

FT PARTNERS FINTECH INDUSTRY RESEARCH

June 6, 2017

GTCR

**GTCR Acquires Sage Payment Solutions
for \$260 million**

sage Payment Solutions

Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- 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 15 years of exclusive focus on Financial Technology

FT Partners' Advisory Capabilities



FT Partners' FinTech Industry Research

FINTECH RESEARCH & INSIGHTS

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



The Information

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

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Transaction Summary

Transaction Summary

- On June 2, 2017, GTCR announced that it has acquired Sage Payment Solutions (SPS) for \$260 million from Sage Group (LSE:SGE)
- GTCR is partnering with SPS' management to pursue organic growth initiatives, as well as to fund future acquisitions
 - To support this, GTCR has committed up to \$350 million of equity capital for the platform
- Together with the acquisition, SPS and Sage have entered into a strategic alliance to continue to serve merchants and partners
 - SPS will be the preferred provider for merchant processing services for Sage clients in the U.S.
 - Sage will also retain a financial interest in SPS and will continue to receive a revenue share from joint customers
- The acquisition is expected to close in the third quarter following receipt of regulatory approvals and other consents

Transaction Commentary - Seller

"We recently outlined our updated payments and banking strategy which included exiting areas of the payments market where the strategic fit is not as strong as the rest of the business, whilst continuing to build on our growing network of partnerships within the payments and banking sector... Today's announcement to sell the SPS business and partner with the divested business... reinforces this strategy, allowing our North American business builders to continue to access their current payments and banking technology, supported by the renewed investment from GTCR."

sage

Stephen Kelly
CEO



Transaction Commentary - Buyer

"We are delighted to partner with the SPS management team at this exciting time in the Company's evolution. SPS has a leading platform with robust software integrations in attractive end markets. We intend to invest further in the technology and offer additional innovative solutions to SPS customers and partners. GTCR's long history of investing in payments and extensive experience in corporate carve-outs provides us with a differentiated perspective on the Company, and we are excited to bring significant resources and expertise to help fuel the next phase of SPS's growth."

GTCR

Collin Roche
Managing Director



"We are excited to acquire SPS and work as partners with Sage on a go-forward basis. We believe the Company is well positioned to continue its growth and success within the rapidly evolving area of integrated payments, and we look forward to supporting greater organic growth and expansion through acquisition."

GTCR

Aaron Cohen
Managing Director



GTCR Acquires Sage Payment Solutions

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Sage Payment Solutions Overview

sage Payment Solutions

Company Overview

sage Payment Solutions

CEO: Stephen Kelly
Headquarters: Reston, VA
Founded: 1993

- **Sage Payment Solutions is a leading provider of payment card processing, ACH, check and gift and loyalty card services in North America**
 - The Company is being sold by Sage Group (LSE:SGE), a market and technology leader for integrated accounting, payroll and payment systems
- **The Company provides a comprehensive suite of products and services to small and medium sized businesses to help make and receive payments, as well as manage money and accounts**
 - It's main product segments are payment processing for business, solutions for developers and ISV's and partnerships
- **SPS' reported revenue for the year ended September 30, 2016 was £130 million**
 - The operating contribution for that year was £34 million, excluding certain expenses for functions provided by Sage

Products & Services Overview

In-Store Payments Experience



Credit and Debit
Card Processing



Terminals



EMV

Online Merchant Services



E-Invoicing



Electronic Checks
and ACH



Fraud Prevention



Donations



Mobile Wallet



Shopping Cart

Mobile Merchant Processing



Mobile Dongle



Mobile Wallet



Contactless

Value Added Services



Accounting
Integration



Gift and Loyalty



Small Business
Loans



Payment Center



Sage Exchange

GTCR Acquires Sage Payment Solutions

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sage Payment Solutions

GTCR Overview

Overview

GTCR



Collin Roche
Managing Director



Aaron Cohen
Managing Director



David Donnini
Managing Director



Sean Cunningham
Managing Director

Locations

- Chicago, IL

About

- Founded in 1980 by Stanley Golder and Carl Thoma
- Has invested ~\$10 bn in over 200 companies since inception
- Primarily focuses on majority buyout investments, but will occasionally look at significant minority and carveout transactions
- Leverages a wide network of consultants, bankers, recruiters and lawyers to gain insight into sector and customer trends
- Actively participates in company development through board representation
- Adds value to each portfolio company by sourcing add-on acquisition opportunities, recruiting additional leadership members and providing additional follow-on funding

Investment Preferences

Investment Criteria

Fund Size:	\$3,850mm
Fund Raised:	2014
Investment Range:	\$50 – 250 mm
Revenue:	NA
EBITDA:	NA

General Preferences ¹

Control:	Majority, Minority
Geography:	North America
Transaction Type:	Growth, Buyout, MBO, Spinoff
Industry Focus:	Financial Services, Financial Technology, Healthcare, Information Services, Business Services

Selected Recent Investments / Exits

FinTech / Financial Services Investments ²

Date	Company	Deal Amt. ³	Board Rep.	Sector
06/17	Sage Payment Solutions (Buyout)	\$260	NA	Pymts
11/16	RevSpring (Buyout)	NA	NA	FMS
06/16	Optimal Blue (Buyout)	NA	NA	Bankg
06/15	Rx30 (Buyout)	NA	Sean Cunningham	HCIT
08/14	Cedar Gate Technologies (Buyout)	220	Dean Mihas	HCIT
07/14	XIFIN (Buyout)	NA	Constantine Mihas	HCIT
07/14	Correct Care Solutions (Buyout)	NA	David Katz	HCIT
07/14	Hiperos (Buyout)	NA	Collin Roche, Aaron Cohen	FMS
05/14	Proximus (Growth)	1	NA	FMS
05/14	Vocus (Buyout)	447	Mark Anderson	FMS
01/14	ProcureStaff Technologies (Buyout)	NA	Philip Canfield	FMS
09/13	Opus Global (Buyout)	500	Collin Roche	CapMkts
05/13	Core Nap (Buyout)	NA	Phillip Canfield	Ins
12/12	Schifman Remley Associates (Buyout)	NA	Aaron Cohen	BPO
11/12	Premium Credit (Cinven)*	1,400	Collin Roche	Bankg
10/12	Avention (Buyout)	NA	Philip Canfield	FMS

Source: Company website, PitchBook

1) Italics indicate preferred control / geography

3) Deal Amount in mm

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

Selected FT Partners' Research – *Click to View*



Global Money Transfer



Transaction Security



Heartland's Sale to Global Payments



Adyen's Rise to One of the Most Valuable Payments Companies



CardConnect's \$750 million to First Data



Central Payment's Strategic Investment from TSYS



North American Bancard Acquires Total Merchant Services



Moneycorp Acquires Commonwealth FX



Ebix Acquires an 80% Stake in ItzCash for \$120 million



Harland Clarke Acquires RetailMeNot



Vantiv Acquires Paymetric



Swedbank Acquires PayEx

[VIEW MORE FT PARTNERS RESEARCH](#)

FT Partners – Focused Exclusively on FinTech

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Strong Domain Expertise in Payments Investment Banking








































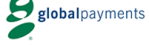
<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>Heartland</p> <p>in its sale to</p> <p>globalpayments</p> <p>for total consideration of</p> <p>\$ 4,500,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>	<p>Financial Technology Partners LP FTP Securities LLC</p> <p>is pleased to announce its role as strategic and financial advisor to</p> <p>MERCURY®</p> <p>in its cash sale to</p> <p>vantiv™</p> <p>for total consideration of</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 role as strategic and financial advisor to</p> <p>TRANSFIRST™</p> <p>in its sale to</p> <p>Vista Equity Partners from WCAS</p> <p>for total consideration of</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 strategic and financial advisor to</p> <p>GiftCards.com</p> <p>in its sale to</p> <p>BLACKHAWK NETWORK</p> <p>for total consideration of</p> <p>\$ 120,000,000</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>CAYAN®</p> <p>in its Significant Growth Recapitalization by</p> <p>PARthenon CAPITAL PARTNERS</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®</p> <p>in its approximately 60% Growth</p> <p>SILVERLAKE</p> <p>for a value up to</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>cardsPRING</p> <p>in its sale to</p> <p>twitter</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 exclusive strategic and financial advisor to</p> <p>CARDINAL® COMMERCE</p> <p>in its sale to</p> <p>VISA</p> <p>for total consideration of</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>MARQETA</p> <p>in its Series C minority financing from</p> <p>COMMERZ VENTURES Commerzbank Group</p> <p>83NORTH EV CAPITAL GROUP</p> <p>for total consideration of</p> <p>\$ 25,000,000</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™ ePayments as a Service</p> <p>in its minority investment led by</p> <p>ACCEL PARTNERS</p> <p>for total consideration of approximately</p> <p>\$ 50,000,000</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</p> <p>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>SOLVERAS PAYMENT SOLUTIONS™</p> <p>in its sale to</p> <p>TRANSFIRST™</p> <p>for total consideration of approximately</p> <p>\$ 51,000,000</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</p> <p>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>	<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™</p> <p>in its sale to</p> <p>TSYS®</p> <p>for total consideration of approximately</p> <p>\$ 135,000,000</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</p> <p>in its growth investment by</p> <p>Bregal Sagemount</p> <p>for total consideration of approximately</p> <p>\$ 200,000,000</p> <p>FINANCIAL TECHNOLOGY PARTNERS</p> <p>The Only Investment Bank Focused Exclusively on Financial Technology</p>

FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

Advisor of Choice for Merchant Acquirers / Payment Processors

























Numerous prominent merchant acquirers have trusted FT Partners to advise them on their most strategic transactions

Selected FT Partners Deals Noted	Seller	Buyer	Date	Transaction Value (\$ in mm)
			05/2017	\$750
			05/2017	NA
			02/2017	700 ⁽¹⁾
			06/2016	NA
			03/2016	438
			01/2016	2,350
			12/2015	4,300
			01/2015	NA
			11/2014	NA
			10/2014	1,500
			07/2014	700
			05/2014	1,650
			05/2014	NA
			03/2014	250 ⁽¹⁾
			01/2014	420

(1) [TSYS 2016 10-K](#)

Advisor of Choice for Merchant Acquirers / Payment Processors (cont.)

Numerous prominent merchant acquirers have trusted FT Partners to advise them on their most strategic transactions

Selected FT Partners Deals Noted	Seller	Buyer	Date	Transaction Value (\$ in mm)
			09/2013	NA
			09/2013	200
			09/2013	NA
			07/25/13	\$163
			11/15/12	135
			10/31/12	361
			08/15/12	413
			08/09/12	110 ⁽¹⁾
			07/06/12	670
			07/05/12	NA
			08/24/11	NA
			06/07/11	50
			04/14/10	900
			01/09/06	325
			08/03/04	525

(1) [TSYS 2012 10-K](#)

Ground-Breaking Payments Transactions Pioneered by FT Partners



in its sale to

FinTech Acquisition Corp
(NASDAQ: FNTC)

\$ 438,000,000

Sale of a payment processor to a SPAC vehicle



in its sale to



\$ 4,500,000,000

Largest U.S. strategic merchant acquiring acquisition in over the last decade



in its Series C financing from




\$ 25,000,000

Significant capital raise for next gen processor serving commerce startups and disruptors



in its financing from




BBVA

Groundbreaking strategic round for early stage European payments company



in its sale to



First sale of a payments company to an established social media company



in its sale to



\$ 370,000,000

First sale of an "International Payments Specialist" to a pure-play consumer remittance provider




in its growth investment by



for a total valuation of nearly

\$ 200,000,000

Substantial growth investment in leading payments enablement technology provider



in its approximately 60% growth investment by



for a value up to

\$ 900,000,000

First large-scale transaction for an integrated merchant acquirer



in its sale to



\$ 325,000,000

First sale of a U.S. merchant acquirer to an international software company; became Sage Payments



in its sale to



\$ 525,000,000

First sale of a U.S. merchant acquirer to a large international financial institution; became Worldpay U.S.

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



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> Investment Banking Firm of the Year Cross Border Deal of the Year
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 \$100mm
2011	<ul style="list-style-type: none"> Boutique Investment Bank of the Year Deal of the Decade 10 Deal of the Year Nominations Across 9 Categories
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
2015	<ul style="list-style-type: none"> Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List
2006 - 2008	<ul style="list-style-type: none"> Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology
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 Financing Deal of the Year - Equity Financing Deal of the Year - Debt

The FT Partners Senior Banker 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 Former Co-Head of Goldman Sachs' Financial Technology Group (#1 market share) Wharton M.B.A. 	22
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. 	22
Greg Smith <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Hambrecht & Quist 20+ years of experience covering FinTech as both an Analyst and Investment Banker 	21
Osman Khan <i>Managing Director</i>		<ul style="list-style-type: none"> Former Managing Director / Head of FIG M&A at Alvarez & Marsal 15+ years FIG deal, consulting and assurance experience at PwC 40 Under 40 M&A Advisor Award Winner in 2013 LSE (BSc w/Honors), MBS (MBA w/Distinction), ICAEW (FCA) 	20
Steve Stout <i>Managing Director</i>		<ul style="list-style-type: none"> Former Global Head of Strategy at First Data Formerly Led J.P. Morgan Payments Investment Banking Former Equity Research Analyst on #1 ranked team at UBS and Economist at the Federal Reserve Bank 	19
Tim Wolfe <i>Managing Director</i>		<ul style="list-style-type: none"> Formerly with Goldman, Sachs & Co. beginning in 2000 Started at FT Partners in 2002 40 Under 40 M&A Advisor Award Winner 2013 Harvard M.B.A. 	15
Timm Schipporeit <i>Managing Director</i>		<ul style="list-style-type: none"> 11+ years with Morgan Stanley, Senior Executive Director of European Technology Investment Banking Team in London Formerly a Venture and Growth Investor focused on FinTech at Index Ventures 	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 	11