

August 31, 2015

Financial Technology Partners LP

FT Partners Research – Transaction Profile



Raises

\$1,000,000,000

in Financing Led by



Courtesy of:



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

www.ftpartners.com



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




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SoFi Raises \$1 bn in Financing

Transaction Summary

- On August 19, 2015, SoFi announced that it has raised \$1 billion in a financing round led by SoftBank at a \$4 billion valuation
 - The \$4 billion valuation more than doubles SoFi's valuation over estimates based on the last funding round in February 2015 ⁽¹⁾
- The Company has raised close to \$1.4 billion in funding to date, with \$1.2 billion raised in 2015 alone
- The latest valuation places the Company among the top 30 US banks by market cap ⁽²⁾, behind Commerce Bancshares Inc. and ahead of Prosperity Bancshares Inc.
 - As of June 30, 2015, Commerce Bancshares had \$11.9 billion in loans on its books while Prosperity had \$9.1 billion, compared to the \$3 billion-plus in loans that SoFi says it has originated in its lifespan
 - In a recent interview, CEO Mike Cagney said the biggest four U.S. banks combined have a market capitalization of more than \$1 trillion, "and I think all of that is vulnerable. I'm going to go and get as much of that as I can." ⁽¹⁾
- SoFi had contemplated listing on a public stock exchange this year, but this latest round of fundraising likely puts those plans on hold ⁽³⁾

Selected Previous Equity Financings

Date	Size (\$ mm)	Valuation (\$ mm)	Lead Investors
02/03/15	\$213	\$1,300	
04/03/14	80	400	 
09/12/12	77	na	 
09/19/11	4	na	

Other investors



SoFi Raises \$1 bn in Financing

SoFi Overview

Company Overview

CEO: Mike Cagney
Headquarters: San Francisco, CA
Founded: 2011
Employees: 200

- **SoFi is a marketplace lender with an emphasis on private and federal student loan refinancing**
 - The average amount SoFi's customers save from refinancing student loans equals \$11,783
- **The Company's services also include MBA loans, mortgage loans & refinancing and personal loans**
 - Personal loans are available up to \$100,000 to mostly high-earning professionals and mortgages require down payments of as little as 10%
- **Over \$3 billion in loans have been processed on the Company's platform to date**
 - The Company expects to reach \$5 billion in total funded loans by the end of the year
- **The Company's underwriting method uses merit and career success history, focusing on refinancing for students from top tier universities**
- **The Company also offers career services for its members**
 - Professional advice and career coaching programs
 - Entrepreneur mentoring and six-month deferment for business development

Selected Commentary

"Our intent has always been to provide a comprehensive solution on the consumer finance side. An alternative to a bank, across the board."

"[The biggest four U.S. banks combined have a market capitalization of more than \$1 trillion] and I think all of that is vulnerable. I'm going to go and get as much of that as I can."

"It's no secret that the mortgage industry is long overdue for improvement. It's time that borrowers, particularly Millennials and Gen Xer's, have access to a mortgage experience that includes great rates, flexible options and simple online tools. We're excited to be at the forefront of this disruption – it's just the beginning."

- Mike Cagney, Co-Founder and CEO of SoFi

"We are witnessing a period of profound disruption in the financial-services sector. Many traditional financial institutions have struggled to adapt and evolve their legacy approaches to the way consumers and businesses want to use their services."

- Jonathan Korngold, Managing Director and Global Head of Financial Services of General Atlantic



SoFi Raises \$1 bn in Financing

Product Overview

Best known for student loan refinancing, SoFi also offers MBA loans, mortgage loans and refinancing as well as personal loans



Student Loan Refinancing

- Borrowers can receive Variable or Fixed Rate loans
 - 1.90-5.19% APR for variable-rate
 - 3.50-7.24% APR for fixed-rate loans
- Considers education, employment history, income and credit rating
- Automatic payment options
- Ability to temporarily pause payments for unemployment
- Career support available for customers
- Member save an average of \$14,000

MBA Loans

- Borrowers can receive Variable or Fixed Rate loans
 - Variable-rate loans starting at 4.15% APR
 - 6.05-6.94% APR for fixed-rate loans
- 10 and 15 year terms available
- Full deferment and interest-only payment options are available while in school
- Direct disbursement to school
- Career support available for customers



Mortgage Loans and Refinancing

- As little as 10% down payment with flexible debt-to-income limits
- 30-Year Fixed, 15-Year Fixed or 7/1 ARM option available
- Interest only payment options available
- No additional costly restrictions for first-time home buyers
- Typical application closes in less than 30 days
- 50 or 80% Loan-to-Value options for refinancing

Personal Loans

- Borrowers can receive Variable or Fixed Rate loans
 - Variable-rate loans starting at 5.50-9.99%
 - 4.04-8.04% APR for fixed-rate loans
- Minimum loan of \$5,000 and maximum of \$100,000
- No prepayment penalty
- Loans disbursed within 2 business days of SoFi receiving signed documents

SoFi Raises \$1 bn in Financing

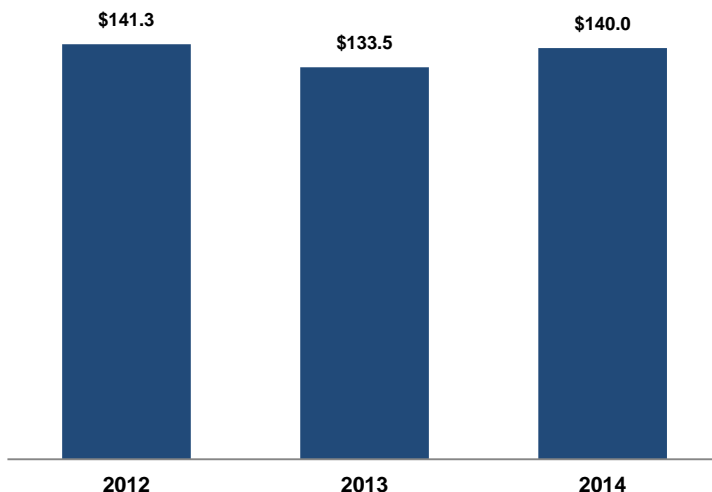
Student Loan Market Opportunity

Industry Overview

- As tuition costs rise for both undergraduate and graduate schools, a greater number of students are being forced to take loans to finance their education
 - Average published tuition and fees increased at a CAGR of 6.0% and 4.5%, respectively, from AY (Academic Year) 2005 through AY 2015 ⁽¹⁾
- Total student loans outstanding currently exceeds \$1.1 trillion and the market nearly tripled between 2004 and 2012
 - Over 40% of 25 year olds have some form of student debt ⁽²⁾
- Unemployment rate of 20-24 year old college graduates has dropped from a high of 13.3% in 2011 to 6.6% at the end of 2014 ⁽³⁾, improving student loan performance

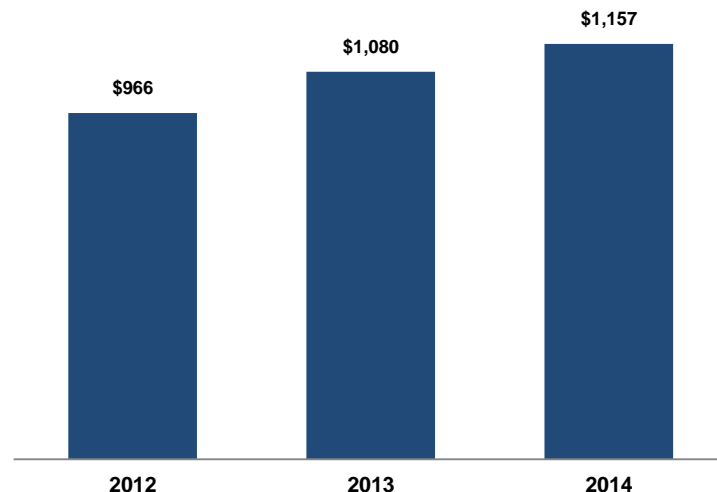
In-Year Originations

(\$ in bn)



Outstanding Loans

(\$ in bn)



Note: Total Student Loan originations based on Department of Education Student Loans Overview and Total Outstanding Loans based on NY Fed data.

(1) Exclusive of room and board, at four-year public and private not-for-profit institutions.

(2) Federal Reserve Bank of New York Household Debt and Credit Report: Student Debt 2013.

(3) Sallie Mae 2014 10-K.

SoFi Raises \$1 bn in Financing

Management Overview

Mike Cagney
Co-Founder,
Chief Executive Officer,
Chairman



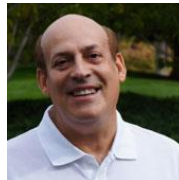
- Co-founded SoFi as the innovator for the SoFi marketplace lending model and serves as CEO and Chairman
- Co-Founder and managing member of Cabezon Investment Group, as well as Founder and previous CEO, Vice Chairman and Chief Architect of Finaplex

Nino Fanlo
Chief Operating Officer,
Chief Financial Officer



- CTO and COO with 30 years experience in financial services
- Former CEO of KKR Finance, Executive VP and Treasurer of Wells Fargo and VP at Goldman Sachs

Rob Lavet
General Counsel



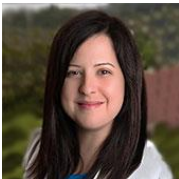
- In charge of legal affairs for the Company and its affiliated parties
- Served as General Counsel for Sallie Mae and as Principal in the Education and Litigation practice groups of Powers Pyles Sutter & Verville

Tony Morosini
VP of Product
Development



- Currently serves as the VP of Product Development and is responsible for improvements in service and technology
- Utilizes FinTech experience from prior positions at Visa, Accenture and Sapient

Aimee Young
Chief Marketing Officer



- As CMO, connects with SoFi's customer base through various platforms
- Previously was VP of Corporate Marketing at AppSense



SoFi Raises \$1 bn in Financing

SoftBank Overview

Overview



Misayoshi Son
Founder, Chairman
& CEO



Nikesh Arora
President & COO



Kazuhiko Fujihara
CFO



Jun Shimba
Executive Vice
President

Location(s)

- Tokyo, Japan

About

- Founded in 1981, SoftBank Group is a publically-traded Japanese telecommunications, internet and media company
- Prefers to invest in late-stage growth financings for mature companies, but will occasionally invest in early-stage deals
- Has the ability to invest around the world but primarily focuses on the U.S. and Asia
- As of July 2015, SoftBank Capital, the company's venture capital arm, would no longer raise standalone investment funds, with all new investments from the balance sheet of the parent company

Investment Preferences

General Preferences ⁽¹⁾

Control:	Minority
Geography:	Global
Transaction Type:	Venture, Growth
Industry Focus:	Mobile Applications and Devices, e-Commerce, Online Advertising, Social Media, Gaming, and Cloud-Based Enterprise Services

Select Recent Investments / Exits

FinTech / Financial Services Investments ⁽²⁾

Date	Company	Deal Amt. ⁽³⁾	Board Rep.	Sector
08/15	Snapdeal (<i>Later-Stage VC</i>)	\$500	Nikesh Arora	Pymts
12/14	Bigcommerce (<i>Series D</i>)	55	Steven Murray	Pymts
06/14	Payactiv (<i>Series A</i>)	4	Kabir Misra	Pymts
05/14	Kabbage (<i>Series D</i>)	50	Steven Murray	Bnkg

Other Notable Technology Investments ⁽²⁾

Date	Company	Deal Amt. ⁽³⁾	Board Rep.	Sector
08/15	GrabTaxi (<i>Series E</i>)	\$350	Nikesh Arora	Mobile
08/15	Sprint (<i>PIPE</i>)	87	Nikesh Arora	Telecom
08/15	OYO Rooms (<i>Later-Stage VC</i>)	100	na	Online
07/15	Cinarra (<i>Series B</i>)	20	Ken Miyauchi	Data
05/15	Xiaoju (<i>Early-Stage VC</i>)	na	na	Online
05/15	Banjo (<i>Series C</i>)	100	Masayoshi Son	Dig Med
04/15	Ola (<i>Series E</i>)	400	na	Online
04/15	Switch Communications (<i>Series C</i>)	35	na	Telecom
03/15	Scigineer (<i>Secondary</i>)**	16	na	Software
03/15	Quixey (<i>Series C</i>)	60	na	Online
01/15	Kuaidi Dache (<i>Series D</i>)	600	Nikesh Arora	Online
12/14	mKhoj (<i>Later-Stage VC</i>)	5	na	AdTech

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Source: Company website, Pitchbook, Capital IQ.

(1) Italics indicate preferred control / geography.

(2) * denotes M&A exit; ** denotes IPO exit.

(3) Deal Amount in mm.














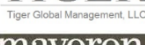








SoFi Raises \$1 bn in Financing

Selected Large Alternative Lender Financings, Ranked by Size

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
10/22/14			\$300+	Financing	<ul style="list-style-type: none"> GreenSky provides an online loan platform that allows businesses to offer flexible credit programs to their customers – promoting higher transaction values and driving sales growth This transaction positions GreenSky as a clear leader in Alternative Lending and enables the company to continue to innovate and bring additional products to market
12/04/14			225	Financing	<ul style="list-style-type: none"> AvantCredit, founded by the founders of Enova, provides installment loans and credit lines at competitive interest rates The Company announced the completion of a \$225 mm round of Series D funding led by Tiger Global Management and August Capital
02/03/15			213	Financing	<ul style="list-style-type: none"> SoFi is a marketplace lender with an emphasis in private and federal student loan refinancing The \$213 mm Series D financing round was led by Third Point Ventures, Wellington Management Company and Institutional Venture Partners
04/08/15			165	Financing	<ul style="list-style-type: none"> Prosper announced a \$165 mm Series D financing The latest funding will support the company's continued growth, expansion, and development of a national brand as it builds new products and services for the marketplace's borrowers and investors
05/02/13			125	Secondary Transaction	<ul style="list-style-type: none"> Google and Foundation Capital purchased \$125 mm in equity from current LendingClub shareholders This transaction valued LendingClub at \$1.55 bn

SoFi Raises \$1 bn in Financing

Selected Large Alternative Lender Financings, Ranked by Size (cont.)

Date	Investor	Target	Value (\$ mm)	Transaction	Commentary
02/11/15	 		90	Financing	<ul style="list-style-type: none"> Oportun is the largest financial services company specifically dedicated to providing credit to the underbanked Hispanic community The \$90 mm funding round was led by Fidelity Management & Research Company with previous investor, Institutional Venture Partners
03/06/14	    		77	Financing	<ul style="list-style-type: none"> OnDeck underwrites and distributes loans to small businesses, assessing applicants based on cash flow, online sentiment and credit history The Company raised \$77 mm in a growth investment round led by Tiger Global Management with participation from existing investors Institutional Venture Partners, RRE Ventures, SAP Ventures, Google Ventures, First Round Capital and Industry Ventures
07/23/14	  		75	Financing	<ul style="list-style-type: none"> AvantCredit announced the completion of a \$75 mm round of Series C funding led by Tiger Global Management Utilizing advanced algorithms and machine-learning capabilities, the Company offers a unique and highly customized approach to the personal loan process
07/14/15	 		75	Financing	<ul style="list-style-type: none"> Marlette Funding is a specialty finance company that provides unsecured personal loans On July 17, 2015, Marlette Funding secured \$75 mm in financing led by Invus Opportunities with participation from Navient
05/04/14	  		70	Financing	<ul style="list-style-type: none"> Prosper provides a peer-to-peer (P2P) online lending platform that connects consumer-borrowers with institutional investors and other consumer-lenders The Company will use the proceeds to expand the business and fuel growth, advance its technology, hire new talent, and for general corporate purposes

Overview of FT Partners

Strong Domain Expertise in Alternative Lending / Financial Technology

Digital Media-Focused Financing

Financial Technology Partners LP
FTP Securities LLC

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

**FST
PAY**

in its growth financing with

**OAK
HC/FT**

for total consideration of approximately

\$ 15,000,000

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Consumer Home Improvement Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

GreenSky™

in its minority investment from

TPG DST ICONIQ **WILMINGTON
MANAGEMENT**

for total consideration of approximately

\$ 300,000,000 +

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Consumer Marketing / Credit Lead Generation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to

**Google
capital**

in its lead investment in

Credit Karma™

with additional participation from

TIGER **SIG** **Ribbit Capital**

for approximately

\$ 85,000,000

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Contractor Financing

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FTP Securities LLC

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

**BlueTarp
Financial**

in its financing, including investment from

**HIGHLAND
CAPITAL PARTNERS** **longridge** **TRINITY
CAPITAL**

FLYBRIDGE

for approximately

\$ 15,000,000

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Asset Backed Loans Financing

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to

borro®

in its growth financing for total consideration of

\$ 19,500,000

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SaaS-based Loan Origination

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

**WebEquity
solutions™**

in its sale to

MOODY'S

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Alternative Score Provider

Financial Technology Partners LP
FTP Securities LLC

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

L2C inc 

in its sale to

TransUnion.

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Personal Loans

Financial Technology Partners LP
FTP Securities LLC

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

Upstart

in its financing, with investment from

**THIRD POINT
VENTURES**

for approximately

\$ 35,000,000

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Focused Exclusively on Financial Technology

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



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