



FINANCIAL TECHNOLOGY AND INFORMATION INDUSTRY

FULL YEAR 2014 :: Mergers and Acquisitions Trend Report

2014 KEY HIGHLIGHTS

- Four of the industry's five largest deals in 2014 occurred in the Payments segment. These four transactions, with a combined value of \$8.97 billion, accounted for 31 percent of aggregate value during the year.
- There were 74 financially sponsored transactions with an aggregate value of \$12.04 billion, representing 20 percent of the total volume and 42 percent of the total value, respectively.

2014 KEY TRENDS

- Total transaction volume in 2014 increased by eight percent over 2013, from 343 to 371.
- Total transaction value in 2014 rose by five percent over 2013, from \$27.37 billion to \$28.70 billion.
- The median revenue multiple improved from 2.3x in 2013 to 3.0x in 2014. The median EBITDA multiple increased from 11.9x in 2013 to 13.3x in 2014.
- The segment with the largest rise in volume in 2014 over 2013 was Payments with a 44 percent increase, from 95 to 137 transactions. Payments deals totaled more than one-third of the industry's aggregate volume in 2014.

M&A MARKET OVERVIEW

Berkery Noyes tracked 1,024 Financial Technology and Information transactions between 2012 and 2014, of which 295 disclosed financial terms, and calculated the aggregate value to be \$71.77 billion. Based on known transaction values, we project values of 729 undisclosed transactions to be \$14.52 billion, totaling \$86.29 billion worth of transactions tracked over the past three years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 36 months were 2.9x revenue and 11.9x EBITDA.

The most active acquirer over the past 36 months, either directly or through an affiliated business, was Thomson Reuters with 21 transactions. 11 of these 21 deals occurred in the Capital Markets segment.

M&A Market Dynamics

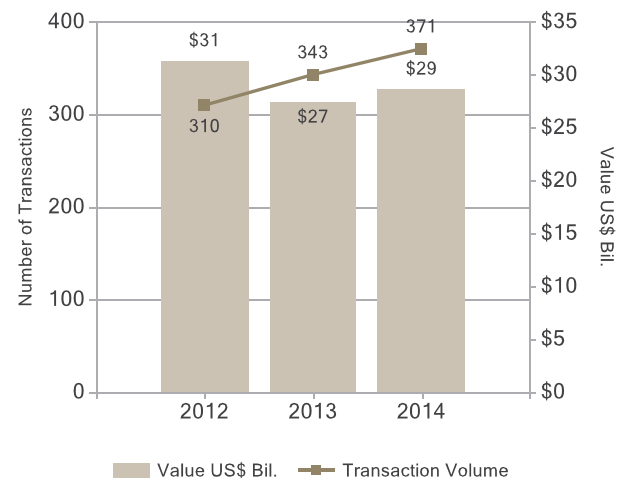


Figure 1. 2012-2014 value and volume comparison.

Median Enterprise Value Multiples

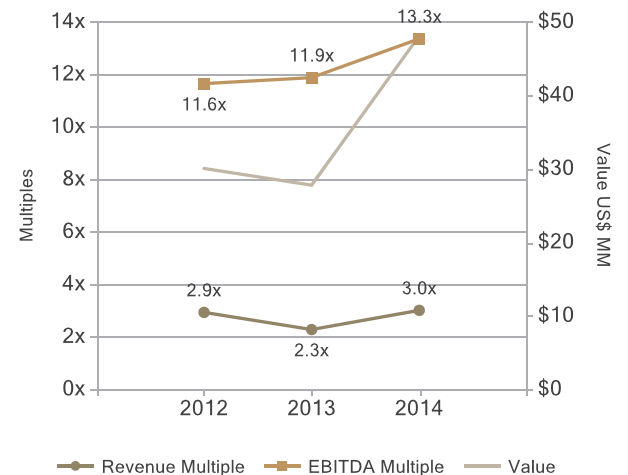


Figure 2. 2012-2014 median value, revenue, EBITDA comparison.

Transaction Analysis :: January 1, 2014 – December 31, 2014

Bell Curve - Histogram

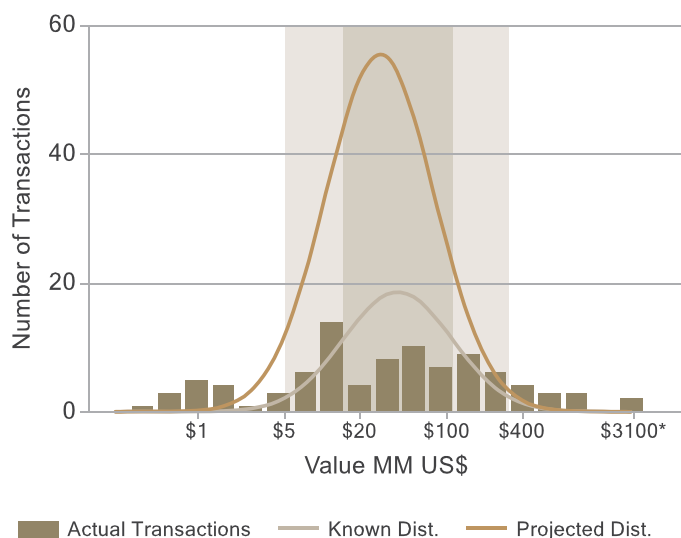


Figure 3. Shows distribution of transactions among the Financial Technology & Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$12.2 million to \$90.0 million. Based on this data, we estimate the total transaction value of deals done in 2014 at \$28.7 billion.

* Indicates largest transaction in the industry from Jan. 1, 2014 to Dec. 31, 2014.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	0	0	0	0 %	0 %
\$0.4	1	0	1	1 %	1 %
\$0.6	3	0	3	3 %	4 %
\$1.0	5	0	5	5 %	10 %
\$1.6	4	1	4	4 %	14 %
\$2.7	1	3	4	1 %	15 %
\$4.5	3	10	12	3 %	18 %
\$7.4	6	21	27	6 %	25 %
\$12.2	14	38	51	15 %	40 %
\$20.1	4	52	55	4 %	44 %
\$33.1	8	55	63	9 %	53 %
\$54.6	10	46	55	11 %	63 %
\$90.0	7	30	36	8 %	71 %
\$148.4	9	15	23	10 %	81 %
\$244.7	6	6	11	6 %	87 %
\$403.4	4	2	5	4 %	91 %
\$665.1	3	0	3	3 %	95 %
\$1,096.6	3	0	3	3 %	98 %
\$1,808.0	0	0	0	0 %	98 %
\$2,981.0	2	0	2	2 %	100 %
Total #		93	278	371	
Total \$ Value		\$20,507	\$8,151	\$28,658	
Middle 3rd of Industry				Middle 2/3rds of Industry	

Figure 4. Presents the data depicted in the bell curve histogram.

Note: The projected number column is rounded as a result of the projection and may produce insignificant errors in the total sum.

Strategic vs. Financial Comparison

M&A Dynamics By Transaction Type

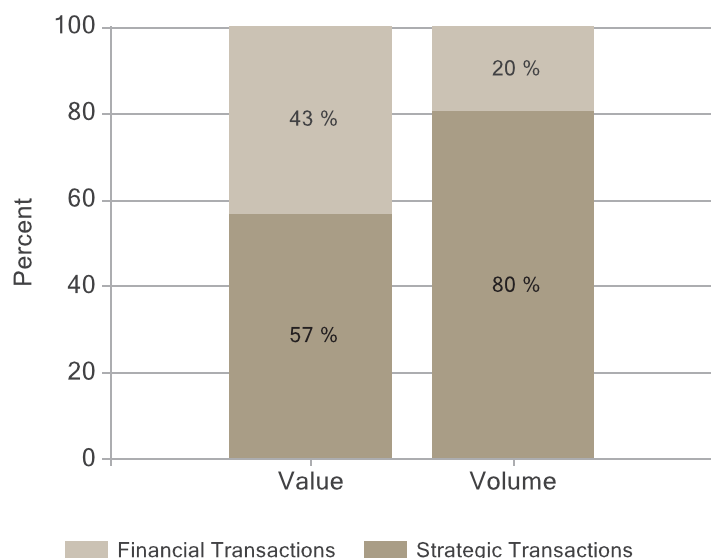


Figure 5. 2014 value and volume comparison by acquirer type.

Note: Financial transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

Transaction Type

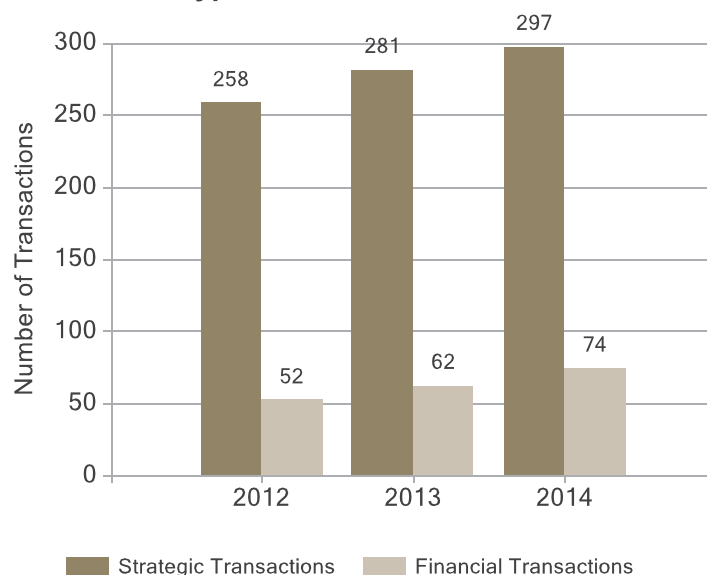


Figure 6. 2012-2014 acquirer type comparison by year.

Purchaser Analysis

Top Ten Notable Transactions 2014

Deal Date	Target Name	Buyer	Value MM US\$
03/24/14	Nets Holding A/S	Bain Capital, Advent International, ATP Private Equity Partners	\$3,140
08/12/14	Comdata Corporation	FleetCor Technologies, Inc.	\$3,058
05/12/14	Mercury Payment Systems	Vantiv	\$1,650
12/01/14	IPC Information Systems, LLC	Centerbridge Capital Partners	\$1,200
07/02/14	GlobalCollect	Ingenico Group	\$1,119
04/14/14	Ipreo Holdings LLC	Blackstone Group LP, Goldman Sachs Merchant Banking	\$962
11/19/14	PayEase, Inc.	Mozido	\$750
11/05/14	Dealogic Limited	Euromoney Institutional Investor PLC, Carlyle Group, Randall Winn	\$700
07/30/14	FENICS and Trayport	CME Group	\$655
06/16/14	Evolution1	WEX Inc.	\$533
2014 Aggregate Transaction Value			\$28,701
Top 10 Aggregate Transaction Value			\$13,767
Top 10 Aggregate Value as a Percentage of All Transactions			48 %

Figure 7. Lists the top ten transactions for 2014 and calculates their aggregate transaction value as a percentage of the 2014 total aggregate transaction value as shown on Figure 1 & 4.

Note: Transaction data based on **announced date**. Deal value represents total consideration paid by the acquirer.

Median EV/Revenue Multiples By Size

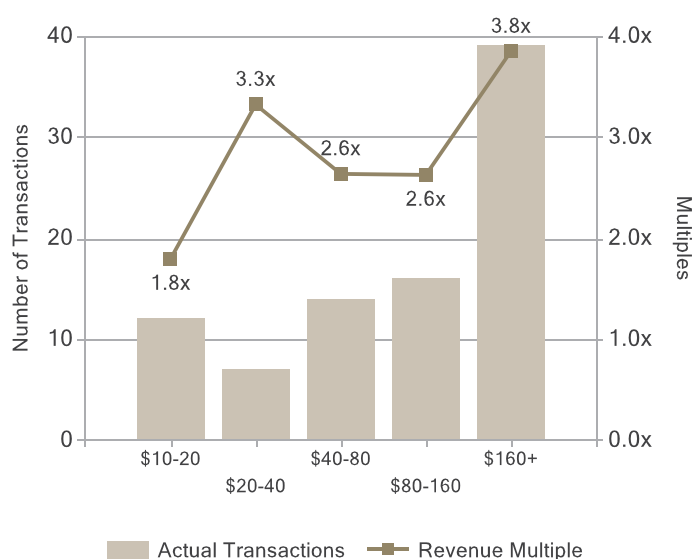


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Financial Technology & Information Industry from Jan. 1, 2012 to Dec. 31, 2014 based on publicly available sales price and revenue data.

Transaction Volume by Segment :: January 1, 2012 – December 31, 2014

Transactions By Market Segment

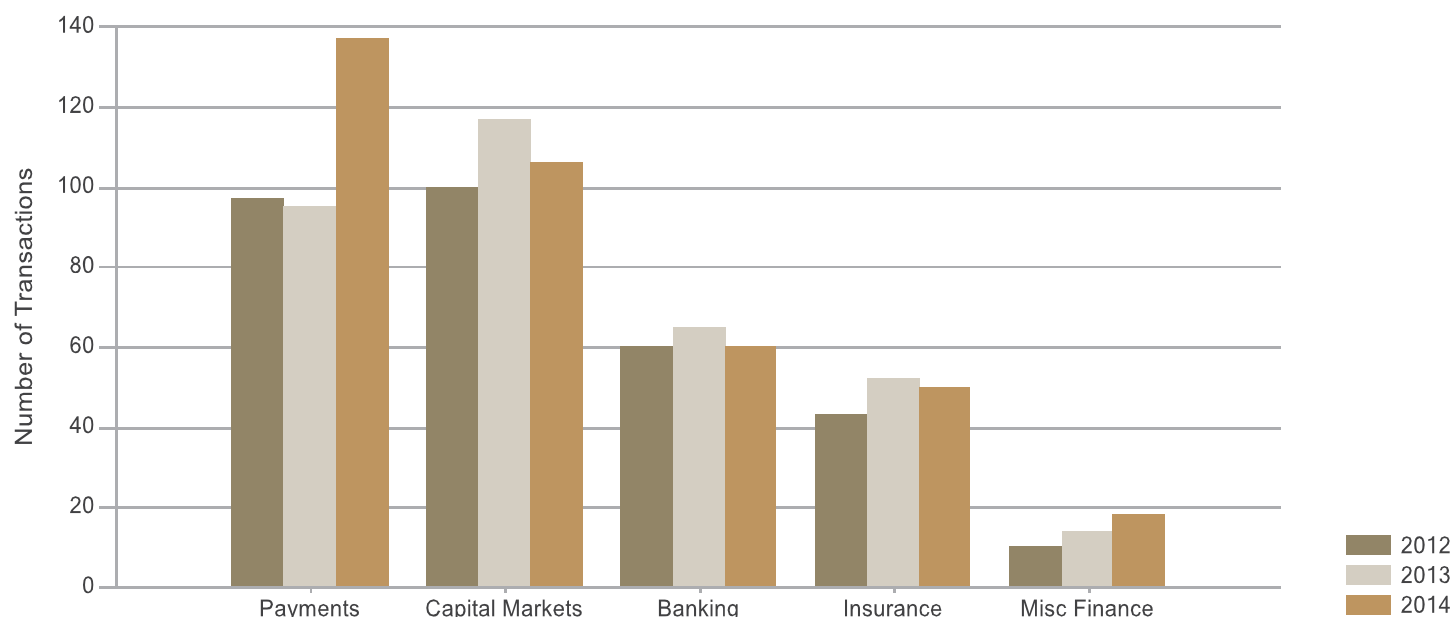


Figure 9. Presents the transaction volume by market segment within the Financial Technology & Information Industry from Jan. 1, 2012 through Dec. 31, 2014.

BERKERY NOYES

INVESTMENT BANKERS

Founded in 1980, Berkery Noyes is a leading independent investment bank serving the information, software, marketing, and technology industries. The firm has initiated, managed, and closed more than 475 merger and acquisition transactions for privately held and publicly traded companies in the healthcare, financial services, education, and entertainment markets.

Berkery Noyes is unique among investment banking firms in that we combine independent strategic research and actionable intelligence with senior banking expertise.

Berkery Noyes Securities LLC assists middle market companies with raising growth capital in the debt and equity markets.

**CONTACT US TODAY FOR A CONFIDENTIAL
DISCUSSION OF YOUR STRATEGIC OPTIONS**

212-668-3022

MANAGING DIRECTORS

JOHN GUZZO

FinTech Group

DICK O'DONNELL

Finance Group

PETER OGNIBENE

FinTech Group

EVAN KLEIN

*Media, Entertainment
& Marketing Services*

JONATHAN KRIEGER

Healthcare Group

THOMAS O'CONNOR

Healthcare Group

JEFFREY SMITH

Healthcare Group

KATHLEEN THOMAS

Media & Marketing Services Group

PETER YOON

Education Group

MARY JO ZANDY

Media, Education, Software & Online

PARTNERS

JOSEPH BERKERY

Chief Executive Officer

JOHN SHEA

Managing Partner



All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date.

For current intelligence on Mergers and Acquisitions activity in the Information Industry please visit our online service at

www.mandasoft.com

RECENT FINANCIAL TECHNOLOGY TRANSACTIONS

asentinel

HAS BEEN ACQUIRED BY

MARLIN EQUITY
PARTNERS

Business Ink, Co.

HAS ACQUIRED

OCS
PRESENTMENT & PAYMENT SOLUTIONS

i2i
Events

A DIVISION OF

Top Right Group

ACQUIRED & ENTERED LONG TERM PARTNERSHIP WITH

Money
20/20

ALLREGS

HAS BEEN ACQUIRED BY

EllieMae

HiSoftware

HAS BEEN ACQUIRED BY

Cryptzone

A PORTFOLIO COMPANY OF



MEDINA CAPITAL

GMIRATINGS

HAS BEEN ACQUIRED BY

MSCI

The Roberts Group
Market Data Expertise that FITS

HAS RECEIVED A STRATEGIC
INVESTMENT FROM

POLARIS

PARTNERS

Management Team and Employees
IN A PARTNERSHIP WITH

BOATHOUSE
CAPITAL

HAS ACQUIRED

MIS
TRAINING
INSTITUTE

A DIVISION OF

EUROMONEY
TRAINING | Euromoney
Institutional
Investor PLC

bankersedge
CORPORATE TRAINING TECHNOLOGIES, LLC

HAS BEEN ACQUIRED BY

OnCourse Learning

A PORTFOLIO COMPANY OF



Riverside

SourceTechnologies

A PORTFOLIO COMPANY OF

LIBERTY PARTNERS

HAS BEEN ACQUIRED BY

StoneCalibre

One Liberty Plaza | New York, New York 10006

berkerynoyes.com | 212.668.3022