



## **/// Update on capital market activity in the payments industry**

Q1/2016

Hamburg, April 2016

## Agenda

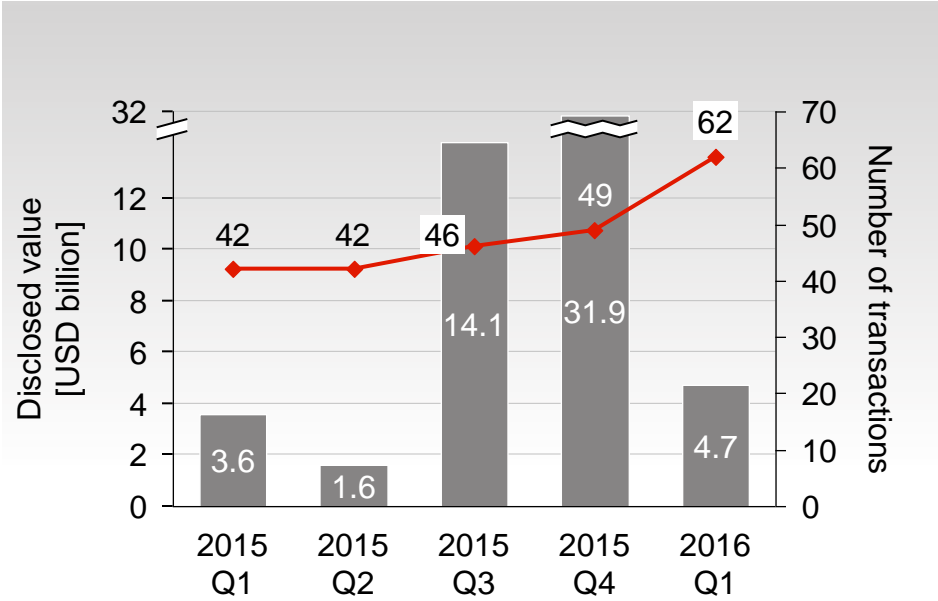
### **1. Mergers & Acquisitions**

### 2. Venture Capital

# In Q1/2016 62 transactions have been reported with a total disclosed volume of USD 4.7 billion

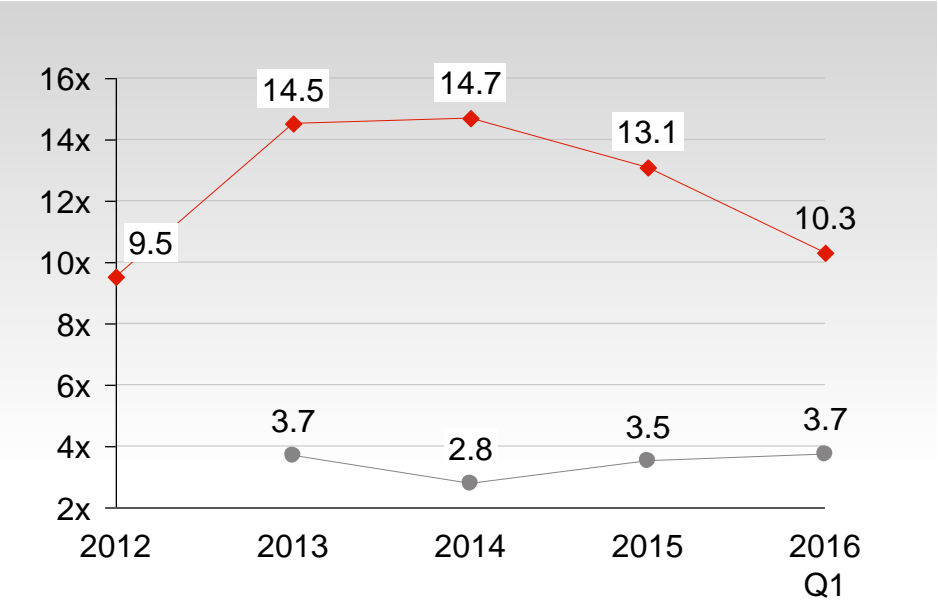
M&A development Q1/2016

## M&A market development



◆ Number of transactions    ■ Disclosed value [USD billion]

## Median enterprise value multiples



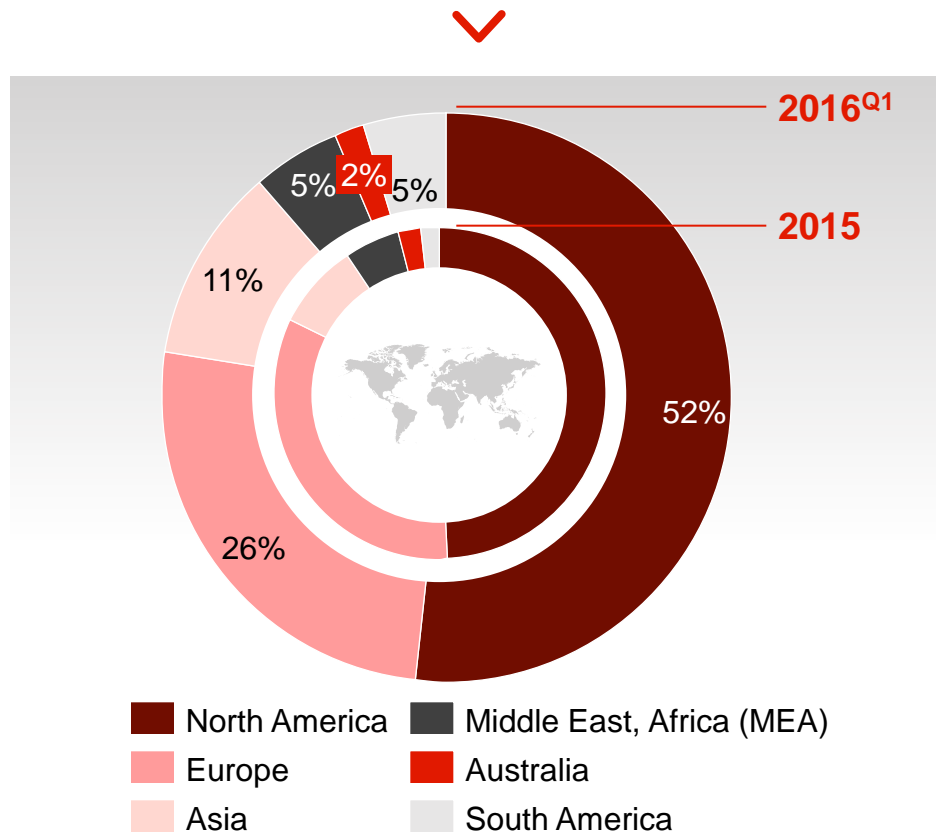
● Revenue multiple    ◆ EBITDA multiple

Source: INNOVALUE, Mergerstat M&A Database, Company websites

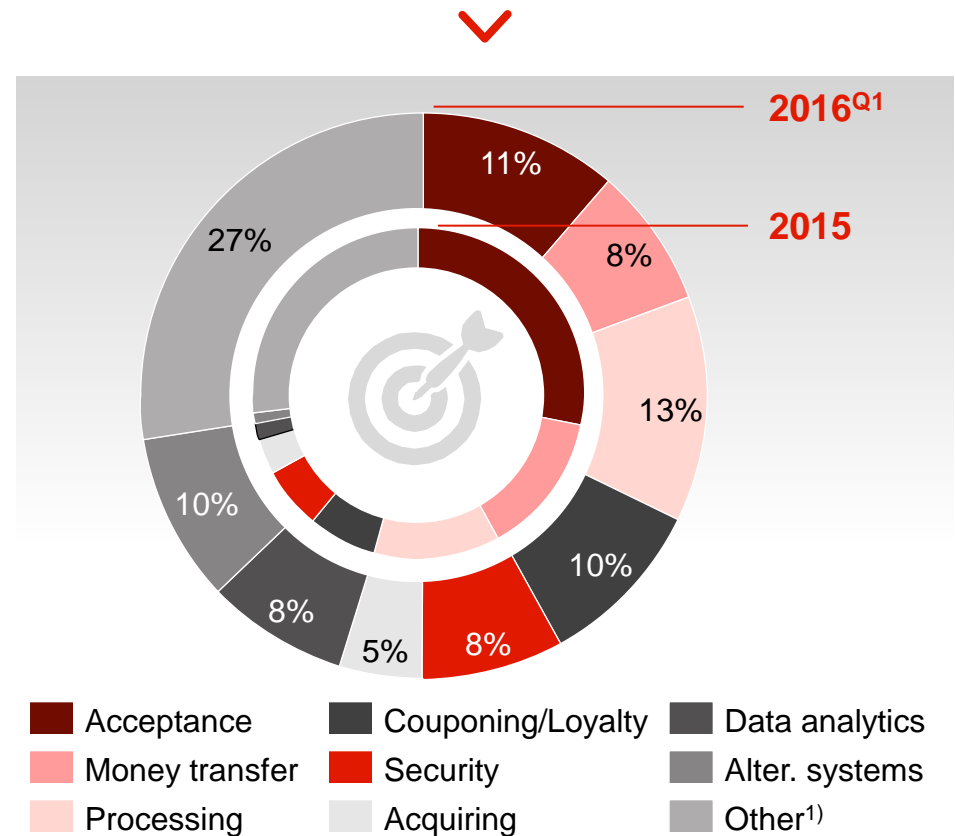
# Most of the targets come either from the US (52%) or from Europe (26%); most deals associated with payment acceptance companies

Targets analysis (Q1/2016)

## Targets by region



## Targets by segment












1) includes ATM, Commerce, Issuing  
 Source: INNOVALUE, Mergerstat M&A Database, Company websites










# The purchase of Visa Europe by Visa Inc. has been the biggest M&A transaction; product expansion & technology enhancement major drivers

## Transactions and rationales 2015










### Product / channel expansion

 Mar. 2015 <sup>1)</sup>  was acquired by  USD 1,250m	 Jul. 2015 <sup>1)</sup>  was acquired by  USD 982m	 Dec. 2015 <sup>1)</sup>  was acquired by  USD 2,311m
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### Geographic expansion

 Feb. 2015 <sup>1)</sup>  was acquired by  USD 750m	 Oct. 2015 <sup>1)</sup>  was acquired by  USD 376m	 Nov. 2015 <sup>1)</sup>  was acquired by  USD 23,400m
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### Technology and talent

 Feb. 2015 <sup>1)</sup>  was acquired by  USD 117m	 Apr. 2015 <sup>1)</sup>  was acquired by  USD 600m	 Aug. 2015 <sup>1)</sup>  was acquired by  USD 574m
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### Financial investment

 Jan. 2015 <sup>1)</sup>  was acquired by  n.a.	 Jul. 2015 <sup>1)</sup>  was acquired by  USD 1,665m	 Aug. 2015 <sup>1)</sup>  was acquired by  <b>CORSAIR CAPITAL</b> USD 750m
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1) Announcement date

Source: INNOVALUE, Mergerstat M&A Database, Company websites

## Agenda

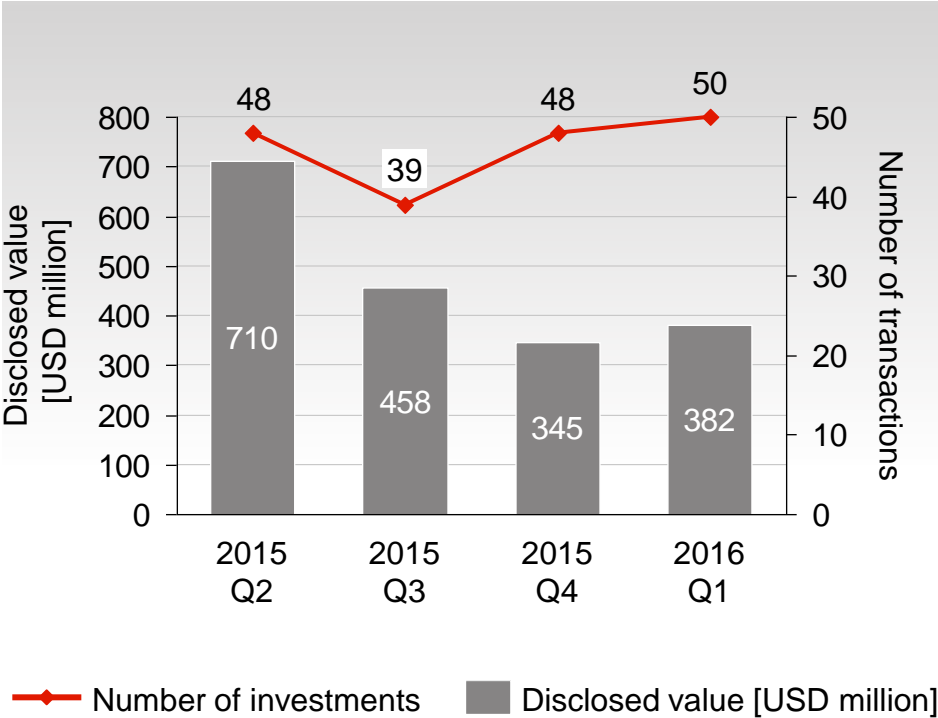
1. Mergers & Acquisitions

**2. Venture Capital**

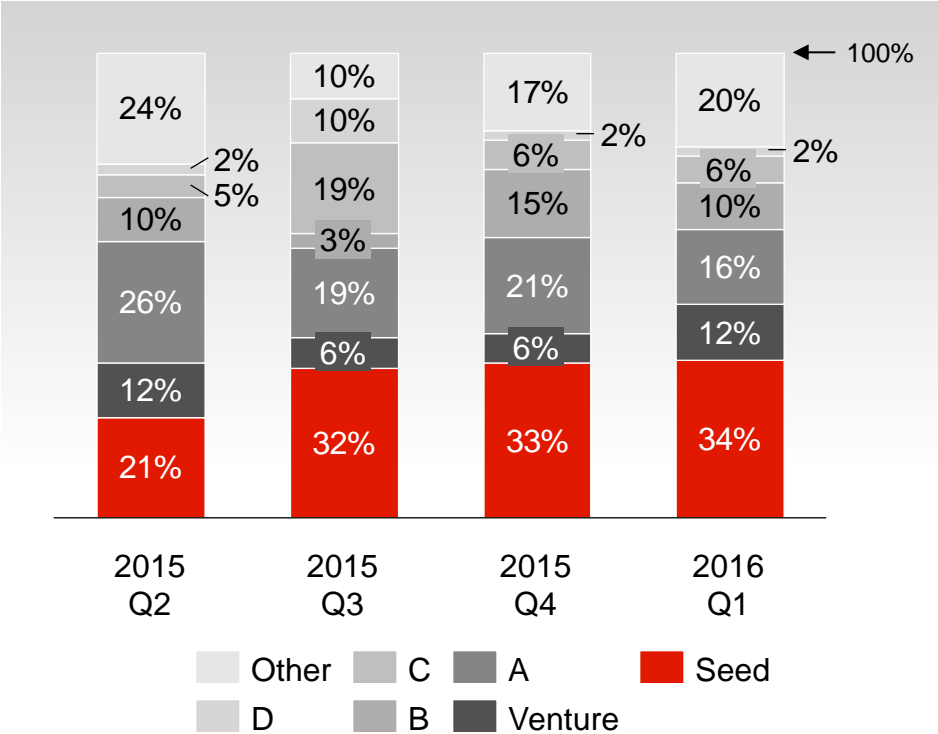
# In Q1/2016 50 investments have been reported with a total disclosed volume of USD 382 million

VC development (Q1/2016)

## Market development<sup>1)</sup>



## Financing rounds



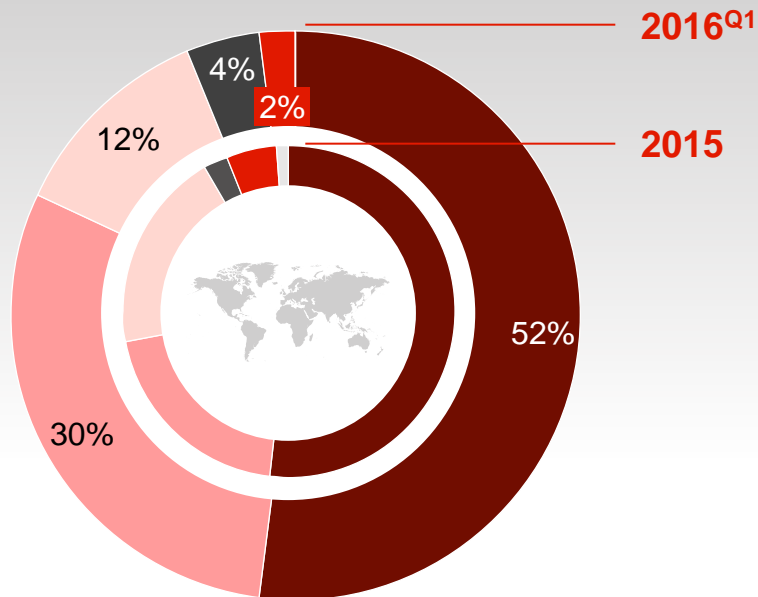
Source: INNOVALUE

1) Including both equity and debt funding deals

# Most of the investments are either in the US (52%), Europe (30%) or Asia (12%); alternative payments, security and acceptance with high attention

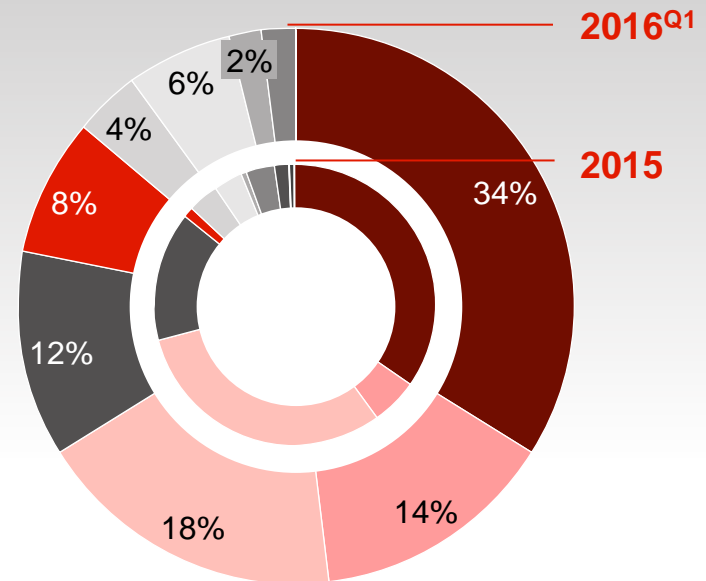
Funded start-up analysis (Q1/2016)

## Investments by region



- North America
- Europe
- Asia
- Middle East, Africa (MEA)
- Australia
- South America

## Investments by segment



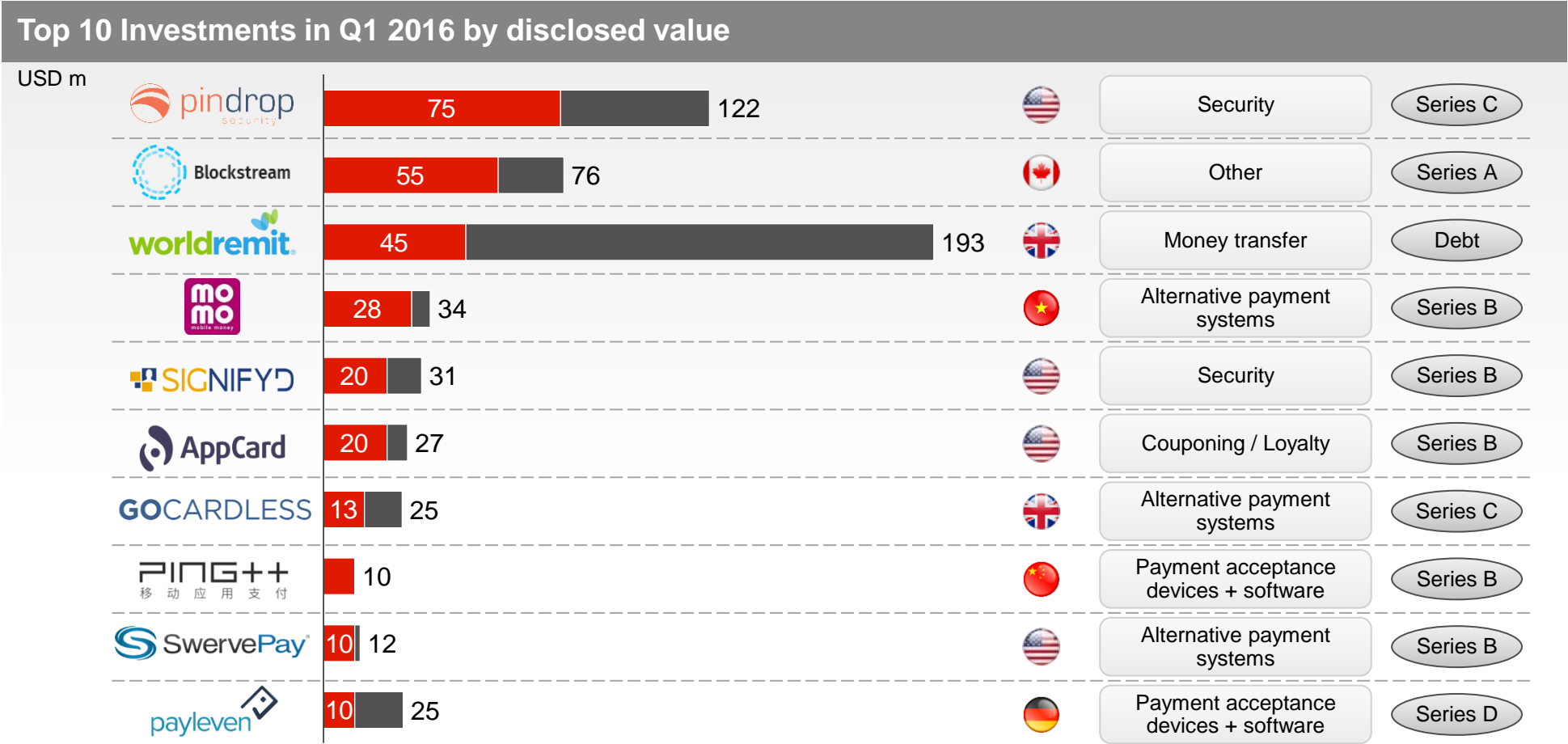
- Alternative systems
- Security
- Acceptance
- Money transfer
- Couponing / Loyalty
- Processing
- Other
- Issuing
- Data analytics
- ATM

Source: INNOVALUE



# The biggest financing rounds in Q1 2016 have been closed particularly by security, money transfer and alternative payment systems

Investments (Q1/2016)



Source: Crunchbase, INNOVALUE ■ Most recent financing volume ■ Total financing volume



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