

March 28, 2016

Financial Technology Partners

FT Partners Research – Transaction Profile



and

markit[®]

agree to merge

Courtesy of:

FINANCIAL
TECHNOLOGY
PARTNERS

*The Only Investment Bank
Focused Exclusively on Financial Technology*

Financial Technology Partners
555 Mission St., 23rd Floor
San Francisco, CA 94105
Tel: 415.512.8700

www.ftpartners.com



Steve McLaughlin
Managing Partner
Tel: 415.992.8880
steve.mclaughlin@ftpartners.com

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IHS and Markit Agree to Merger of Equals

Transaction Overview

Transaction Overview

- On March 21, 2016, IHS (NYSE: IHS) and Markit (NASDAQ: MRKT) agreed to an all-share merger of equals
- The transaction has been unanimously approved by the Board of Directors of each company
- Upon completion of the merger, the combined company will be renamed IHS Markit and will be headquartered in London with certain key operations based in Englewood, Colorado
- IHS shareholders will own approximately 57% and Markit shareholders will own approximately 43% of the combined company on a fully diluted basis
 - IHS shareholders will receive 3.55 common shares of IHS Markit for each share of IHS common stock, which implies a Markit per share price of \$31.13
- The transaction is expected to close in the second half of 2016
- The new Company plans to execute \$1 bn of share repurchases in 2017 and 2018

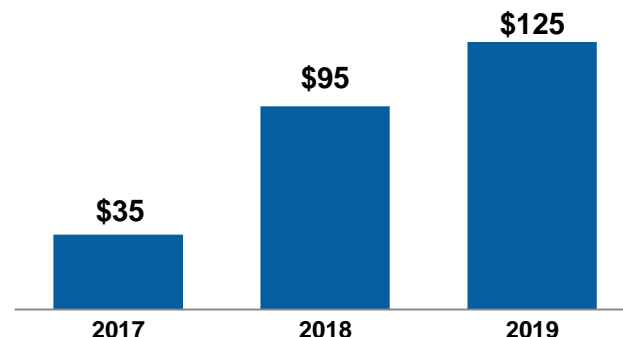
Combined Entity – FY 2015

Implied Equity Value	\$13,000+ mm
Revenue	\$3,300 mm
Adjusted EBITDA	\$1,200 mm
Free Cash Flow	\$800 mm

Strategic & Financial Rationale

- The combined company will create a global information platform across energy, financial services and transportation industries
- Combination of commercial, operational and structural synergies will result in approximately 20% adjusted diluted EPS growth in 2017
 - Expected to be immediately accretive to adjusted diluted EPS, with mid-teens accretion in 2018
 - Expects to realize cost synergies of \$125 mm by year-end 2019
- High recurring revenue generation drives new product investments
 - Anticipates \$100 mm of run rate revenue opportunities by fiscal year 2019
 - Subscription-based model will generate ~ 85% in recurring revenues

Cost Synergies (\$ mm)



Source: Company website, Company press release, Investor Presentation.

The combined entity, IHS Markit, will have more than 50,000 key customers, including 75% of the Fortune Global 500, creating significant cross-selling opportunities across multiple commercial industries and governments



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Transaction Commentary

Executive Commentary

Jerre Stead will become Chairman of the Board and CEO of IHS Markit, while Lance Uggla will become President and serve as a board member

Upon Stead's retirement in Dec. 2017, Uggla will assume the role of Chairman and CEO

"This transformational merger brings together two information-rich companies to create a powerful provider of unique business intelligence, data and analytics to a broad and complementary customer base. IHS Markit and its shareholders will benefit from enhanced product innovation to deliver strong returns across economic cycles. Importantly, the two companies are values-based organizations that have a strong cultural fit which focuses on customer satisfaction and colleague success."

– Jerre Stead, Chairman and Chief Executive Officer



"This is an exciting transaction for customers, employees and shareholders of IHS and Markit. Together, we will create a global information powerhouse and a platform for innovation that drives future revenue. At the heart of our shared vision is the opportunity to offer our customers a broader and richer content set through both existing and new products that will support their critical decision making and manage regulatory change. The combination will enhance cash flow and enable stronger returns of capital to shareholders."

– Lance Uggla, Chief Executive Officer



IHS is a global provider of critical information, insights and analytics to multinational companies, governments, small companies and technical professionals in various industries

IHS and Markit Agree to Merger of Equals

IHS Overview



IHS Overview (NYSE: IHS)

CEO:	Jerre Stead
Headquarters:	Englewood, CO
Founded:	1959
Employees:	8,600
Market Cap:	\$8.2 bn

Global Customer Base

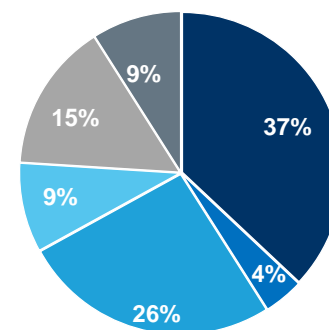
- All G20 governments
- World's 10 largest automobile companies
- 47 of the 50 largest global corporate enterprises
- 50,000+ customers including:



2015 Revenue by Segment

FY 2015 Revenue – \$2.2 bn

- Energy
- Chemicals
- Automotive
- ADS & Maritime
- Product Design
- TMT & FCM



Products Overview

Resources Division	Comprehensive global databases, benchmarking tools and analysis critical for Oil & Gas, Natural Resources, and Chemicals industries	<ul style="list-style-type: none"> ■ Consulting ■ Current Event Analysis ■ Market Insight / Forecasts & Company Analysis
Transportation Division	End to end information solutions serving Automotive, Maritime & Trade, Aerospace, Defense, & Security	<ul style="list-style-type: none"> ■ Market Intelligence Platform ■ Workflow Software
CMS Division	Extensive content featuring information for technical professionals across the Product Design, Technology, and Economic Risk industries	<ul style="list-style-type: none"> ■ Standards and Regulations ■ Technical and Specialized Data



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IHS Historical Acquisitions

Announcement Date	Target	Enterprise Value (\$ mm)	Brief Target Description
01/11/16	Oil Price Information Service	\$650	Offers real-time, daily, weekly, monthly and historical pricing and news
12/28/15	CARPROOF Corporation	468	Provider of used vehicle history data
04/06/15	RootMetrics	na	Mobile analytics company, provides insight into consumer mobile experience
03/26/15	Dataium	na	Platform operates an internet automotive shopping activity aggregator
02/05/15	Rushmore Reviews	na	Provider of offset well data services to exploration and production operators in the oil and gas industry
12/16/14	Infonetics Research	na	Provider of market research and consulting services to the communications industry
11/19/14	PacWest Consulting Partners	210	Provider of strategic consulting and market intelligence services in the energy, industrial, and resources sectors
11/11/14	JOC Group Inc.	na	Publisher of Journal of Commerce, a weekly news magazine
10/28/14	RBYSM and Solarbuzz	na	Represents the combined operations of RBYSM and Solarbuzz
09/02/14	PCI Acrylonitrile	na	Provider of consulting support services to the acrylonitrile and derivatives industry globally
08/05/14	Global Trade Information Services	na	Supplier of international merchandise trade data and market intelligence tools on the Internet for trade data analysis
06/24/13	IntelliChem	na	Provider of market intelligence services for the petrochemical business
06/20/13	PFC Energy	na	Provider of consulting services primarily to the oil and gas industry
06/09/13	R. L. Polk & Co.	1,447	Provider of market research, analytics, software tools, and vehicle histories for the automotive industry
05/31/13	Waterborne Energy	na	Publisher of real time liquefied natural gas (LNG) and liquefied petroleum gas (LPG) market reports
04/08/13	Fekete Associates	na	Provider of reservoir engineering research and consulting services, and software solutions for the oil and gas industry in Canada
01/08/13	Energy Publishing	na	Publisher of various newsletters and databases for the United States and international coal and energy industries
12/12/12	Exclusive Analysis and James K. Dodson Company	na	Represents the combined operations of Exclusive Analysis and James K. Dodson Company
07/11/12	Invention machine Corporation	40	Developer of software solutions and services
07/02/12	Citation Technologies; CyberRegs Business	11	Web based content delivery technology that accesses a library of government documents and enables users to compare past with present regulations

Source: Company website, Capital IQ.

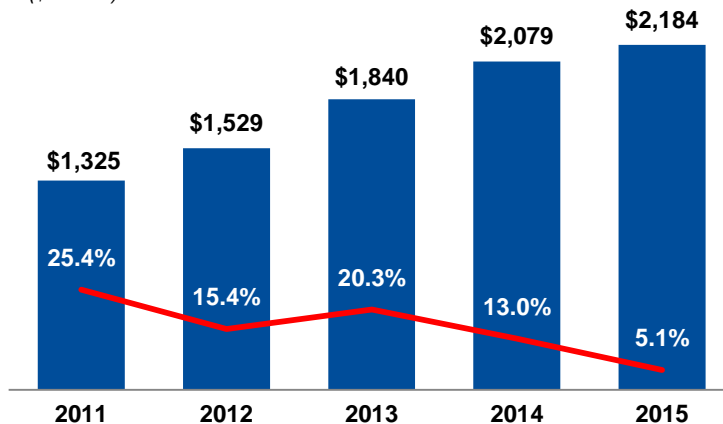
IHS and Markit Agree to Merger of Equals

IHS Financial Overview

Annual figures are based on IHS' fiscal year, which ends on November 30th

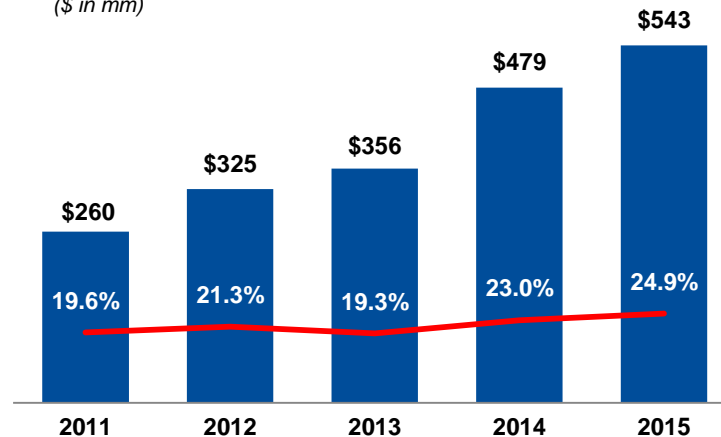
Revenue / Growth %

(\$ in mm)



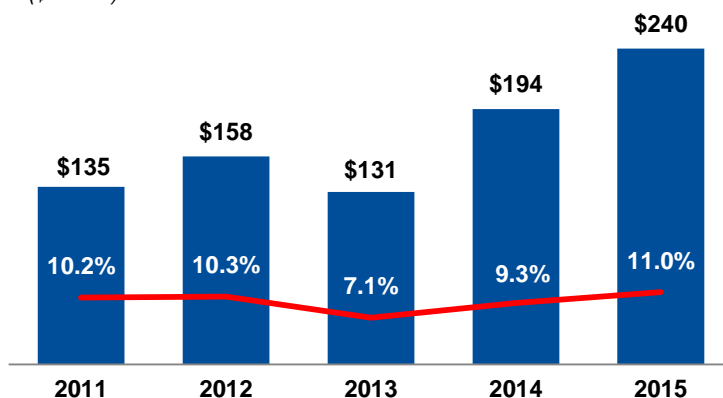
EBITDA / Margin %

(\$ in mm)

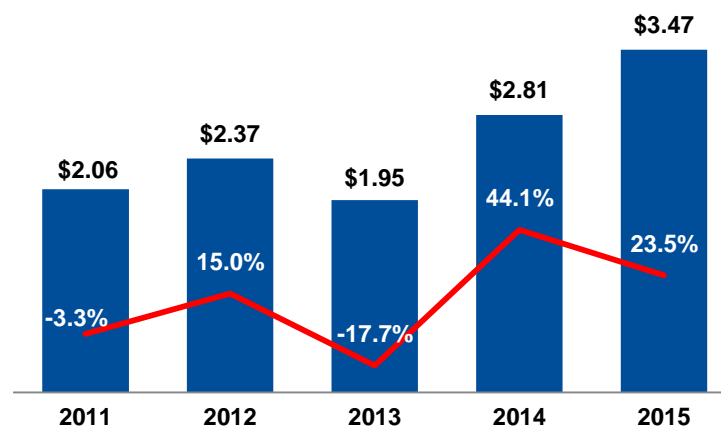


Net Income / Margin %

(\$ in mm)



Diluted EPS / Growth %



IHS and Markit Agree to Merger of Equals

Markit Overview

Markit provides independent data, portfolio valuations and OTC derivatives trade processing to global financial markets



Markit Overview (NYSE: MRKT)

Chief Executive Officer:	Lance Uggla
Headquarters:	London, UK
Founded:	2003
Employees	2,700
Market Cap:	\$5.9 bn

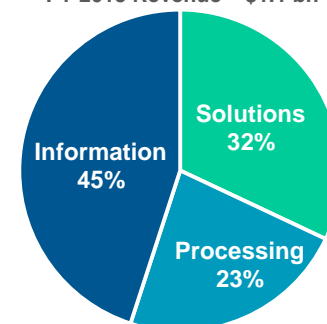
Global Customer Base

- All global investment banks
- 25 largest hedge funds
- 3,500+ customers including:



2015 Revenue by Segment

FY 2015 Revenue – \$1.1 bn



Versatile and scalable solutions that improve operational efficiency, lower total cost of ownership, and offer superior management of data, risk, and compliance initiatives

Product & Services Overview

Information Division

Provides pricing and reference data, indices, and valuation and trading services across asset classes and geographies, enabling customers to price instruments, value portfolios and manage risk

Processing Division

Offers processing and software solutions globally for OTC derivatives, FX and syndicated loans, streamlining workflow and improving connectivity

Solutions Division

Provides configurable enterprise software platforms, end-to-end managed services and utilities; designs, builds and hosts mobile and web applications for financial services customers



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Markit Historical Acquisitions

Announcement Date	Target	Enterprise Value (\$ mm)	Brief Target Description
03/16/16	Fitch's CDS Pricing Service	na	Credit default swap (CSD) pricing service
02/09/16	J.P. Morgan Systems Integration Software	na	Systems integration software developed by J.P. Morgan
01/11/16	DTCC's Loan/SERV	na	Reconciliation service enhances functionality to lenders and bank agents
08/24/15	DealHub	na	Financial market software
08/12/15	CoreOne Technologies	\$200	Global leading provider of financial data creation, management and distribution services and solutions
06/02/15	Information Mosaic	na	Provides custody solutions for the investor services industry
03/10/15	Halifax House Price Index	na	UK monthly house price series with data from 1983
06/03/14	Compliance Technologies International	na	Global tax withholding and information return reporting technology solutions
01/14/14	thinkFolio	na	Order management software for investment professionals
06/17/13	Depository Trust & Clearing Corporation	na	Clearing, settlement and information services for various asset classes
04/05/13	MarkitSERV ⁽¹⁾	na	Post-trade processing for OTC derivatives transactions
05/01/12	Cadis	na	Enterprise data management platform
04/02/12	Data Explorers	na	Research and analysis for security lending fund flows
11/02/11	Quantitative Services Gr.	na	Independent equity research and trading analytics provider
01/12/11	QuIC Financial Tech.	na	Portfolio credit risk analytics solutions
07/09/10	Wall Street on Demand	na	Financial data visualization services provider
02/25/10	Storm Networks	na	Secondary market corporate loan automation services
10/29/09	ClearPar	72	Syndicated loan processing platform
01/29/09	NZX, TZ1 Registry	54	Carbon registry service provider
07/28/08	JP Morgan FCS Corp.	na	Loan market portfolio and risk mgmt. software and services
06/12/08	SwapsWire	na	Electronic trade confirmation network
04/30/08	NTC Economics	na	Macro-economic indicators in the United Kingdom

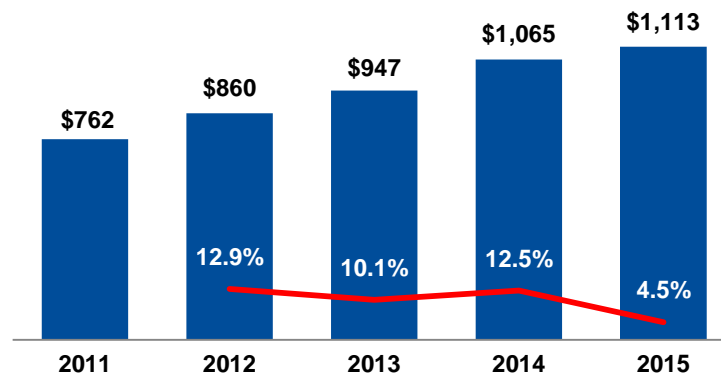
Source: Company website, Capital IQ.

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Markit Financial Overview

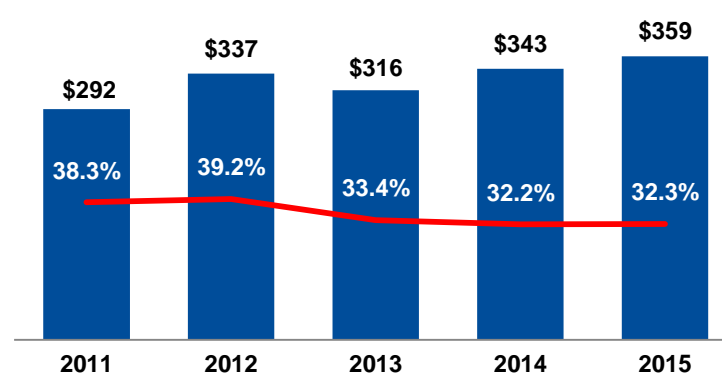
Revenue / Growth %

(\$ in mm)



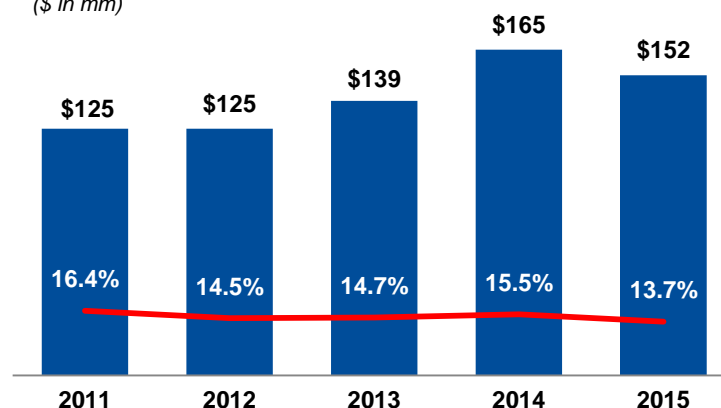
EBITDA / Margin %

(\$ in mm)

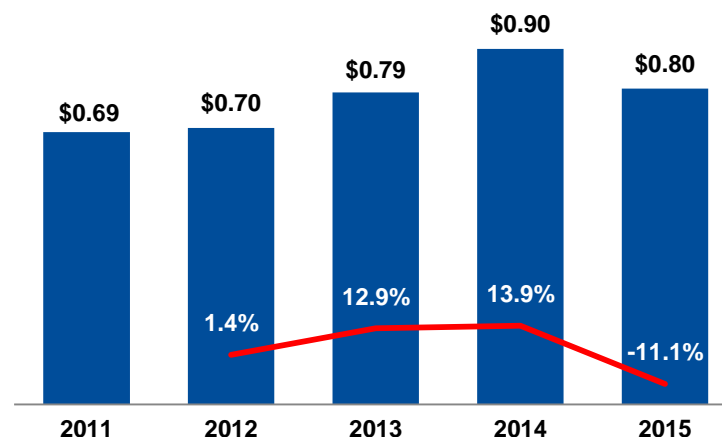


Net Income / Margin %

(\$ in mm)



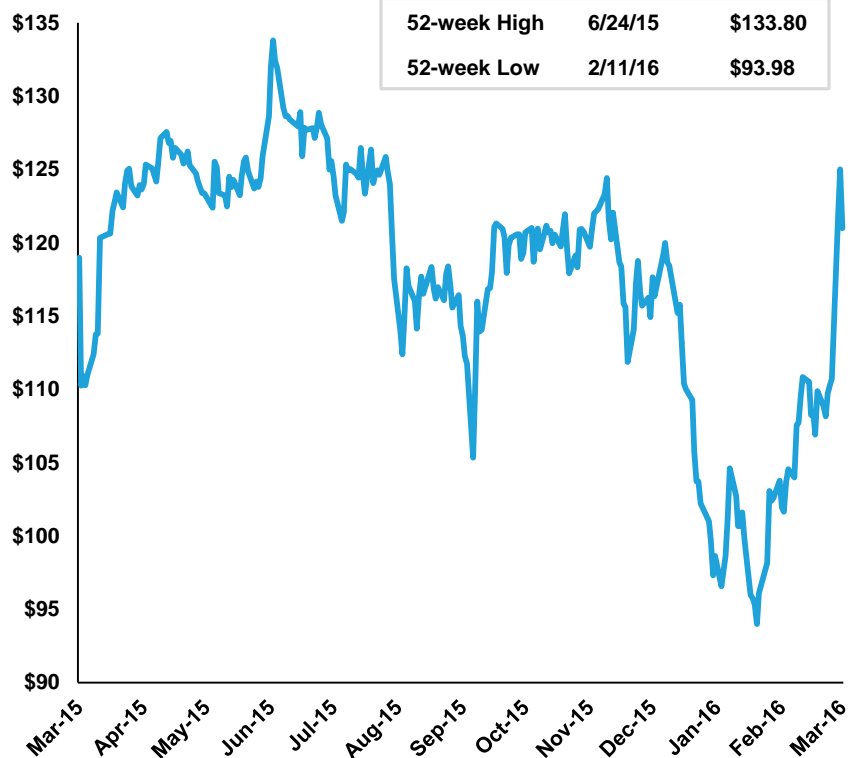
Diluted EPS / Growth %





IHS and Markit Agree to Merger of Equals

IHS and Markit Stock Charts





IHS and Markit Agree to Merger of Equals

Common Stock Comparables

Company Name	Price 03/24/16	% MTD Change	% LTM High	Market Value (\$ mm)	Enterprise Value (\$ mm)	Multiples						Growth Rates			Margins		P / E / G CY 16E
						Price / Earnings		EV / EBITDA		EV / Revenue		Revenue		EPS	EBITDA		
						CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	CY 16E	CY 17E	LT	CY 16E	CY 17E	
IHS	\$ 119.57	11 %	88 %	\$ 8,062	\$ 11,000	19.2 x	17.6 x	14.2 x	13.2 x	4.7 x	4.5 x	1 %	5 %	12 %	33 %	34 %	1.6 x
Large Diversified Financial Media / Information Providers																	
Thomson Reuters	\$ 52.13	5 %	93 %	\$ 39,662	\$ 47,911	25.3 x	22.2 x	14.8 x	13.8 x	4.1 x	4.0 x	(4)%	3 %	9 %	28 %	29 %	2.7 x
McGraw Hill	96.39	4	89	25,867	28,960	19.0	16.9	12.0	11.0	5.1	4.8	7	7	13	42	43	1.5
Reed Elsevier	17.79	1	99	20,341	21,282	19.0	17.8	7.9	7.3	2.6	2.4	6	3	8	35	35	2.4
Moody's	92.95	2	82	18,339	19,740	19.5	17.1	12.0	11.0	5.5	5.1	4	7	13	46	46	1.5
Markit	34.31	22	99	6,504	7,218	22.7	21.0	13.7	13.0	6.0	5.6	9	6	4	44	43	nm
Dun & Bradstreet	101.52	3	75	3,684	5,154	14.0	13.1	10.2	9.7	3.0	2.9	4	4	6	29	30	2.3
Fimalac	104.17	20	96	2,795	3,355	43.6	41.6	nm	nm	21.9	20.9	4	5	na	12	14	na
Morningstar	85.16	6	98	3,656	3,320	27.0	24.5	12.7	11.8	4.1	3.9	3	6	14	32	33	1.9
Median		5 %	95 %			21.1 x	19.4 x	12.0 x	11.0 x	4.6 x	4.4 x	4 %	5 %	9 %	33 %	34 %	2.1 x
Mean		8	91			23.8	21.8	11.9	11.1	6.5	6.2	4	5	10	33	34	2.0

Source: Capital IQ

Overview of FT Partners

Significant Experience in Capital Markets Technology

Wealth Management

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

EISI

In its sale to

ZYWAVE

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Financial Technology Partners LP
FTP Securities LLC
*is pleased to announce its
exclusive role as advisor to*

BLACKROCK

in its 100% acquisition of

FutureAdvisor

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Data / Analytics

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

Zephyr
ASSOCIATES, INC.

In its sale to

informa

for total cash consideration of

\$ 62,000,000

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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

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Financial Technology Partners LP
FTP Securities LLC
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sole strategic and financial advisor to*

MERGENT

In the sale of its Index Business to

NASDAQ OMX

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High Frequency Trading

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

ATD
Automated Trading Partners, LLC

in its sale to

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*for cash and stock consideration of
approximately*

\$ 700,000,000

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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*

QUANTHOUSE
SOLUTIONS FOR TRADING

In its growth financing with

ViewPoint.
Capital Partners

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
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Focused Exclusively on Financial Technology

Overview of FT Partners

Significant Experience in Capital Markets Technology

Trading Technology

Financial Technology Partners LP
FTP Securities LLC

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

 **ITG** INVESTMENT
TECHNOLOGY
GROUP

In its acquisition of

 **macgregor**

for cash consideration of approximately

\$ 230,000,000

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TECHNOLOGY
PARTNERS**

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Focused Exclusively on Financial Technology

Financial Technology Partners LP
FTP Securities LLC

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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

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sole strategic and financial advisor to

 **TradingScreen**
SIMPLIFYING GLOBAL MARKETS®

In its minority recapitalization for

\$ 110,000,000

 **FINANCIAL
TECHNOLOGY
PARTNERS**

The Only Investment Bank
Focused Exclusively on Financial Technology

Other Capital Markets Technology

Financial Technology Partners LP
FTP Securities LLC

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

 **MajesticResearch**

In its sale to

 **ITG** INVESTMENT
TECHNOLOGY
GROUP

for total consideration of approximately

\$ 56,000,000

 **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

chi-x

In its sale of a minority stake to

 **Bank of America
Merrill Lynch**  **GETCO**  **Goldman
Sachs**

 **Morgan Stanley**  **QUANTLIB FINANCIAL, LLC**

 **FINANCIAL
TECHNOLOGY
PARTNERS**

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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

CHIXEUROPE
to

 **BATS**
Trading Markets Better

for total consideration of approximately

\$ 305,000,000

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Overview of FT Partners

Selected FT Partners' Research (click to view)



Research Report: Innovations in Capital Markets Technology



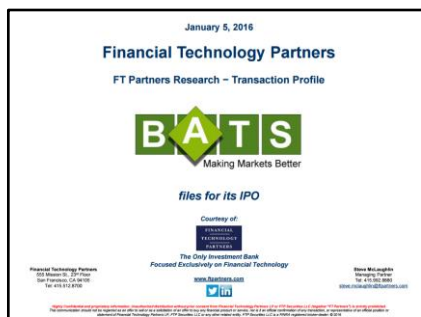
PENSICO Trust Company's Sale to Opus Bank



BlackRock's acquisition of FutureAdvisor



AlphaSense's \$33 mm growth financing



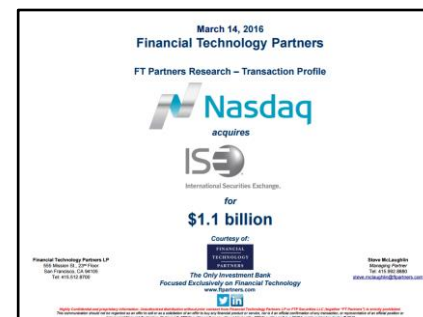
BATS files for its IPO



Wipro's acquisition of Viteos for \$130 mm



ICE's acquisition of Trayport for \$650 mm



Nasdaq's acquisition of ISE for \$1.1 billion

FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 13 years of exclusive focus on Financial Technology. Please visit our [subscription form](#) to subscribe to our exclusive monthly newsletter and receive our research reports.

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

- | | |
|------|--|
| 2015 | <ul style="list-style-type: none"> ■ Dealmaker of the Year ■ Technology Deal of the Year |
| 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 |

Institutional Investor
Institutional Investor
Annual Ranking

- | | |
|-----------|--|
| 2015 | ■ Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List |
| 2006-2008 | ■ Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology |







WINNER
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> |

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

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. 	21
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. 	21
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 DST, ENV, FISV, FIS, V, MA, GPN & HPY among others 	20
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. 	14
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 	10