

FINANCIAL TECHNOLOGY AND INFORMATION INDUSTRY

Q3 2018 :: Mergers and Acquisitions Trend Report

Q3 2018 KEY HIGHLIGHTS

- The largest transaction in the Capital Markets segment during Q3 2018 was State Street Corporation's announced acquisition of Charles River Systems, a provider of investment management front office tools and solutions, for \$2.6 billion.
- The highest value Payments deal in Q3 2018 was GrubHub's announced acquisition of LevelUp, an analytics, loyalty, and rewards-based mobile platform that connects restaurants and guests, for \$390 million.

Q3 2018 KEY TRENDS

- Total transaction volume in the 1st 3 Quarters of 2018 improved by 14 percent over the 1st 3 Quarters of 2017, from 336 to 383.
- Total transaction value in the 1st 3 Quarters of 2018 rose by 15 percent over the 1st 3 Quarters of 2017, from \$36.6 billion to \$42 billion.
- The segment with the largest rise in volume in the 1st 3 Quarters of 2018 over the 1st 3 Quarters of 2017 was Payments with a 33 percent gain, from 30 to 40 transactions.

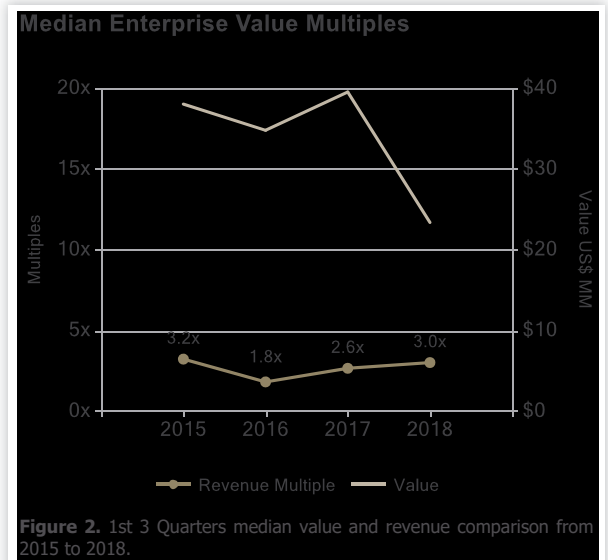
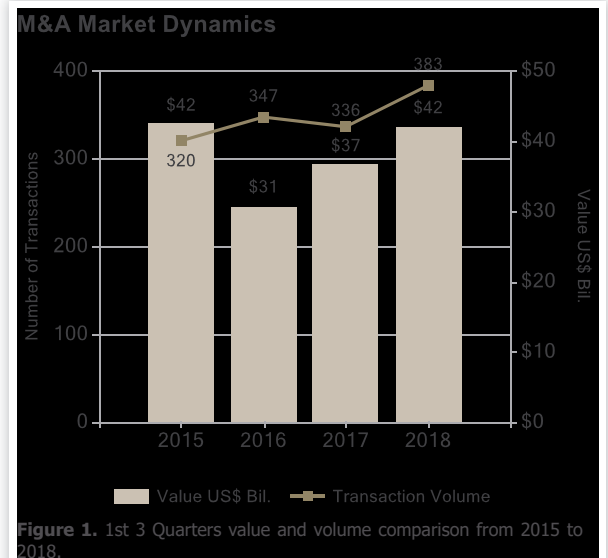
MULTIPLES & VALUE TRENDS

- The median revenue multiple on a year-over-year basis increased from 2.6x to 3.0x.

Top Ten Notable Transactions - 1st 3 Quarters 2018

Deal Date	Target Name	Buyer	Value MM US\$
01/31/18	Thomson Reuters Financial & Risk	Blackstone Group LP	\$11,000
01/11/18	DST Systems, Inc.	SS&C Technologies, Inc.	\$5,637
01/17/18	Blackhawk Network, Inc.	SilverLake, P2 Capital Partners	\$3,624
07/20/18	Charles River Systems, Inc.	State Street Corporation	\$2,600
05/18/18	iZettle	PayPal, Inc.	\$2,426
04/20/18	Fidessa group plc	Ion Group	\$2,020
05/21/18	Ipreo Holdings LLC	IHS Markit Ltd.	\$1,855
09/06/18	Intralinks Holdings, Inc.	SS&C Technologies, Inc.	\$1,500
07/31/18	Eze Software	SS&C Technologies, Inc.	\$1,450
05/30/18	TMC Bonds	Intercontinental Exchange	\$685
2018 Aggregate Transaction Value			\$41,974
Top 10 Aggregate Transaction Value			\$32,797
Top 10 Aggregate Value as a Percentage of All Transactions			78 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2018 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value. **Note:** Transaction data based on **announced date**.



TOP TEN DEALS THROUGH Q3 2018

The top ten deals by value have seen three new additions since our half year report, including two by SS&C Technologies in the Capital Markets segment: Intralinks Holdings for \$1.5 billion and Eze Software for \$1.5 billion.

These three transactions, with an aggregate value of \$5.6 billion, represented 13 percent of transaction value in the 1st 3 Quarters of 2018 and 60 percent of Q3 2018 transaction value.

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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. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity. There can be no guarantee that such information is accurate.

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RECENT FINANCIAL TECHNOLOGY TRANSACTIONS

NARROW GAUGE CAPITAL

HAS ACQUIRED



HAS BEEN ACQUIRED BY



HAS BEEN ACQUIRED BY



HAS BEEN ACQUIRED BY



A PORTFOLIO COMPANY OF



HAS BEEN ACQUIRED BY



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