

November 23, 2015

Financial Technology Partners LP

FT Partners Research – Transaction Profile



cpi card group®

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CPI Card IPO: Post Quiet Period Review

Courtesy of:

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CPI Card Group IPO: Post Quiet Period Review

Transaction Overview

Key IPO Statistics

Headquarters	Littleton, CO
Founded	1982
Employees:	~1,230
Initial Filing Date:	August 10, 2015
Ticker:	NASDAQ: PMTS
Initial Filing Range:	\$16-18
Offering Price:	\$10
Shares Offered:	15,000,000 ⁽²⁾
Proceeds:	\$150,000,000

Description: CPI Card Group, Inc. engages in designing, producing, personalizing, packaging, and tracking of smart cards; the Company focuses on providing financial, commercial, and identification card production and related services

Use of Proceeds: CPI Card Group intends to use the net proceeds from this offering to redeem the remaining outstanding shares of its preferred stock, to terminate its phantom stock plan and to satisfy all liabilities due thereunder and to repay outstanding indebtedness

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Form S-1

CPI Card Group Holdings, Inc.



NASDAQ: PMTS

Steven Montross
 President & Chief Executive Officer
 10368 West Centennial Road
 Littleton, CO 80127



CPI Card Group IPO: Post Quiet Period Review

Stock Performance and Commentary



Rating: Outperform
Price Target: \$16



Rating: Outperform
Price Target: \$14

William Blair

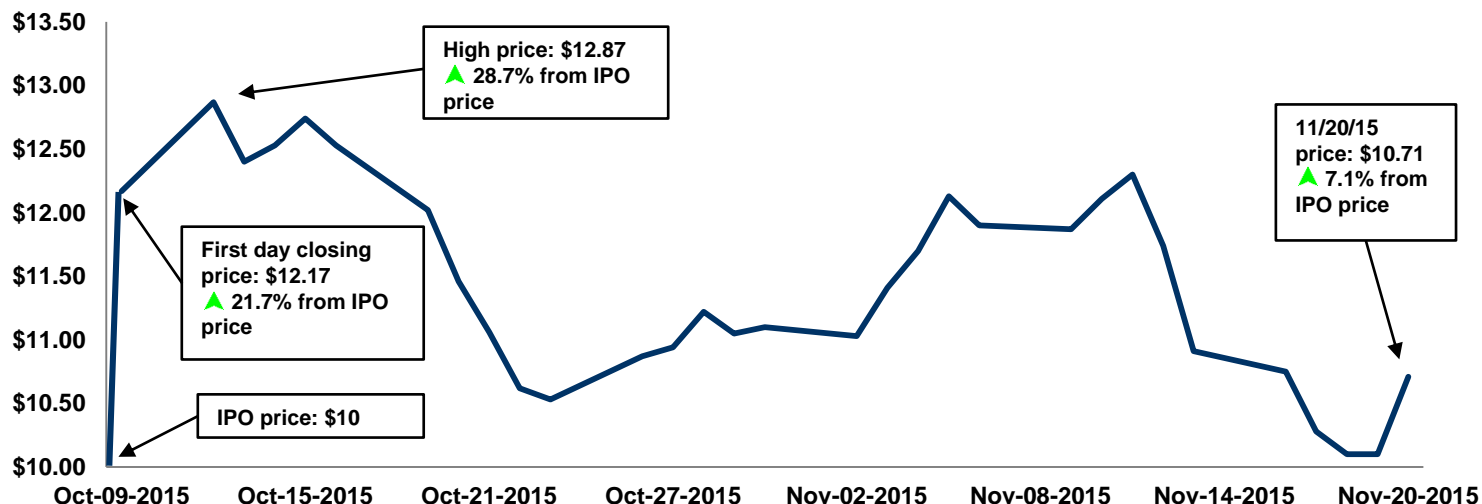
Rating: Outperform
Price Target: na

"CPI is the purest public play on U.S. EMV conversion; we forecast a consequent six fold increase in EMV credit and debit card production from 2014 to 2018. We also recommend buying PMTS shares because the market undervalues the sustainability of EMV-related earnings, in our view. We forecast a long tail to EMV conversion growth, driven by the replacement cycle for payment cards, as well as increasing balance sheet strength from debt repayment, strong cash generation, and limited capex needs."

"We see CPI as well positioned. Its sticky customer base has an average tenure of 13 years and the industry has significant barriers to entry, with no greenfield entrant in the past decade."

"With about 30% share of the card production / personalization market, CPI's position is attractive, in our view, as the U.S. payment card market converts from magnetic-stripe-based cards to EMV-based cards. This continuing upgrade cycle should drive strong earnings growth and buoy cash flow in coming years, the latter of which will be used to reduce debt and support additional M&A activity. While too early to call, the advent of contactless (or dual-interface) cards could provide the next leg of growth for CPI."

NASDAQ: PMTS

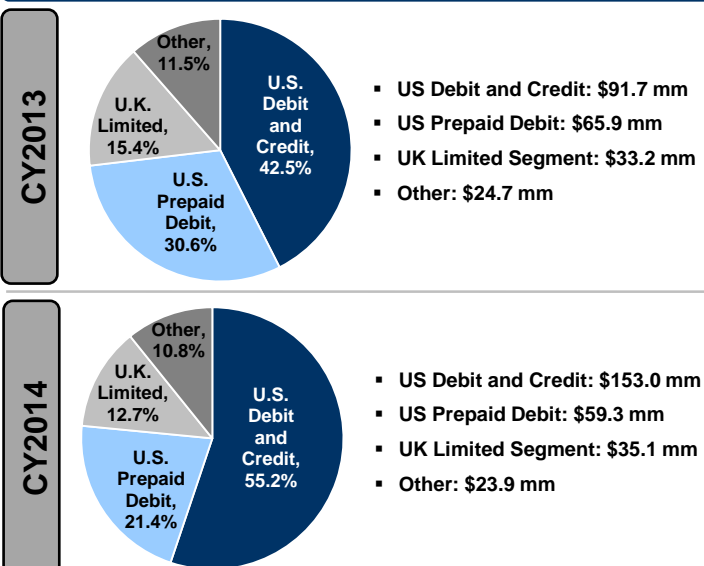


CPI Card Group IPO: Post Quiet Period Review

Company Overview

- CPI Card Group is a leading provider of comprehensive financial payment card solutions in North America
- The Company produced over 360 million financial payment cards, provided integrated card services to over 3,200 card-issuing banks and prepaid debit card issuers and personalized more than 130 million financial payment cards
- Serves a diverse set of over 4,000 direct and indirect customers
- Serves customers through a network of 9 production and card services facilities, including 7 high-security facilities in North America
- CPI Card estimates that it produces approximately 35% of all financial payment cards in the US, which makes the Company #1 in the market by unit volume

Revenue by Segment



Selected Clients

Issuers



Bank of America



JPMORGAN
CHASE & CO.

Prepaid Managers



CPI Card Group IPO: Post Quiet Period Review

EMV Conversion in the US

CPI Card Group is well positioned to capitalize on the US market conversion to EMV

The Liability Shift

- On October 1, 2015, card fraud liability will shift making the party that caused a non-EMV transaction to occur (i.e., either the non-EMV card issuer or the merchant that does not have an EMV compatible POS system) to be the one held financially liable for any resulting fraud

Escalating US Card Fraud

- The Company believes that counterfeit card fraud will migrate to countries that have lower EMV adoption rates such as the US (the last of the G-20 countries to begin the transition to a more EMV standard)

Enhanced Security

- EMV cards feature an embedded chip that authenticates cardholder payment card transactions using a cryptographic process that results in a more secure transaction

High-Profile Data Breaches

- Recent high profile data breaches and fraudulent activities have heightened awareness of data security and increased demand for higher security solutions in payment systems, including the acceleration of EMV adoption

Desire for Global Interoperability of the Acceptance Network

- EMV is quickly becoming the global standard for financial payment cards outside the US
- The coordination of payment card brands to standardize payment systems tech globally ensures cardholder's will be accepted by merchants anywhere

Source: Company website, SEC filings.

CPI Card Group IPO: Post Quiet Period Review

Segment Overview

CPI Card Group has three reportable segments: US Debit and Credit, US Prepaid Debit and UK Limited

US Debit and Credit

- Primarily produces financial payment cards and provides integrated card services to card-issuing banks in the United States
- Products manufactured by this segment primarily include EMV and non-EMV credit cards, debit cards and prepaid debit cards
- Makes up 55% of the Company's revenue in 2014

US Prepaid Debit

- Primarily provides integrated card services to prepaid debit card issuers in the United States
- Services provided include tamper-evident security packaging services and card personalization and fulfillment services
- Makes up 21% of the Company's revenue in 2014

UK Limited

- Produces retail gift and loyalty cards for customers in the United Kingdom and continental Europe
- This segment also provides card personalization and fulfillment services
- Makes up 13% of the Company's revenue in 2014

CPI Card Group IPO: Post Quiet Period Review

Products and Services

CPI Card Group has a comprehensive offering of end-to-end solutions that drives deep customer integration and long-term trusted relationships with customers

During 2014, the Company shipped nearly 64 million EMV cards, compared to 6.8 million during 2013

The 64 million EMV cards shipped during 2014 represented 17.7% of total financial payment cards shipped

EMV Financial Payment Cards (Contact and Dual-Interface)

- Produces contact EMV cards with a microprocessor that interfaces with an EMV payment terminal
- Also produces dual-Interface EMV cards, which feature both the contact EMV technology and a RFID antenna that utilizes NFC technology
- Generated 24% of 2014 pro forma net sales

Non-EMV Financial Payment Cards and Retail Gift Cards

- Produces non-EMV cards that utilize magnetic stripes, contactless cards which utilize NFC technology
- Produces retail gift cards (which are not issued on the network of the payment card brands) primarily in the U.K. and Canada
- Generated 32% of 2014 pro forma net sales

Card Data Personalization

- Provides data preparation and card data personalization solutions for debit, credit and Prepaid Debit Cards in EMV and non-EMV card formats
- Generated 21% of 2014 pro forma net sales

Tamper-Evident Security Packaging Solutions

- Offers specialized and innovative tamper-evident security packaging products and services to customers with a prepaid debit card
- Generated 20% of 2014 pro forma net sales

Instant Card Issuance Systems and Services

- Offers Card@Once, a proprietary and patented instant card issuance system and service that allows card issuing banks the ability to issue a personalized permanent debit card
- Generated 3% of 2014 pro forma net sales

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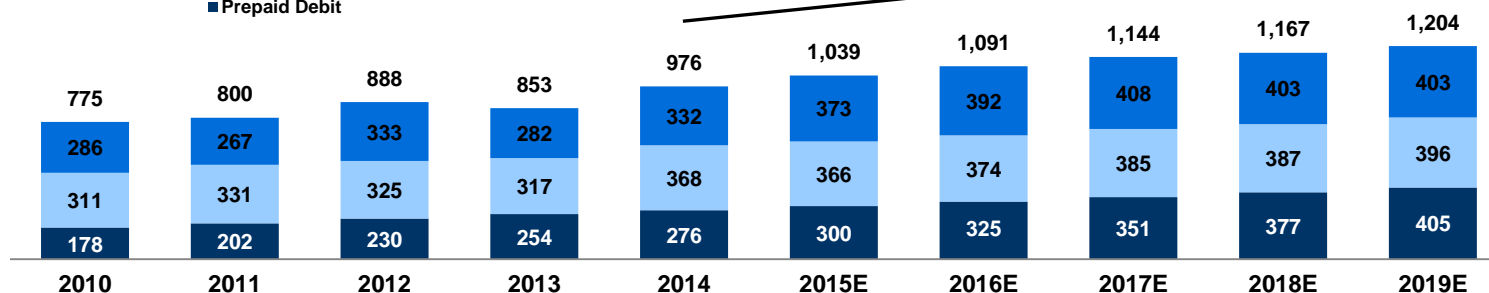
Market Overview – Key Opportunities

Annual US Financial Payment Card Production

(# of cards in mm) ■ Credit Card ■ Bank Debit

■ Prepaid Debit

2014-2019E CAGR: 4.3%



Bank Debit Cards

- First Annapolis estimates that the market for bank debit card production for the U.S. will grow from 368 million cards in 2014 to 396 million cards by 2019, representing CAGR of 1.5% over this period
- The primary drivers of demand in this market over this period will be the automatic renewal of cards at expiration (59% of annual issuance), portfolio churn (21%), cards lost, stolen or replaced due to fraudulent usage (15%) and net new account growth (5%)

General Purpose Credit Cards

- First Annapolis estimates that the market for general purpose credit card production for the U.S. market will grow from 332 million cards in 2014 to 403 million cards by 2019, representing CAGR of 4% over this period
- The primary drivers of demand in this market over this period are expected to be the automatic renewal of cards at expiration (65% of annual issuance), portfolio churn (12%), cards lost, stolen or replaced due to fraudulent usage (15%) and net new account growth (9%)

Prepaid Debit Cards

- First Annapolis estimates that the U.S. market for Prepaid Debit Card manufacturing will grow from 276 million cards in 2014 to 405 million cards by 2019, which represents a CAGR of 8.0% - the highest CAGR for financial payment cards
- Growth in this subset is driven by new card issuance as consumers increase adoption and additional financial institutions introduce new products

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Competitive Strengths

- *CPI Card Group serves a diverse set of over 4,000 direct and indirect customers including the largest North American issuers of debit and credit cards*
- *The Company has long-standing relationships with its customers, many of whom the Company has served for decades*

Leading Market Position with Long-Term Customer Relationships

- Produces approximately 35% of all financial payment cards in the United States; serves the top 5 US prepaid debit card program managers
- Serves the majority of the top 20 US debit and credit card issuers

Well Positioned for EMV Conversion in the United State

- Have made significant investments in physical infrastructure to prepare for the EMV conversion
- Opened a dedicated EMV technology center in Colorado for EMV production and personalization

Comprehensive End-to-End Card Solutions Drive Deep Customer Integration

- Provides a full suite of products and card services required to produce, personalize and fulfill financial payment cards, while maintaining stringent security requirements
- Provides card data personalization services for more than 3,200 financial institutions and managers of prepaid debit card programs that require extensive technology integration

Certified Network of North American High-Security Facilities

- Has the largest certified production facility network in North America; many of the facilities are also certified by the PCI Security Standards Council and individually by customers

Industry Experience and Proprietary and Patented Solutions

- The Company has developed and acquired significant intellectual property over its operating history and holds 17 U.S. patents, as well as 28 pending U.S. and foreign patent applications
- Patented MYCA[™] offering is integrated into the websites of over 300 card issuing banks and other customers

CPI Card Group IPO: Post Quiet Period Review

Growth Strategy

Capitalize on U.S. EMV Conversion

- The conversion to EMV will increase the size (measured in dollars) of the Company's estimated addressable card market by four times over the next decade
- The Company has invested significantly in its network of facilities (the most extensive in North America), technological infrastructure and human capital resources

Capitalize on Growth in Prepaid Debit Market

- Believe the Company is well-positioned to capitalize on its continued growth due to its marketing leading position supported by industry expertise and comprehensive end-to-end card solutions
- Have further developed proprietary production techniques which provide a cost advantage and additional flexibility to meet customer demands

Capitalize on Growth in Instant Issuance Systems and Services Market

- Acquired their instant card issuance system, Card@Once, through the acquisition of EFT Source in 2014
- Plan to continue to grow its installed base of instant issuance systems in bank branches across the U.S.

Cross-Sell Expanded Services Offering Across Customer Base

- Market leading position in card production combined with recent enhancements to their card services platform, including the acquisition of EFT Source, represents a significant opportunity to cross-sell services across the Company's base by offering a comprehensive end-to-end card solution

Continued Execution on Strategic Acquisitions

- Have a strong track record of acquiring and integrating complementary businesses, completing six acquisitions since 2008
- Expect to continue to opportunistically execute strategic acquisitions that give them access to new markets and capabilities

CPI Card Group IPO: Post Quiet Period Review

Selected Risk Factors

Material Breaches in Security	<ul style="list-style-type: none"> The Company's handling of sensitive cardholder data, including cardholder names and account numbers make it a potential target of cyber attacks and threats to its secure IT systems
New and Developing Technology Could Make Existing Tech Obsolete	<ul style="list-style-type: none"> The rise in the adoption in wireless payment systems or mobile payments may make physical cards less attractive as a method of payment
Adoption of EMV not Widespread as Expected	<ul style="list-style-type: none"> Ability to grow depends significantly on whether U.S. card issuing banks incorporate EMV technology as part of their new technological standards
Business Could Suffer Production Problems	<ul style="list-style-type: none"> Difficulties in the production process can reduce yields or interrupt production and, as a result of such problems, the Company may on occasion not be able to deliver products
Software May Experience Defects	<ul style="list-style-type: none"> Software's underlying services may contain undetected errors May experience difficulties in installing or integrating its technology on systems used by clients
Demand for Credit Cards Could be Adversely Impacted by Economic Conditions	<ul style="list-style-type: none"> The Company's concentration of revenue from products provided to the financial services industry make it exposed to economic conditions affecting the financial services industry in North America and Europe
Interruptions in IT Systems	<ul style="list-style-type: none"> The Company relies on uninterrupted operation of complex IT applications, systems and network Significant interruption in the company's business apps could have a material adverse impact on the company's operations

Selected Risk Factors

Any of the these risks could materially and adversely affect CPI Card Group's business, financial condition or results of operations

CPI Card Group IPO: Post Quiet Period Review

Management Overview

Executive Officers		
Name	Title	Background
Steven Montross	President, CEO and Director	<ul style="list-style-type: none"> CEO and President since January 2009 Prior to joining CPI, Mr. Montross was a founding shareholder and Managing Director of FirstLight Financial Corporation, a business which invests senior debt capital in private-equity owned businesses
David Brush	CFO	<ul style="list-style-type: none"> Became CFO in 2015 Previously managed Idris Capital Partners, a financial and operational advisory firm
Lisa Jacoba	Chief Human Resources Officer	<ul style="list-style-type: none"> Join the Company in 2015 Previously served as Senior Vice President at Western Union in the United States and United Kingdom where she held leadership positions in human resources
William Dinker	President, CPI EFT Source	<ul style="list-style-type: none"> President of CPI EFT since September 2014 Previously served as the President and Chief Executive Officer of EFT from 1999 to 2014
Anna Rossetti	President, CPI Canada	<ul style="list-style-type: none"> President of CPI Card Group since 2008 Previously held senior management positions at Giesecke & Devrient
Jerry Dreiling	VP and Chief Accounting Officer	<ul style="list-style-type: none"> Chief Accounting Officer since August 2011 Previously served as Chief Financial Officer of Picosecond Pulse Labs
Nicholas Cahn	Managing Director – CPI Europe	<ul style="list-style-type: none"> Managing Director of CPI Europe since 2008 Previously served as Director of the Card Division for Oakhill plc and then Managing Director of PCC Services

Source: Company website, SEC filings.

CPI Card Group IPO: Post Quiet Period Review



Board of Directors Overview

Board of Directors		
Name	Title	Background
Bradley Seaman	Chairman of the Board	<ul style="list-style-type: none"> Served on Board of Directors since 2007 Managing Partner at Tricor Pacific Capital, a private equity firm that makes control investments in lower middle market companies in the US and Canada
Robert Pearce	Director	<ul style="list-style-type: none"> Served on Board of Directors since 2007 Also serves on the Board of Directors of Canada Guaranty Mortgage Insurance Company and First American Payments Systems
Nicholas Peters	Director	<ul style="list-style-type: none"> Served on Board of Directors since 2007 Managing Director at Tricor, which he joined in 2002 and also began serving as Tricor's Chief Financial Officer in 2012
David Rowntree	Director	<ul style="list-style-type: none"> Served on Board of Directors since 2007 President and Chair of Highland West Capital Ltd., a Vancouver-based merchant bank that he founded in July 2012

CPI Card Group IPO: Post Quiet Period Review

Acquisition History

CPI Card Selected Acquisitions

Announce Date	Target	Amt (\$ in mm)	Target Description
08/25/14	 EFTSOURCE WE'RE SERIOUS ABOUT SERVICE	na	Provides personalization and fulfillment services for debit, automated teller machine, credit, and prepaid cards to financial industry
05/23/12	ID Data Cards Limited	na	Provides plastic card production, personalization and fulfillment capabilities worldwide
03/11/10	PREMIER CARD SOLUTIONS	na	Manufactures printed plastic products such as gift cards, ATM cards, casino cards, phone cards and hotel keycards
10/03/08	Metaca	na	Based in Canada, the Company provided consultation, design, manufacturing and supply chain management for card and collateral products
08/05/08	Prime Active Capital's Plastic Card Unit	\$20	Manufactures plastic cards in the UK and provides gift, loyalty, membership, identification, mobile top-up, pre-paid, insurance, and information cards, as well as key fobs and key tags
01/16/08	 didier	na	Designs and manufactures printed plastic secure payment cards in the United States

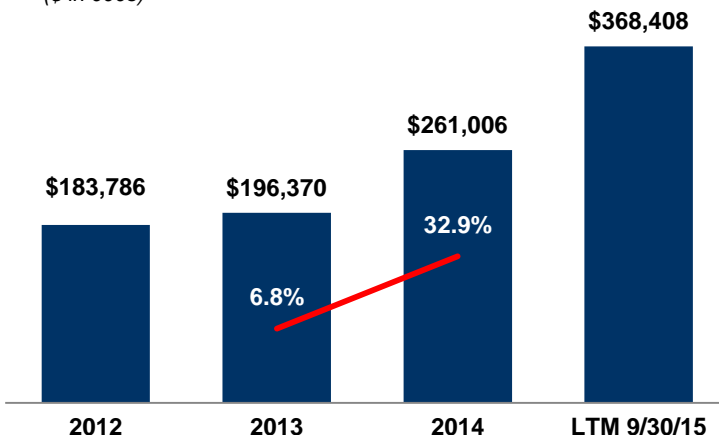
Source: Capital IQ.

CPI Card Group IPO: Post Quiet Period Review

Financial Overview

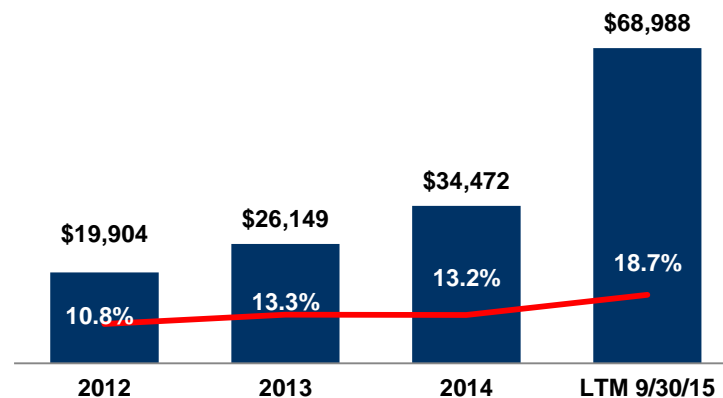
Total Revenue / % Growth

(\$ in 000s)



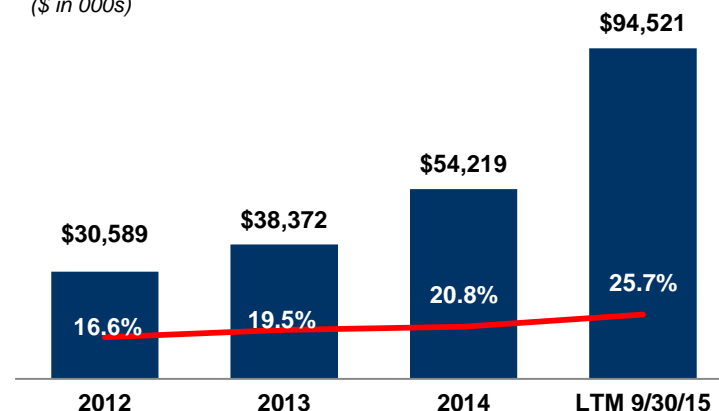
Operating Income / % Margin

(\$ in 000s)



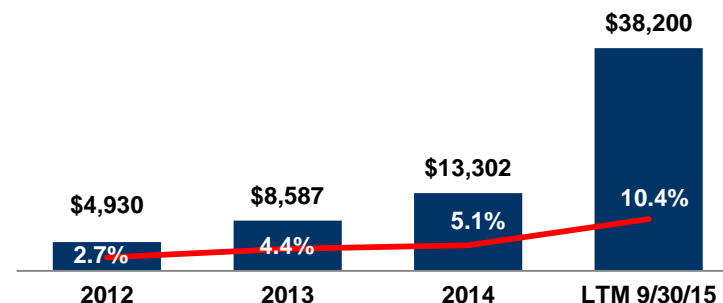
Adjusted EBITDA ⁽¹⁾ / % Margin

(\$ in 000s)



Net Income / % Margin

(\$ in 000s)



Source: SEC filings.

(1) Adjusted EBITDA is defined as EBITDA plus adjustments for foreign currency gain or loss, loss on debt modification and early extinguishment, gain on purchase of ID Data, non-cash compensation expense related to our phantom stock plan that will be terminated in connection with this offering, performance bonuses in connection with the EFT Source acquisition and investment banking and related fees.

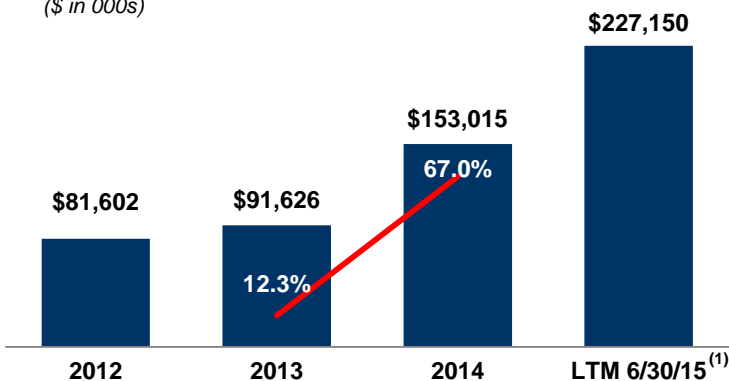
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Segment Financial Overview

US Debit and Credit Segment

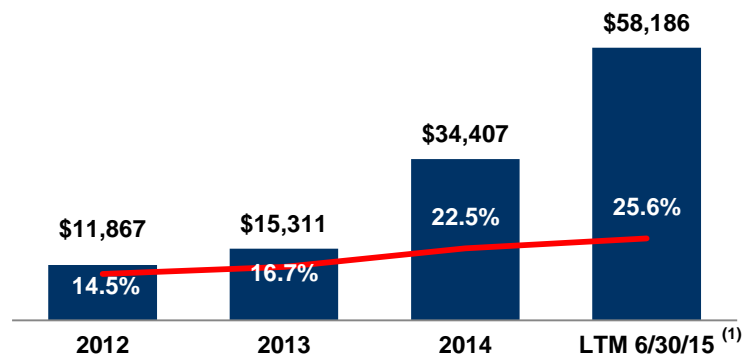
Total Revenue / % Growth

(\$ in 000s)



Operating Income / % Margin

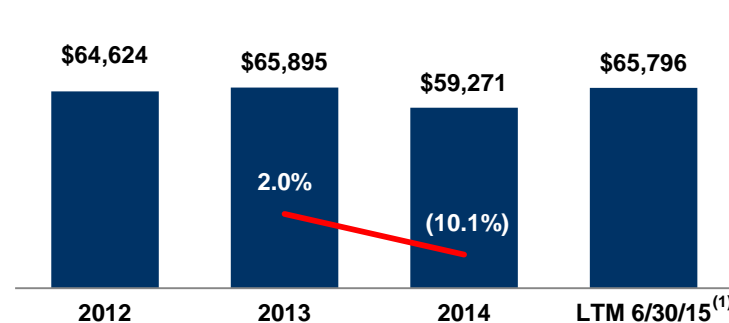
(\$ in 000s)



US Prepaid Debit

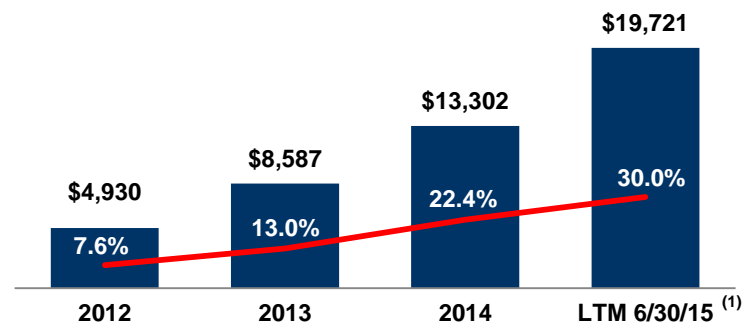
Total Revenue / % Growth

(\$ in 000s)



Operating Income / % Margin

(\$ in 000s)



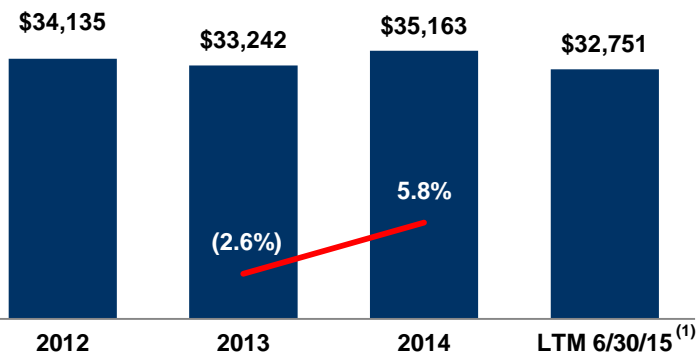
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Segment Financial Overview (cont.)

UK Limited Segment

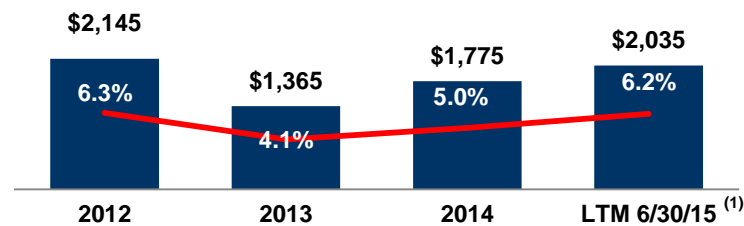
Total Revenue / % Growth

(\$ in 000s)



Operating Income / % Margin

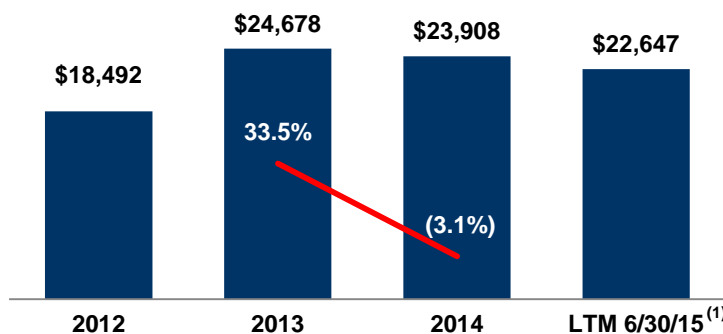
(\$ in 000s)



Other

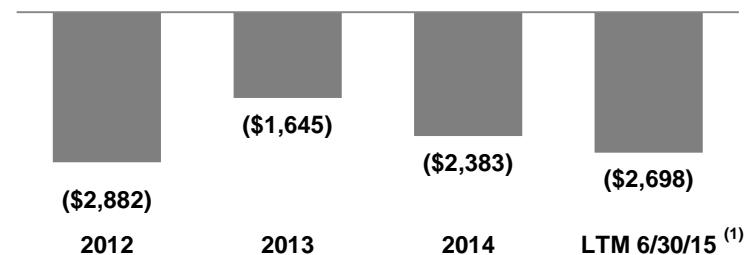
Total Revenue / % Growth

(\$ in 000s)



Operating Income

(\$ in 000s)



Source: SEC filings.

(1) The Company did not provide quarterly metrics on segments in the 3rd quarter filing.

CPI Card Group IPO: Post Quiet Period Review

Publicly Traded Comparables

	Price	% MTD	% LTM	Market	Enterprise	Multiples									Growth Rates			Margins		
	11/20/15	Change	High	Value	Value	Price / Earnings		EV / EBITDA			EV / Revenue			Revenue		EPS	EBITDA		P / E / G	
Company Name				(\$ mm)	(\$ mm)	CY 15E	CY 16E	LTM	CY 15E	CY 16E	LTM	CY 15E	CY 16E	CY 15E	CY 16E	LT	CY 15E	CY 16E	CY 15E	
CPI Card	\$ 10.71	(4)%	79 %	\$ 450	\$ 662	11.7 x	11.2 x	7.5 x	6.9 x	5.8 x	1.8 x	1.8 x	1.5 x	na	18 %	17 %	26 %	26 %	0.7 x	
POS / Card Solutions																				
NCR	\$ 27.13	2 %	74 %	\$ 4,623	\$ 7,590	9.9 x	9.2 x	22.1 x	7.5 x	6.9 x	1.2 x	1.2 x	1.1 x	(3)%	4 %	na	16 %	17 %	na	
Gemalto	61.14	1	67	5,409	5,938	16.3	13.5	12.1	10.3	8.9	2.0	1.8	1.7	25	8	14	17	19	1.1	
Diebold	37.51	2	96	2,443	2,870	21.0	18.8	12.8	13.1	9.8	1.0	1.0	0.8	(7)	21	20	8	8	1.0	
Wincor Nixdorf	48.78	(2)	91	1,455	1,604	nm	18.2	9.8	13.6	8.6	0.6	0.6	0.6	(1)	2	4	5	7	na	
DirectCash Payments	9.08	(6)	62	158	297	nm	nm	5.8	5.8	6.1	1.4	1.4	1.4	0	0	na	24	23	na	
Median		(1)%	77 %			14.0 x	13.5 x	10.9 x	8.9 x	7.7 x	1.3 x	1.3 x	1.3 x	(1)%	6 %	15 %	17 %	18 %	1.0 x	
Mean		(1)	78			14.7	14.2	11.7	9.5	7.7	1.3	1.3	1.2	3	9	14	16	17	1.0	
Payment POS Devices																				
Ingenico	\$ 117.84	3 %	86 %	\$ 7,175	\$ 7,641	23.6 x	21.1 x	16.3 x	14.3 x	12.9 x	3.7 x	3.3 x	3.0 x	39 %	11 %	21 %	23 %	23 %	1.1 x	
Verifone	28.62	(5)	73	3,299	3,905	15.2	12.6	14.2	9.5	9.4	2.0	1.9	1.8	6	7	15	20	19	1.0	
GHL Systems	0.26	2	87	169	168	nm	31.4	24.6	21.7	14.6	3.6	3.7	3.1	38	18	nm	17	21	na	
Median		2 %	86 %			19.4 x	21.1 x	16.3 x	14.3 x	12.9 x	3.6 x	3.3 x	3.0 x	38 %	11 %	18 %	20 %	21 %	1.1 x	
Mean		(0)	82			19.4	21.7	18.4	15.2	12.3	3.1	3.0	2.6	27	12	18	20	21	1.1	
Retail Technology																				
Zebra Technologies	\$ 74.89	(3)%	63 %	\$ 4,026	\$ 6,832	14.1 x	11.9 x	13.9 x	11.3 x	9.8 x	2.0 x	1.9 x	1.8 x	120 %	4 %	14 %	17 %	18 %	1.0 x	
ScanSource	37.42	8	88	1,004	1,057	14.6	12.0	9.3	8.9	7.6	0.3	0.3	0.3	13	8	8	3	4	1.9	
Median		3 %	75 %			14.3 x	11.9 x	11.6 x	10.1 x	8.7 x	1.1 x	1.1 x	1.0 x	67 %	6 %	11 %	10 %	11 %	1.5 x	
Mean		3	75			14.3	11.9	11.6	10.1	8.7	1.1	1.1	1.0	67	6	11	10	11	1.5	

Source: Capital IQ, SEC filings.

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



Square Completes its IPO



First Data: Post Quiet Period Review



Worldpay Files for its IPO



Shopify: Post Quiet Period Review

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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>MERCURY® in its cash sale to</p> <p>vantiv®</p> <p>for total consideration of approximately</p> <p>\$1,650,000,000</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>MERCURY® in its approximately 60% majority sale to</p> <p>SILVERLAKE</p> <p>for aggregate consideration of approx.</p> <p>\$ 900,000,000</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>judo in its growth financing with</p> <p>ROUTE SIXTY-SIX VENTURES</p> <p>for total consideration of approximately</p> <p>£6,000,000</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>azimo in its Series B financing led by</p> <p>frog capital for approximately</p> <p>\$ 20,000,000</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>YAPSTONE® POWERING PAYMENTS</p> <p>in its debt financing by</p> <p>BregalSagemount Comerica Bank</p> <p>totaling approximately</p> <p>\$ 60,000,000</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>OZFOREX FOREIGN EXCHANGE SERVICES</p> <p>in its</p> <p>Initial Public Offering valuing the equity at approximately</p> <p>A\$480,000,000</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 advisor to</p> <p>CIBC in its strategic investment in</p> <p>MasterCard with additional participation from</p> <p>Bain Capital Ventures</p> <p>for cash consideration of approximately</p> <p>\$70,000,000</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>VERUS in its sale to</p> <p>sage</p> <p>for cash consideration of approximately</p> <p>\$ 325,000,000</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>CentralPayment® in its Strategic Investment by</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$ 100,000,000+</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>FLEET ONE in its cash sale to</p> <p>wex</p> <p>for total consideration of approximately</p> <p>\$ 369,000,000</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>NMI NETWORK MERCHANTS INC.</p> <p>in its growth investment by</p> <p>BregalSagemount</p> <p>for a total valuation of nearly</p> <p>\$ 200,000,000</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>century PAYMENTS in its sale to</p> <p>WorldPay a portfolio company of</p> <p>Advent International BainCapital</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>TRANSFIRST® in its cash sale to</p> <p>Vista Equity Partners from</p> <p>WCAS</p> <p>for total consideration of approximately</p> <p>\$1,500,000,000</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 debt capital advisor to</p> <p>jack henry & ASSOCIATES INC. in its acquisition of</p> <p>iPayTechnologies</p> <p>for total consideration of approximately</p> <p>\$ 300,000,000</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>CUSTOM HOUSE in its sale to</p> <p>WESTERN UNION</p> <p>for total cash consideration of approximately</p> <p>\$ 370,000,000</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>VeriFone THE WAY TO PAY™</p> <p>in its</p> <p>\$177,000,000 Initial Public Offering valuing the equity at approximately</p> <p>\$ 650,000,000</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>PROPAY™ in its sale to</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$ 100,000,000+</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>lynk in its sale to</p> <p>The Royal Bank of Scotland</p> <p>for cash consideration of approximately</p> <p>\$ 525,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

Overview of FT Partners

FT Partners Advises CIBC on its Investment in Dynamics' \$70 mm Series C Capital Raise

Transaction Overview and Rationale

Overview of Transaction

- On December 8, 2014, Dynamics announced it closed a \$70 million Series C round of financing that included new investors CIBC and MasterCard along with existing investors Bain Capital Ventures and Adams Capital Management
- The investment by CIBC follows the successful launch with Dynamics of the marquee CIBC Tim Hortons Double Double Card, which combines a no-fee CIBC credit card with a Tim Card, all in one
- Dynamics designs and manufactures integrated payment cards and advanced payment platforms; the company has currently launched products with banks in the United States and Canada
- CIBC is a leading Canadian-based global financial institution with a market capitalization of \$41 billion and a Basel III Common Equity Tier 1 ratio of 10.3%; through its three major businesses, Retail and Business Banking, Wealth Management and Wholesale Banking, CIBC provides a full range of financial products and services to 11 million clients in Canada and around the world

Significance of Transaction

- CIBC has a strong history of innovation and this investment further strengthens its relationship with Dynamics as the two continue to work together to bring new payment products to market
- The transaction demonstrates the continued relevance of the physical card as a means of payment and the increasing importance of innovative payment solutions that create value for consumers in new, differentiated ways while upholding the highest security standards
- The additional capital will help Dynamics to continue to meet global demand for its "Interactive Payment Card" technology platform by increasing the Company's ability to scale its manufacturing operations and extend its technical capabilities and product lines

FT Partners' Role

- FT Partners served as a strategic and financial advisor to CIBC on its investment
- Highlights FT Partners' continued success in advising a broad range of top-tier strategic investors across the financial technology landscape

Financial Technology Partners LP FTP Securities LLC

is pleased to announce its role as advisor to



in its strategic investment in



with additional participation from



Bain Capital Ventures



Adams Capital Management

for approximately

\$ 70,000,000

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Overview of FT Partners

FT Partners Advises on \$310,000,000+ Sale of Currencies Direct

Transaction Overview and Rationale

Overview of Transaction

- On August 11, 2015 Currencies Direct Holdings Ltd (“CDH” or the “Company”) announced its sale for \$310+mm to a buyer consortium formed by Corsair Capital and Palamon Capital Partners
 - Prior to the transaction, CDH was owned by the Azibo Group
- Headquartered in London, CDH is a leading, privately-owned, non-bank provider of non-cash foreign exchange and payments solutions to private and corporate clients
 - Comprehensive international payment offering is available to clients both online and offline
- Corsair Capital and Palamon Capital Partners are leading, global private equity firms focused on financial services and European growth services, respectively
- The transaction is expected to close by the end of calendar year 2015 and is subject to applicable regulatory approvals and other conditions

Significance of Transaction

- Enables CDH to continue to accelerate its growth strategy in the international payments market
- Combined resources and expertise of CDH and the buyer consortium group position the Company extraordinarily well to further its leadership in the marketplace

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to Currencies Direct and its Board
- Developed extensive marketing materials and financial analyses to highlight the unique aspects of the business, and led all aspects of transaction execution
- Transaction highlights FT Partners’ continued success advising leading companies and generating highly successful outcomes in the international payments space

Financial Technology Partners LP FTP Securities LLC

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



in its sale to

Palamon
Capital Partners

CORSAIR CAPITAL

for a total consideration of

\$310,000,000+

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Overview of FT Partners

FT Partners Advises on Strategic Sale of Mercury for \$1.65 bn in Cash to Vantiv

Transaction Overview and Rationale

Overview of Transaction

- Mercury announced its sale to Vantiv for \$1.65 billion in cash on May 12, 2014
- Vantiv will fund the acquisition with committed financing; the transaction is expected to close in the second quarter of 2014
- This transaction is Vantiv's largest acquisition to-date (~5x larger than its acquisition of Litle) and one of the largest strategic merchant acquiring M&A transactions consummated in over a decade

Significance of Transaction

- Vantiv's acquisition of Mercury accelerates the Company's growth in the integrated payment space by significantly expanding distribution channels and technology capabilities
- Expands Vantiv's reach into the SMB segment through Mercury's distribution network, complementary verticals and ability to design integrated, value-added POS innovations
- Enhances Vantiv's competitive position in the payments sector broadly on the basis of technology differentiation, leading processing scale and omni-channel presence while increasing penetration into high growth channels
- Expected to add one to two percentage points to Vantiv's net revenue growth per year while being modestly accretive to Vantiv's non-GAAP earnings per share in 2014 with accelerating accretion in 2015

FT Partners' Role

- FT Partners served as advisor to Mercury
- FT Partners was also Mercury's advisor in the Company's 60% sale to Silver Lake in April of 2010 at a \$700mm valuation

Financial Technology Partners LP FTP Securities LLC

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



in its cash sale to

vantivTM

for total consideration of

\$ 1,650,000,000

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Overview of FT Partners

FT Partners Advises on the Sale of TransFirst to Vista Equity Partners

Transaction Overview and Rationale

Overview of Transaction

- On October 13, 2014, Vista Equity Partners announced that it will acquire TransFirst, a leading provider of secure transaction processing services, from Welsh, Carson, Anderson & Stowe ("WCAS")
- Similar to the May 2014 acquisition of Mercury by Vantiv, TransFirst had filed for an IPO prior to the transaction
- Vista Equity Partners is a U.S.-based private equity firm with over \$13.5 bn in cumulative capital commitments that focuses on software, data and technology-enabled businesses
- WCAS originally acquired TransFirst in June 2007

Significance of Transaction

- Vista's acquisition of TransFirst is one of the largest private equity-lead LBO's in the merchant acquiring space
- With over 200,000 merchants and more than 1,300 partners, the acquisition will allow TransFirst to solidify its position as a leading provider of payment processing solutions in the SMB space
- TransFirst intends to leverage Vista Equity Partners' expertise in helping its portfolio companies achieve operational, product and customer service excellence by contributing professional expertise and proven best practices

FT Partners' Role

- FT Partners served as a strategic and financial advisor to TransFirst in its sale process
- FT Partners has previously worked with TransFirst, including the Company's \$675 mm debt recap transaction in 2012

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



in its sale to



Vista Equity Partners

from



\$ 1,500,000,000



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Overview of FT Partners

FT Partners Advises OzForex on its A\$480 Million Sale & IPO

Transaction Overview and Rationale

Overview of Transaction

- OzForex Group ("OzForex") completed its Sale & Initial Public Offering and began to trade on the Australian Stock Exchange ("ASX") under the ticker symbol OFX
- Stock closed first day of trading up ~30%
- OzForex is an online, global payments provider that offers individuals and SMBs a platform to purchase foreign currency to facilitate international transactions
- Prior to the offering, OzForex was owned by Accel Partners, The Carlyle Group, Macquarie Bank and other founder / private investors

Significance of Transaction

- Transaction was a sale of ~100% of the equity of the company to a "club" of institutional investors, followed by an IPO (one of the largest IPOs of an Australian company)
- Highly innovative "club-deal" structure allowed for reduced risk and certainty for existing investors
- Investors given the ability to sell ~100% of their interests in the Company; certain investors chose to retain a small portion of their ownership

FT Partners' Role

- FT Partners served as exclusive Financial, Strategic and IPO Advisor to OzForex and its Board of Directors
- FT Partners managed the very unique dual-track M&A / sale and IPO process, effectively achieving an "M&A" outcome for shareholders in the public markets (~100% liquidity)
- FT Partners' advisory role simplified and expedited the "time-to-market" period due to the significant amount of up-front work completed prior to the engagement of potential M&A sale buyers and underwriters

Financial Technology Partners LP FTP Securities LLC

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



in its

Initial Public Offering

valuing the equity at

A\$ 480,000,000

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Overview of FT Partners

FT Partners Advises VeriFone on its \$650 Million IPO

Transaction Overview and Rationale

Overview of Transaction

- VeriFone started trading on the NYSE under the symbol PAY
 - \$177 million offering (including over-allotment) consisting of 48% primary shares and 52% secondary shares
 - GTCR Golder Rauner, LLC, a Chicago-based private equity firm with over \$6 bn in capital under management, was the majority shareholder in VeriFone with pre-IPO ownership of 68%
- VeriFone is a leading provider of secure electronic payment solutions at the point of sale; largest U.S. provider of in-store and taxi-cab terminals that process credit and debit card payments
- Proceeds of the transaction will be used to extinguish VeriFone's \$72 mm second lien loan, provide for working capital needs and pay transaction related expenses

Significance of Transaction

- FT Partners' participation as VeriFone's capital markets advisor, and historical familiarity with the Company, led to a largely seamless execution by IPO underwriters
- Transaction highlights FT Partners' ability to confidentially develop and execute a well-planned, successful IPO

FT Partners' Role

- FT Partners managed the entire IPO process, enabling management to focus on growing the business
- FT Partners also advised VeriFone on its secondary offering, \$292 mm debt recapitalization and acquisitions of GO Software, Lipman and Trintech
- Represented FT Partners' first IPO Advisory assignment; excellent execution set a precedent for FinTech companies going public

Financial Technology Partners LP FTP Securities LLC

*is pleased to announce its exclusive role as
Capital Markets and IPO advisor to*



in its

\$ 177,000,000
Initial Public Offering

valuing the equity at approximately

\$ 650,000,000

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Overview of FT Partners

Award-Winning Investment Banking Franchise Focused on Financial Technology

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
 - **Equity Financing Deal of the Year**
 - Professional Services Deal of the Year, Above \$100mm
- 2012
 - **Dealmaker of the Year**
 - Professional Services Deal of the Year, Above \$100 mm
- 2011
 - **Boutique Investment Bank of the Year**
 - Deal of the Decade
 - *10 Deal of the Year Nominations Across 9 Categories*
- 2010
 - **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
 - **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

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
 - **Equity Financing Dealmaker of the Year – Steve McLaughlin**
 - **Information Technology Deal of the Year**
 - **Financial Services Deal of the Year**
- 2006
 - **Financing Professional of the Year – Steve McLaughlin**
 - *Financing Deal of the Year - Equity*
 - *Financing Deal of the Year - Debt*

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Note: Awards won highlighted in **bold**, italics denote categories where Financial Technology Partners was a finalist.

Overview of FT Partners

The FT Partners Senior Banking Team

Name / Position	Prior Background	Experience / Education	Years of Experience
Steve McLaughlin <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York and San Francisco from 1995-2002 Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	20
Larry Furlong <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. in New York, London and Los Angeles beginning in 1995 Wharton M.B.A. 	20
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee Recent coverage included WU, EEFT, DST, ENV, FISV, FIS, V, MA, GPN & HPY among others 	19
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	13
Andrew McLaughlin <i>Managing Director, Research & Business Development</i>		<ul style="list-style-type: none"> Leads FT Partners' Research and Business Development Team Formerly with Deloitte Consulting 	9