Forbes.

(3) Northwestern Mutual press release.

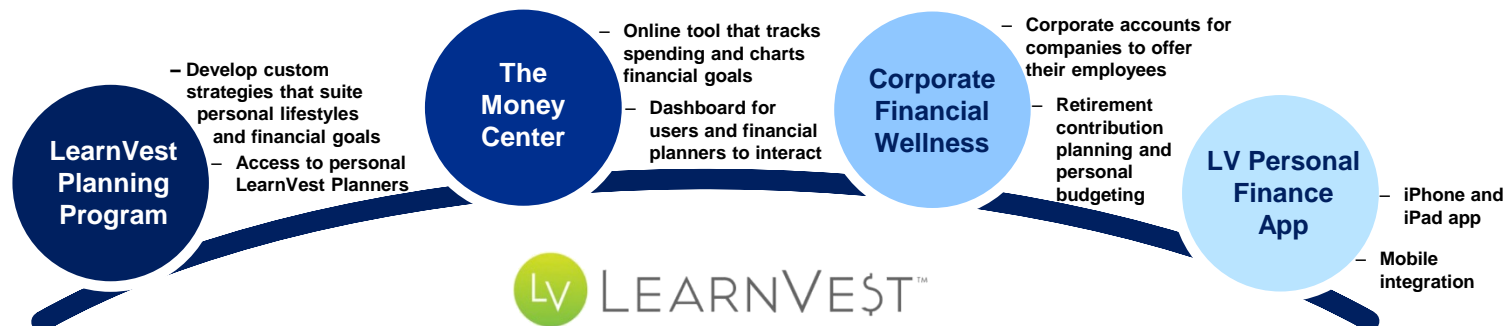
**Northwestern Mutual had previously invested in LearnVest prior to the acquisition; Northwestern Mutual is also an investor in personal wealth management company Betterment**

# Northwestern Mutual Acquires LearnVest

## LearnVest Overview

LearnVest Overview		Financing History		
CEO:	Alexa von Tobel	Announced Date	Size (\$ mm)	Investors
Headquarters:	New York, NY			
Employees:	150	04/15/14	\$28.0	ACCEL PARTNERS Northwestern Mutual VENTURES
Founded:	2007	07/26/13	16.5	ACCEL PARTNERS CONVERSION CAPITAL CLARITAS VENTURES
<ul style="list-style-type: none"> <li>LearnVest is an online personal wealth management and financial planning platform</li> <li>At launch, the site was originally marketed towards the female demographic, educating subscribers on the topic of personal finance, money and providing lifestyle tips for living on a budget; the company has since broadened its market to the general population, addressing the needs of both men and women</li> <li>LearnVest currently has ~1.5 million users, more than 25,000 clients and close to 10,000 premium accounts</li> <li>The Company has 150 employees between its New York and Arizona office</li> </ul>		05/27/11	19.0	ACCEL PARTNERS pkc Richmond Management Rose Tech Ventures Circle Financial Group™
		04/01/10	4.5	ACCEL PARTNERS Richmond Management Rose Tech Ventures

## LearnVest Products



# Northwestern Mutual Acquires LearnVest

## Northwestern Mutual Overview

### Northwestern Mutual Life Insurance Overview

**CEO:** John Schlifske  
**Headquarters:** Milwaukee, WI  
**Founded:** 1857

- **Northwestern Mutual Life provides various life insurance products to personal, business and estate markets primarily in the United States**
  - The Company's investment products and services include brokerage services, investment advisory services, trust services, financial planning services and portfolio management services
- **Northwestern Mutual has more than 4.3 million clients, nearly \$90 billion in assets under management and controls more than \$1.5 trillion worth of life insurance protection**

### Northwestern Mutual Capital

- **Northwestern Mutual also makes strategic investments under its investment arm, Northwestern Mutual Capital**
- **Current investments include:**



 LEARNVEST<sup>(1)</sup>



NEWSTAR FINANCIAL

Two Constitution Square

Recorded Books







C&J Energy Services

North Charlotte Avenue

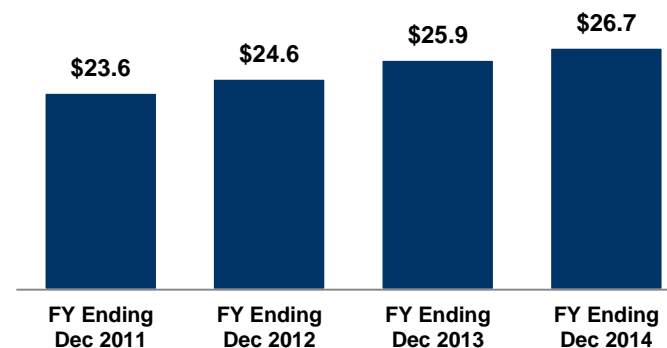


### Selected Recent Transactions

Announce Date	Target	Type	(\$ mm)	Comments
02/17/15	 Betterment	Financing	\$60	Invested in Betterment along with Bessemer Venture, Francisco Partners and Menlo Ventures
06/26/14	 Russell Investments	M&A	2,700	Sold Russell Investments to London Stock Exchange
05/21/14	 NEPTUNE Regional Transmission Systems	M&A	na	Acquired Neptune Regional Transmission Systems
04/14/14	 LEARNVEST	Financing	28	Invested in LearnVest along with Accel Partners and American Express Ventures

### Northwestern Mutual Total Revenue

(\$ in bn)



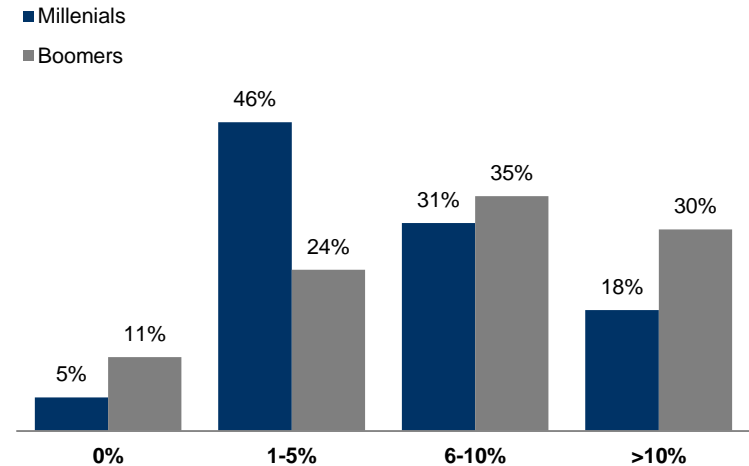
# Northwestern Mutual Acquires LearnVest

## The Millennial Market Overview

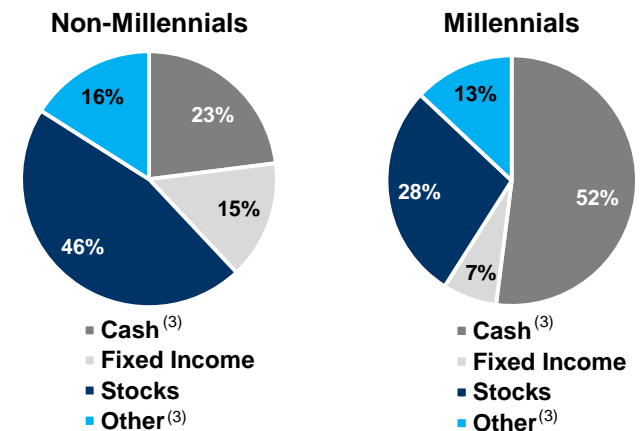
### The Millennial Market

- LearnVest, along with robo-advisor companies and traditional brokerages / wealth management firms, are attempting to capitalize on Millennials, a largely untapped source of assets
- According to Accenture, Millennials are set to inherit approximately \$30 trillion from their baby boomer parents and grandparents
- However, 60% of Millennials say they distrust financial markets <sup>(1)</sup>
  - In fact, Millennials are saving very small percentages of their income <sup>(4)</sup>
  - Cash is estimated to make up the majority of Millennials' assets while making up less than a quarter of non-Millennials' assets <sup>(2)</sup>
  - This is generally attributed to the Dot-Com Bubble and the Great Recession playing a large role in their childhood and young adulthood <sup>(1)</sup>
- The result is a huge opportunity for firms to gain market share by appealing to the Millennial generation
- Firms are attempting to tackle this market in a multitude of ways:
  - Online trading fees are the lowest they've ever been, with platforms such as Robinhood even offering free trading
  - Mobile trading platforms, market analysis tools, robo-advisors and trading-based social networks are appealing to the Millennials' tech-savvy attitudes
  - Firms like LearnVest are offering a more holistic personal finance system that takes the focus off market risk and places it on financial planning

### Percentage of Income Currently Saving <sup>(4)</sup>





















### Selected Asset Allocation <sup>(2)</sup>



# Northwestern Mutual Acquires LearnVest




















## Selected Personal Wealth Management Financings

Announce Date	Size (\$ mm)	Target	Investors	Announce Date	Size (\$ mm)	Target	Investors
02/17/15	\$60.0	 Betterment	Francisco Partners	05/08/14	\$35.0		JP Morgan Chase; Wicklow Capital; Balderton Capital; Goldman Sachs; Foundation Capital; Ignition Partners; Norwest Venture Partners
01/20/15	40.0		Renren	04/22/14	3.0		SixThirty; Council & Enhanced TN Fund
12/01/14	50.0	 Wacai	CBC Capital; CICC Jia Cheng Investment Management; IDG Financial Innovation Fund; CDH Investments; Qiming Ventures	04/15/14	28.0		Northwestern Mutual Capital; Accel Partners
11/23/14	27.0		BRM Group; Ping An Capital; SBT Venture Capital; Spark Capital Partners	04/15/14	32.0		Citi Ventures; Bessemer Venture Partners; Menlo Ventures; Anthemis Group; Globespan Capital Partners; Northwestern Mutual Capital
10/29/14	50.1		Corsair Capital; BBVA Ventures; USAA Investment Management Company; IVP; Venrock; Crosslink Capita	04/03/14	35.0		Ribbit Capital; The Social+Capital Partnership; Index Ventures; Greylock Partners; DAG Ventures
10/28/14	64.2		Spark Capital; Dragoner Investment Group; Index Ventures; DAG Ventures; Greylock Partners; Ribbit Capital; The Social+Capital Partnership	03/12/14	5.5		Jacobs Asset Management
09/03/14	6.0		Transamerica Ventures; Russell Investments; Kelvingrove Partners; Vermont Seed Capital Fund; FinTech Collective	02/11/14	1.5		na
08/14/14	na		Cultivation Capital	01/28/14	na		na
06/25/14	32.0		Schroders; Balderton Capital	01/14/14	0.7		na
05/21/14	15.5		Canvas Ventures; Sequoia Capital	09/23/13	10.0	 Wacai	IDG Financial Innovation Fund

Source: Company websites, Capital IQ, FT Partners proprietary transaction database.

# Northwestern Mutual Acquires LearnVest

## Selected Personal Wealth Management Financings (cont.)

Announce Date	Size (\$ mm)	Target	Investors	Announce Date	Size (\$ mm)	Target	Investors
07/26/13	\$16.5	 LEARNVEST™	American Express; Capital Alignment Partners; Accel Partners	05/01/12	\$8.0	 SIGFIG	DCM
07/15/13	na	 nutmeg	na	03/08/12	15.0	 eToro Trading Starts Here	BRM Group; Spark Capital Partners
07/02/13	15.0	 SIGFIG	Bain Capital Ventures; Union Square Ventures	08/31/11	4.0	 covestor	na
06/13/13	13.0	 covestor	Bay Partners; Union Square Ventures; Amadeus Capital Partners Limited; Spark Capital	08/26/11	20.0	 PERSONAL CAPITAL	Institutional Venture Partners; Venrock
06/05/13	27.0	 PERSONAL CAPITAL	BlackRock; Crosslink Capital; Venrock; IVP; Correlation Ventures	07/25/11	20.0	 motif INVESTING	Foundation Capital; Ignition Partners; Norwest Venture Partners
04/01/13	1.5	 FlexScore™	na	05/27/11	19.0	 LEARNVEST™	Circle Financial Group; Rose Tech Ventures; Accel Partners; PKS Capital; Richmond Management
03/20/13	20.0	 wealthfront	Index Ventures; The Social+Capital Partnership; Greylock Partners; DAG Ventures	12/29/10	8.3	 eToro Trading Starts Here	Spark Capital Partners; BRM Group; Social Leverage
02/28/13	25.0	 motif INVESTING	Goldman Sachs; Foundation Capital; Ignition Partners; Norwest Venture Partners	12/01/10	3.0	 Betterment	Betterment's Angel Investors & Thomas Lehman; Bessemer Venture Partners; NOAH Private Wealth Management; Anthemis Group
10/03/12	10.0	 Betterment	Menlo Ventures; Bessemer Venture Partners; Anthemis Group	06/08/10	2.4	 eToro Trading Starts Here	BRM Group; Cubit Investments; Social Leverage
08/22/12	5.0	 FutureAdvisor	Sequoia Capital	04/01/10	4.5	 LEARNVEST™	Accel Partners; Richmond Management; Rose Tech Ventures; Circle Financial Group
06/18/12	5.3	 nutmeg	Pentech Ventures	03/05/10	3.6	 covestor	na

Source: Company websites, Capital IQ, FT Partners proprietary transaction database.



# Overview of FT Partners

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

**FT Partners has advised on the most prominent transactions in the Securities and Capital Markets Technology sector**

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**ShareholderInSite**

in its sale to

**IPREO**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**Alpha**

in its acquisition by

**TMX Maple Group**

valued at approximately

**\$ 175,000,000**

FINANCIAL TECHNOLOGY PARTNERS  
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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**THE MARKETS.com**

in its sale to

**Capital IQ**

A Division of Standard & Poor's

for total consideration of approximately

**\$ 300,000,000**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**INSTINET**

in the sale of its stake in

**CHIX EUROPE**

to

**BATS**

for total consideration of approximately

**\$ 305,000,000**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**WOMBAT**

FINANCIAL SOFTWARE

in its sale to

**NYSE Euronext**

for total consideration of approximately

**\$ 225,000,000**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**MERGENT**

In the sale of its 100% business to

**NASDAQ OMX**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**TORA**

TECHNOLOGY, TRADING, LIQUIDITY.™

In its minority capital raise with

**Goldman Sachs Bank of America Merrill Lynch**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**liquidnet**

in its financing for approximately

**\$ 250,000,000**

valued at approximately

**\$ 1,800,000,000**

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The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**chi-x**

In its sale of a minority stake to

**Bank of America Merrill Lynch GETCO Morgan Stanley QUANTLIB FINANCIAL LLC**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
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**MarketAxess**

In its minority capital raise with

**TCV**

for approximately

**\$ 35,000,000**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**TradingScreen**

SIMPLIFYING GLOBAL MARKETS™

In its minority recapitalization for

**\$ 110,000,000**

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The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
is pleased to announce its exclusive role as sole strategic and financial advisor to

**ENVESTNET**

in its

**\$69,000,000 Initial Public Offering**

valuing the equity at approximately

**\$ 300,000,000**

FINANCIAL TECHNOLOGY PARTNERS  
The Only Investment Bank  
Focused Exclusively on Financial Technology

FINANCIAL  
TECHNOLOGY  
PARTNERS



# 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

- |      |  |
|------|--|
| 2014 | <ul style="list-style-type: none"> <li>■ <b>Equity Financing Deal of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100mm</li> </ul>  |
| 2012 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year</b></li> <li>■ Professional Services Deal of the Year, Above \$100 mm</li> </ul>   |
| 2011 | <ul style="list-style-type: none"> <li>■ <b>Boutique Investment Bank of the Year</b></li> <li>■ Deal of the Decade</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>■ IT Services Deal of the Year, Below \$500mm</li> <li>■ Cross-Border Deal of the Year, Below \$500mm</li> </ul>   |
| 2007 | <ul style="list-style-type: none"> <li>■ <b>Dealmaker of the Year – Steve McLaughlin</b></li> <li>■ Business to Business Services Deal of the Year</li> <li>■ Computer and Information Technology Deal of the Year, Above \$100mm</li> <li>■ Financial Services Deal of the Year, Above \$100mm</li> </ul> |

**Institutional Investor**  
Institutional Investor  
Annual Ranking

- |           |   |
|-----------|---|
| 2006-2008 | ■ Steve McLaughlin 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>           |

FINANCIAL  
TECHNOLOGY  
PARTNERS

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