Update on capital market activity in the payments industry

Q2/2016

Hamburg, July 2016
Agenda

1. Mergers & Acquisitions
2. Venture Capital
In Q2/2016 70 transactions have been reported with a total disclosed volume of USD 6.1 billion.

M&A development Q2/2016

**M&A market development**

**Median enterprise value multiples**

Source: INNOVALUE, Mergerstat M&A Database, Company websites
Most of the targets come either from the US (49%) or from Europe (30%); most deals associated with payment acceptance companies.

Targets analysis (Q2/2016)

Targets by region

- North America: 49%
- Europe: 30%
- South America: 6%
- Asia: 13%

Targets by segment

- Acceptance: 21%
- Security: 10%
- Money transfer: 9%
- Processing: 4%
- Acquiring: 3%
- Couponing/Loyalty: 3%
- Data analytics: 1%
- Alter. systems: 1%
- Other1) 1%

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

1. Mergers & Acquisitions
2. Venture Capital
In Q2/2016 53 investments have been reported with a total disclosed volume of USD 4,977 million

VC development (Q2/2016)

Market development

Financing rounds

Source: INNOVALUE

1) Including both equity and debt funding deals
Most of the investments are either in the Europe (42%), US (30%) or Asia (13%); alternative payments and acceptance display high attention

Funded start-up analysis (Q2/2016)

Investments by region

Investments by segment

Source: INNOVALUE
The biggest equity financing rounds in Q2 2016 have been closed particularly by alternative payment systems

Investments (Q2/2016)

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<tr>
<th>USD m</th>
<th>Most recent financing volume</th>
<th>Total financing volume</th>
<th>Category</th>
<th>Series</th>
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Source: Crunchbase, INNOVALUE

- Red: Most recent financing volume
- Black: Total financing volume