

Quarterly Industry Update

As of September 30, 2015

Industry: Electronic Payments



Industry Summary

Cogent Valuation identified Electronic Payments publicly traded companies, IPOs, and recent M&A transactions within the Electronic Payments industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since September 30, 2014, the median 52-week share price return of the Electronic Payments industry was 20.7%. Between September 30, 2013 and September 30, 2015, the median EV/EBITDA multiple increased from 11.8 to 14.8. Furthermore, the median price-to-earnings multiple increased from 23.5 to 27.2 over the same period.

Comparable Public Company Key Statistics

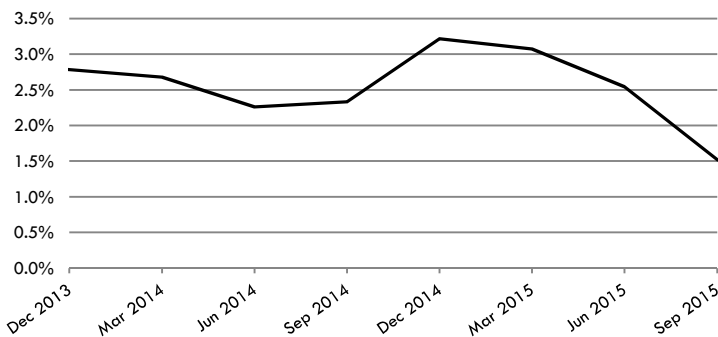
Median 52-Week Return	20.7%	Median EV/Revenue Multiple	3.0x	Median Price/Earnings Multiple	27.2x
Median 3-Year CAGR Return	22.9%	Median EV/EBITDA Multiple	14.8x	Median EV/Gross CF Multiple	26.1x

Comparable Public Company Market Price Returns As of September 30, 2015

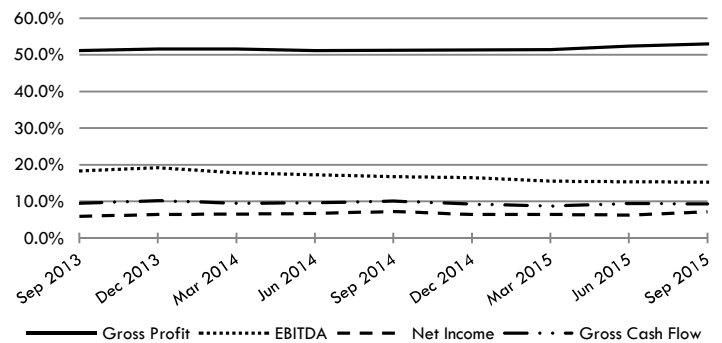
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
ACI Worldwide, Inc.	-6.9%	-14.0%	12.6%	8.3%	14.5%	23.1%	-6.9%	48.8%	52.5%	6.6%	56.7%
Bottomline Technologies (de), Inc.	-30.1%	-10.1%	-9.4%	-5.3%	0.4%	10.2%	-30.1%	37.0%	13.9%	6.7%	23.6%
CSG Systems International Inc.	-14.7%	-2.7%	17.2%	10.9%	11.1%	11.1%	-14.7%	61.7%	23.6%	-22.3%	-0.8%
Euronet Worldwide, Inc.	14.7%	20.1%	55.0%	36.3%	58.0%	32.7%	14.7%	102.8%	27.7%	6.0%	-20.5%
Global Payments Inc.	24.2%	10.9%	64.2%	49.9%	40.0%	21.7%	24.2%	43.5%	-4.4%	2.5%	-14.2%
Heartland Payment Systems, Inc.	8.2%	16.6%	32.0%	26.0%	25.8%	32.9%	8.2%	68.9%	21.1%	58.0%	17.4%
MasterCard Incorporated	3.1%	-3.6%	21.9%	15.7%	25.9%	32.1%	3.1%	70.1%	31.8%	66.4%	-12.5%
Moneygram International Inc.	-56.3%	-12.7%	-36.0%	-36.0%	-18.7%	-16.3%	-56.3%	56.4%	-25.1%	-18.1%	-5.9%
Newtek Business Services Corp.	-6.0%	-7.3%	19.5%	5.4%	21.5%	18.9%	-6.0%	68.8%	61.7%	-33.1%	75.5%
Total System Services, Inc.	2.0%	8.8%	46.7%	24.3%	24.2%	24.4%	2.0%	55.4%	9.5%	27.2%	-10.9%
USA Technologies Inc.	-11.0%	-7.8%	38.3%	24.4%	25.5%	15.5%	-11.0%	4.0%	55.4%	8.7%	-36.4%
VeriFone Systems, Inc.	38.7%	-18.3%	-19.3%	10.1%	-0.1%	-2.2%	38.7%	-9.6%	-16.4%	-7.9%	135.4%
Visa Inc.	17.7%	3.7%	30.6%	20.8%	27.5%	30.3%	17.7%	46.9%	49.3%	44.3%	-19.5%
WEX Inc.	-0.1%	-23.8%	-21.3%	-0.5%	7.6%	19.4%	-0.1%	31.4%	38.9%	18.0%	44.4%
Median of Industry Public Companies	1.0%	-5.4%	20.7%	13.3%	22.9%	20.6%	1.0%	52.1%	25.6%	6.7%	-3.3%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Electronic Payments Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Electronic Payments Industry

Date:	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015
EV/Revenues Multiple	1.9x	2.2x	2.4x	2.5x	2.4x	2.6x	2.6x	3.0x	3.0x
EV/EBITDA Multiple	11.8x	14.0x	12.7x	13.4x	13.0x	13.4x	15.0x	15.5x	14.8x
Price/Earnings Multiple	23.5x	26.6x	23.6x	23.3x	21.8x	22.7x	26.8x	27.3x	27.2x
EV/Gross Cash Flows Multiple	21.3x	25.2x	21.0x	20.2x	20.2x	22.8x	24.3x	25.3x	26.1x

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Industry Initial Public Offerings (dollars in millions, except share prices)

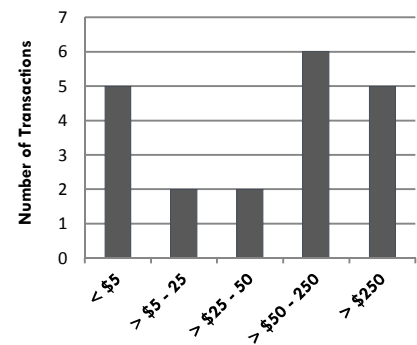
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
5/2/2013	Qivi plc	\$17.00	12.5	\$212.5	\$612.6	\$3.2	\$291.8	\$54.8	\$29.8	\$57.3
4/11/2013	EVERTEC, Inc.	\$20.00	25.3	\$505.3	\$977.7	\$763.8	\$341.7	\$152.6	\$77.4	\$169.0
3/21/2012	Vantiv, Inc.	\$17.00	29.4	\$500.0	\$3,489.7	\$1,801.7	\$1,622.4	\$435.9	\$36.2	\$467.6
6/16/2010	Higher One Holdings, Inc.	\$12.00	9.0	\$108.0	\$66.7	\$18.5	\$95.9	\$34.7	\$18.4	\$35.7
3/18/2008	Visa Inc.	\$44.00	406.0	\$17,864.0	\$27,742.0	\$115.0	\$5,836.1	\$2,570.7	(\$672.5)	\$2,655.7
5/24/2006	MasterCard Incorporated	\$39.00	61.5	\$2,399.3	\$3,711.0	\$229.6	\$3,017.8	\$608.2	\$300.2	\$653.0
Median of All IPOs		nm	nm	\$502.6	\$2,233.7	\$172.3	\$982.1	\$294.2	\$33.0	\$318.3

nm: not meaningful, N/A: not applicable

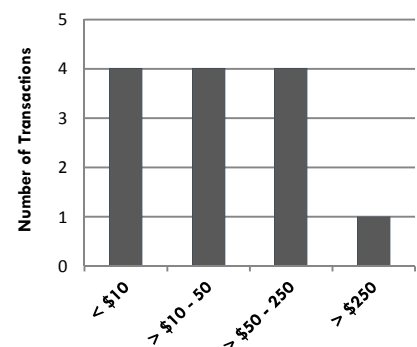
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
8/10/2015	Skrill Holdings Limited	Netinvest Limited	\$1,760.3	100%	N/A	N/A
7/11/2014	PNI Digital Media	Staples, Inc.	\$68.5	100%	\$21.6	2.9x
6/13/2014	Mercury Payment Systems	NPC Group, Inc.	\$1,650.0	100%	\$237.0	7.0x
7/26/2013	PayDivvy, Inc.	Higher One Holdings, Inc.	\$0.1	100%	N/A	N/A
3/26/2013	Ingenico e-Commerce	Ingenico Group	\$534.8	100%	\$56.6	9.5x
3/10/2013	Direção Processamento	Linx Sistemas E Consultoria	\$13.5	100%	\$8.5	1.6x
2/8/2013	paysafecard.com	Skrill Holdings Limited	\$174.1	100%	N/A	N/A
1/10/2013	LML Payment Systems Inc.	Digital River Inc.	\$102.4	100%	\$34.6	2.1x
12/31/2012	Parallel Solutions Inc.	Spindle, Inc.	\$2.0	100%	\$1.0	2.0x
11/30/2012	Litle & Co. LLC	NPC Group, Inc.	\$361.0	100%	\$285.0	1.3x
10/2/2012	FCTI, Inc.	Seven Bank Ltd.	\$131.1	100%	\$42.0	3.1x
9/11/2012	Albany Software Limited	Bottomline Technologies	\$31.4	100%	N/A	N/A
8/31/2012	Merchant e-Solutions, Inc.	Cielo USA Inc.	\$670.0	100%	\$124.0	5.4x
6/11/2012	Quality Equipment B.V.	Worldline S.A./N.V.	\$12.7	100%	\$14.7	0.9x
3/31/2012	NetMind Inc.	Telpac Industries Inc	\$0.7	100%	N/A	N/A
3/31/2012	SBI Veritrans Co.	Wheel, Inc.	\$166.1	100%	\$83.5	1.5x
2/22/2012	KGTG Co., Ltd.	Mobilians Co., Ltd.	\$2.5	100%	\$6.0	0.4x
2/7/2012	Integral Computers Limited	Sage Pay Europe Limited	\$26.5	100%	N/A	N/A
2/3/2012	Escape Premium	Glenrand M.I.B Premium	\$4.0	100%	N/A	N/A
1/30/2012	Buckaroo B.V.	Intrum Justitia AB	\$50.7	100%	\$6.3	8.0x
Median of the 20 M&A Transaction Targets			\$59.6	100%	\$34.6	2.1x

Size of M&A Transactions



LTM Revenues Reported



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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